Conditionalities undermine the Right to Development

an analysis based on a Women’s and Human Rights perspective

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Introduction

Women’s rights organizations’ positions on conditionalities and Aid Effectiveness

By Cecilia Alemany (AWID)
Some years ago, when civil society organizations (CSOs) and women’s rights organizations used to argue against economic policy conditionalities, some actors from the donors’ community reacted, defining this debate as an old-fashion argument. After the Washington Consensus crisis and debacle, there was a broad acceptance of the failure of economic policy conditionalities, structural adjustment programs and state’s reforms implemented in the nineties and previously in the developing world; under the World Bank and International Monetary Fund leadership.

Graciela Dede and Areli Sandoval in Chapter 2 develop an in depth discussion on how in many countries where structural adjustment programmes were implemented, unemployment, poverty and inequality increased. Therefore, these programmes were in violation of the right to an adequate standard of living, and other economic, social and cultural rights of a great quantity of individuals and groups, particularly infringing upon the rights of the most vulnerable populations. The elimination of subsidies, the budgetary cuts, the privatization of public services and enterprises, the liberalization of trade and investments, were part of the measures determined by the structural adjustment programs. The foundations of the discussion regarding the role of international financial institutions changed dramatically since the Asian crisis at the end of the nineties and the Argentinean crisis in 2001; however practices have not yet changed.

The current international crisis shows that international financial institutions leadership is not delivering sustainable development. Fragilities of the international system and so-called development paradigms now are evident. New policies’ frameworks are needed to ensure a more equal and fair income distribution around the world, and the solution will not come from the top.

The new context of the Aid Effectiveness agenda and the recently created Development Cooperation Forum under the United Nations (UN) Economic and Social Council (ECOSOC) opened a new window to have open discussions about conditionalities, and the need to promote national ownership and owned development strategies. In 2007 and 2008, international debates on international cooperation, aid and development bring to the table the old need to discuss policy conditionalities. Now, it cannot be argued that it is an old fashion debate. Moreover, under the new aid modalities and because of the role of the international financial institutions in the Aid Effectiveness
agenda, new dimensions of conditionalities risk undermining national ownership and the Right to Development and self-determination.

In 2005, the 2nd High Level Forum organized by the Organization for Economic Cooperation and Development (OECD) agreed upon the Paris Declaration on Aid Effectiveness; now being adhered by approximately 25 donor countries, 80 recipient countries and 25 multilateral institutions.¹ This Declaration was the result of a process led mostly by the donor’s community through the OECD Development Assistance Committee (DAC), and became the new institutional framework to improve aid delivery and management towards the achievement of the Millennium Development Goals (MDGs) agreed in the UN Millennium Summit in 2000.

Box 1: The principles of the Paris Declaration²

The Paris Declaration on Aid Effectiveness outlines five principles that should shape aid:

**OWNERSHIP:** Developing countries will exercise effective leadership over their development policies and strategies, and will coordinate development actions.

**ALIGNMENT:** Donor countries will base their overall support on recipient countries’ national development strategies, institutions, and procedures.

**HARMONISATION:** Donor countries will work so that their actions are more harmonised, transparent, and collectively effective.

**MANAGING FOR RESULTS:** All countries will manage resources and improve decision-making for results.

**MUTUAL ACCOUNTABILITY:** Donor and developing countries pledge that they will be mutually accountable for development results.

¹ OECD, DCD DAC Website: http://www.oecd.org/document/22/0,3343,en_2649_3236398_36074966_1_1_1_1,00.html
In Paris, less than 20 CSOs were present and their participation was very limited. Women’s rights organizations were not part of the 2nd High Level Forum and initially had not taken into consideration the potential impacts of this new Declaration. The Declaration was very technical and only focused on aid delivery and management mechanisms, but in practice the Aid Effectiveness agenda became a predominant framework that is guiding most donors’ efforts to improve aid quality. The norm-setting role of the DAC was strengthened and a whole new industry was developed to implement the commitments from the Paris Declaration, monitor and evaluate its advances and/or regressions.

During the period 2005-2008 the weight of the Paris Declaration commitments in regards to the international cooperation discourse, trends and modalities has been growing. More CSOs, and particularly women’s organizations, have started to analyze its technical and political implications in terms of development practices and frameworks.

From the women’s rights perspective, the Millennium Declaration and the Paris Declaration are regressive frameworks for guiding development aid, compared to the achievements of the UN conferences of the nineties, the Monterrey Consensus and the overall internationally agreed development goals (IADG) and above all, a setback with respect to the existing instruments of Human Rights.

In 2006, echoing women’s concerns, AWID highlighted “the MDGs came to dominate the development agenda and a dollar-driven, technical approach to their implementation supplanted human-centered, rights-based approaches to development. Women’s rights and gender equality objectives have become marginalized and peripheral in the development sector generally.”

Recently, the UN Secretary General Report to the ECOSOC Substantive session 2008, titled Trends and progress in international development cooperation, “highlights that the degree to which programme and donor countries are not mainstreaming the global development goals as results or allocating aid to maximize their achievement - and that some donors insist via conditionality on their own priority results.

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Addressing these issues will be crucial if the aid effectiveness agenda is to receive support at the political level and from Northern and Southern civil society.”

Several women’s organizations defined the Aid Effectiveness agenda as a political agenda and an opportunity to discuss broader development effectiveness and the connections between development, Human Rights and gender equality.

Today under the Aid Effectiveness framework we are not talking about structural adjustment, but the tools to measure progress of the Paris Declaration commitments are questioned policy instruments developed by the World Bank and the International Monetary Fund (IMF), such as:

- Poverty Reduction Strategies (PRSs) and National Development Strategies (indicator 1 of the Declaration monitoring system).
- World Bank Country Policy and Institutional Assessments (CPIAs), (indicator 2a).
- Public Financial Management (PFM) and procurement standards (indicators 5a and 5b).

Based on the understanding that Aid Effectiveness is a political debate, where old actors and old practices now have new frameworks and new aid modalities, some women’s groups focused on the follow up of the “Road to Accra” (the road to the 3rd High Level Forum took place in Accra in September 2008), and a Women’s Working Group on Financing for Development (FfD) was created to coordinate efforts in the “Road to Doha” from the women’s movement (towards the International Conference that will take place in Doha in December 2008, to review the Monterrey Consensus implementation).

The Women’s Working Group on FfD organized a Consultation in June 2008 in New York. The outcome from this Consultation is published in Chapter 4, and signals that “more needs to happen to address the national, international and systemic challenges of financing development spawned by an environment of intensified and unregulated trade and financial liberalization processes that often

bear unpredictable negative consequences for productivity, growth, employment, poverty eradication and income distribution goals. The current financial, food and climate change crises are stark realities in a volatile environment marked by confusing market competition processes. A gender analysis raises further questions on the connection of these trends and volatilities to (a) women’s wages, employment and unpaid labor, (b) state of social reproductive and social protection capacities, resources and services, and (c) within-country and within-household sharing of financial risks and shocks.”

In this critical engagement several key areas and concerns were identified in different analysis, venues and consultations led by the women’s movement in 2007-2008. The main positions that emerged in these processes are summarized in Box 2 and developed below.

**Box 2: Women’s Rights organizations main positions on Aid Effectiveness and conditionalities**

- There is no aid effectiveness without development effectiveness.

- The development cooperation system or “new aid architecture” should be based on a holistic approach.

- The Aid Effectiveness agenda and practices should be aligned with internationally agreed development goals. Human Rights, gender equality, and environmental sustainability must be recognized as development standards and commitments.

- The Paris Declaration must be monitored, evaluated and reviewed in a larger context of Development Effectiveness in the context of the United Nations.

- If the “aid industry” and the international community are serious about developing countries’ ownership, there should be real commitments to reduce policy conditionalities.

- “Friendly or positive” conditionalities are not a constructive and sustainable way to strength the realization and promotion of Human Rights and gender equality and undermines local civil society and social movements efforts.
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There is no aid effectiveness without development effectiveness

Aid Effectiveness and the Paris Declaration are part of a highly technical agenda that has a strong focus on procedures for aid management and delivery, not on the impact aid is having on achieving development goals. There is growing concern that the current framework and monitoring system of the Paris Declaration is not attending the real dimensions of the Principles and the challenges for their implementation.

During the OECD Working Party on Aid Effectiveness (WPEFF) negotiations of the Accra Agenda for Action (AAA) in July 2008, it was clear that there are several tensions and different perspectives even between the donors’ community. In sum, those tensions are:

- Tension between political engagement and concrete commitments.
- Tension related to end, or not, policy conditionalities.
- The use of country systems, “by default or when appropriate”, and related issues such as capacity development.
- Mutual accountability and what it means.
- Cross-cutting issues (Human Rights, gender equality and environmental sustainability).

However, one of the most flagrant tensions lays on two perspectives or focuses, one on aid effectiveness and another one on development effectiveness. During the negotiations of the AAA in July 2008, an official expressed that the debate is aid effectiveness versus development effectiveness. Another question that was questioned during these negotiations is the fact that the Paris Declaration is based in an assumption that aid effectiveness will reduce poverty or generate development results. However, there is no evidence that managing aid better will deliver development outcomes.

The real question is, how can we reduce poverty and inequality as well as develop capacities for sustainable development around the world? This question is connected to achieving real impacts on the ground with long term perspective and ensuring sustainability. During the AAA discussion, an official representative remembered that it is important to situate the AAA in the broader picture of the question of development results, and the changing aid environment, considering the perspective of South-South cooperation and other components.
The Paris Declaration implementation evaluation signals, the danger of mechanica implementation of the Paris Declaration, rather than allowing countries to adapt it and be flexible on its implementation. This new Aid Effectiveness framework has set up a whole industry concerning its implementation by bilateral, and multilateral institutions. These efforts from donors and the multilateral cooperation to implement the Paris Declaration are also putting pressure in developing governments to adhere to the Declaration, or to accept its implementation. Some officials and practitioners apply mechanically the Declaration without a development focus. When the Paris Declaration is not applied with flexibility, it could become another way to impose conditionalities. If the principle of ownership is not integrated as a vector of the rest of the Declaration principles, this risk is higher.

On the other hand, when donors apply with a narrow approach the Paris Declaration commitments in their aid’s relations with developing countries that have not adhered to the principles, the risk of increasing conditionalities is more significant.

“The development cooperation system or new aid architecture should be based on a holistic approach”

The Aid Effectiveness agenda has to be analyzed in relation to other goals and processes such as: the Millennium Development Goals (MDGs), Financing for Development (FfD) process and the Road to Doha (Monterrey + 6), the Development Cooperation Forum at the United Nations Economic and Social Council (ECOSOC), the United Nations Conference on Trade and Development (UNCTAD) and the World Trade Organization (WTO), as well as the role of the International Financial Institutions in the definition of macroeconomic and development policies. Some steps have been taken by the international community in this sense through the Monterrey Consensus declaring that: “(...) in the increasingly globalizing interdependent world economy, a holistic approach to the interconnected national, international and systemic challenges of finance for development – sustainable, gender-sensitive and people–centered- in all parts of the globe is essential.”

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7. Recommendations from the International Consultation of Women’s Organisations and Networks and Aid Effectiveness organized by the Association for Women’s Rights in Development (AWID), Women in Development Europe (WIDE) in Ottawa at the end of January 2008. Download from: http://www.awid.org/go.php?pg=ottawa_recommendations
8. UN (2002), Monterrey Consensus, paragraph 8.
The development cooperation system or the “new” aid architecture is a complex one. There are no easy solutions to an increasing complex and uncertain world, where dynamics, timing and relations between countries and actors are increasing. The centrality of “domestic policy space and how the international institutional environment supports or undermines the capacity of national governments to achieve development goals” is highlighted by Josefa “Gigi” Francisco, in her intervention during the UN Civil Society Hearings on Financing for Development that took place in NY in June 2008, reproduced in Chapter 5.

Mariama Williams\(^9\) argues that the emphasis, the very plank of the aid architecture, is poverty reduction. The discussion often occurs as if poverty reduction can occur in abstraction without the attendant processes of economic development and growth. Given the current trends poverty and inequality reduction is not happening and the development goals committed for 2015 will not be achieved. The recent revision of purchasing power parities, suggests that poverty estimates such as the number of people living with USD 1 a day has to be reviewed\(^10\), and now World Bank analysts suggests to use the new poverty line of USD 1.25.

Women’s organizations call for a broader perspective of the international development cooperation system that integrates different development actors and agendas based on broader principles than aid effectiveness.

Since the Paris Declaration, development cooperation’s aims and means seem to be its own effectiveness. This has been very criticized from different actors, particularly civil society and women’s rights groups, who defend other basis for the international community’s efforts to achieve the right to not be poor.\(^11\) Such basis should be founded on the Human Rights principles, with particular attention to the right to development.

In this publication the right to development is not understood merely as an umbrella right or as a sum of rights, it is compared to the improvement of a vector of Human Rights as Graciela Dede and Areli Sandoval highlight in Chapter 3. Ownership is also understood here

\(^10\) World Bank (2008), Global Monitoring Report, Box 1.1. Recent Revision of purchasing power parities, p. 27.
as a vector principle of the Paris Declaration, where all the other principles should be tested on the light of the principle of national ownership and leadership. In this sense, during the official negotiations of the AAA in July 2008, it was recognized that ownership is across all the AAA, and related to conditionalities as well as to aid predictability. Additionally, the principle of ownership is also understood here as a participatory process, called democratic ownership, where all the development actors should be involved in genuine multi-stakeholders’ processes to build sustainable long term development strategies.

The Aid Effectiveness agenda and practices should be aligned with internationally agreed development goals. Human Rights, gender equality, and environmental sustainability must be recognized as crucial development goals

There is not enough evidence to make general conclusions and these are still the early days of the Paris Declaration implementation. However, some analysis can come from the framework analysis and perceptions from the actors.

As stated in the Issues Papers on Aid Effectiveness and Gender Equality, the Dublin+1 Workshop, suggested that the use of the term "cross-cutting issue" to describe Human Rights, gender equality, and environmental sustainability should being replaced by "policy priority issue" or "central goals to development", as the continued use of the term "cross-cutting" was furthering their marginalisation in the Aid Effectiveness agenda.

There is consensus in the fact that the Paris Declaration gives short shrift to Human Rights, women’s rights and democratic governance concerns in the overall effort to scale up aid and achieve donor harmonization and alignment. In July 2008, during the negotiations of the AAA, a representative from a regional bank expressed to be “very uncomfortable with the term of cross-cutting issues”, because “as soon as we define them as cross-cutting issues nobody takes care of them. Gender equality is the one which suffers the most, nobody is paying attention.” In Chapter 4, the Statement from the Women’s Working Group on FfD recognizes that “gender and social transformation

12. Brief Issues Papers prepared by WIDE, AWID, DAWN and FEMNET for the Accra High Level Forum preparation process.
13. Irish Aid, Joint Assistance Strategies Brief.
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takes place over a long period of time and must receive sustained support to become possible. This is true not only of developing countries where aid flows are highly concentrated in but also of certain sectors and regions within middle income countries which must also be reached by traditional and new donors.” In sum, if there is a real political will to reduce gender inequalities, sustained actions and long term initiatives need to take place. It is not enough to cross-cut or mainstream, to realize women’s rights a double track approach needs to be developed.

Marta Foresti et al. suggest that “although Human Rights are not explicitly addressed by the Paris Declaration, there is potentially a great deal of congruence between Human Rights and a number of aid effectiveness principles, such as mutual accountability, developing national capacities, greater transparency, results-based approaches and policy coherence. At the same time, it should be recognized that there are a number of areas where the Paris Declaration could be strengthened and where a Human Rights perspective could contribute to improving its implementation.” The OECD/DAC Update of April 2007, analyses how the Human Rights component interacts with the Aid Effectiveness agenda in relation to the 5 principles of the Paris Declaration and offers interesting entry points that should be further explored by development partners.

From the civil society perspective and particularly women’s rights and women empowerment organisations, environmental standards, gender equality and women’s empowerment, and Human Rights are not parallel debates of the aid and development policies, but central development goals. In this sense, the Women’s Working Group on FfD Consultation held in June 2008 in NY, states that “to ensure that the benefits of additional financing benefit gender equality, social justice, and inclusion, ODA processes must uphold the mutual responsibility and obligations of governments to fulfill the internationally agreed development norms, goals, targets and actions which have been identified in IADG, Human Rights Treaties, the Beijing Platform for Action, Convention on the Elimination of All Forms of Discrimination Against Women.”

15. FORESTI, Marta et al (2006), Aid effectiveness and Human Rights: strengthening the implementation of the Paris Declaration, Overseas Development Institute (ODI), October.
17. See the position paper prepared by the International Steering Group (ISG) in April 2008 as an input to the Accra Agenda for Action (AAA) preparation process and sent to the Working Party on Aid Effectiveness, as well as the Recommendations from the Advisory Group on Civil Society and Aid Effectiveness.
18. Recommendations from the International Consultation of Women’s Organisations and Networks and Aid Effectiveness (2008).
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Box 3: OECD-DAC analysis on Human Rights and the Five Principles of the Paris Declaration:

**Country Ownership:** The Paris Declaration calls for country ownership of the development agenda. By taking on Human Rights obligations, countries have already gone some distance towards identifying national priorities. As well, Human Rights focus on the quality of the relationship between governments and citizens, and the processes and mechanisms of domestic accountability that are fundamental to ensuring meaningful and inclusive citizen-based ownership.

**Alignment:** Under the principle of alignment, donors have committed to channeling support through countries’ own institutions and procedures. Experience from Human Rights-based work to support budgeting processes can be drawn on to help ensure that financial and administrative mechanisms are responsive to a country’s Human Rights obligations and to the views of rights holders themselves.

**Harmonization:** The fact that both donor and partner countries have ratified the international Human Rights treaties provides a uniquely valuable reference point for harmonization efforts. A mutually agreed, universal normative framework already exists, supported not only by political commitment, but also by the force of legal obligation. As well, at the operational level, there is growing convergence on the integration of Human Rights in development.

**Managing for Development Results:** Human Rights principles and standards can and should be used to define the results to be achieved and the strategies needed to achieve them. There is no inherent conflict between support for Human Rights implementation and managing for results.

**Mutual Accountability:** The international legal regime established through the Human Rights treaties is a global accountability mechanism that is not the exclusive property of either donor or partner countries. It would be important to explore what use can be made of this global mechanism when devising approaches to mutual accountability for aid effectiveness, particularly since the Paris Declaration promotes a model of partnership that improves transparency and accountability on the use of development resources and that requires accountability mechanisms at different levels. From a Human Rights perspective, strengthening domestic accountability between governments and their own citizens is essential for ensuring effective use of aid to produce sustainable development outcomes.

On the other hand, the United Nations Secretary General message to the High Level segment of the Economic and Social Council in NY (June, 2008) “echoed the concern that the current aid effectiveness framework is not sufficiently responsive to development issues that cut across multiple sectors such as Human Rights, gender equality and environmental sustainability.” Adding that “the Development Cooperation Forum should give due attention to these cross-cutting imperatives.”

As Nerea Craviotto details in Chapter 10, there were some improvement in this sense in Accra, and now gender equality together with Human Rights and environmental sustainability are considered “cornerstones for achieving enduring impact” and donors committed that all their “policies will address these issues in a more systematic and coherent way”.

In spite of strong efforts from civil society groups and some donors and developing country governments, the cross-cutting imperatives or policy priority issues are not seriously integrated into the AAA, which reaffirms the need to advance on these areas of development cooperation under the UN. Civil society groups and particularly women’s rights organizations have been arguing that the Paris Declaration must be evaluated and reviewed in the context of a larger discussion of FfD and development cooperation, under a universal, more democratic and equal platform than the OECD DAC, such as the UN which already has the mechanisms to assess within the universal protection system.

The CSOs’ Benchmark to Doha, suggests that the Development Cooperation Forum (DCF) must be mandated to address development strategies, policies and financing of development cooperation, as well as promoting coherence between the activities of the various development partners. This forum should receive the necessary political, institutional and financial support, and legitimacy to convene the relevant development actors, including the new official development assistance providers, for discussions on fundamental issues of development cooperation.

In sum, the DCF can bring all relevant actors together:

- As a space for a mutual accountability exercise, with multi-stakeholder presence, equal participation of all countries, and governed by UN rules.
- To discuss broadly the role of new donors and the South-South cooperation agenda, with its own logics and perspectives (other principles rather than the OECD DAC guidelines or the Paris Declaration principles).
- To share experiences of innovative approaches for local, national and regional development and build on these processes to discuss development alternatives globally.
- As a forum to promote substantial multi-stakeholders’ discussions and debates on development and international cooperation, on issues such as conditionalities.
- As a forum to deepen the commitments and monitor the MDG 8 (the lost MDG).
- To connect the different international agendas and fora on the related agendas to development (Monterrey Consensus chapters) this is trade, debt, Foreign Direct Investment (FDI) and financial system, domestic resources, systemic issue, on how to build a holistic approach and more democratic international governance.

Concerning the monitoring system of the Paris Declaration commitments, there is criticism from different actors, and there is growing consensus on the fact that “the Paris Declaration indicators were seen as either too narrowly defined or insufficiently defined to address country-specific contexts.” However, the current monitoring system was not reviewed in Accra despite of its gaps and the clear World Bank bias, which could be interpreted as new form of conditionalities, where progress on implementing the Paris Declaration means progress in terms of World Bank indicators and vision.

**Box 4: Development Cooperation questions that could be debated and advanced under the DCF**

- **What kind of development partnerships and international cooperation** do we need to deliver development results and achieve...

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22. ALEMAN, Cecilia (2008), *Some thoughts on the Accra Agenda for Action and the role of the Development Cooperation Forum*, Talking points – Luncheon organized by UNIFEM, NGLS and FES; UN-NY, July 1st.
the international agreed development commitments, including Human Rights, gender equality, decent work, and environmental sustainability?

• **Is it possible to phase out economic policy conditionalities?** What are the dangers of the arguments promoting good practices on conditionalities, and “positive conditionalities”?

• **What are the “aid for trade” implications?** There is room to manage it and monitor it from the UN?

• **What is the best way to redefine aid and development assistance?** What is the role of humanitarian and reconstruction, and how to define it? What are their relations with development cooperation?

• **How to revise criteria for aid allocation and countries ranking?** Why middle income country definition does not include different dimensions of poverty and inequality? How this is integrated into international cooperation and development efforts? How to cooperate with middle income countries that have clear problems in terms of inequalities and poverty but also strong local capacities?

• **What are the different types of aid and international cooperation and their impacts in terms of development results?**

Women’s groups have made several concrete suggestions concerning the need for independent monitoring on one hand, and on the other the need to have clear work plans towards 2010 that integrate gender equality indicators. In chapter 5, Gigi Francisco in support of mutual responsibility and accountability for gender equality on the part of both donors and developing countries, suggests that “monitoring and evaluative tools (…) to assess the extent to which aid allocations address or do not address the achievement of redistributive, social and gender goals and the fulfillment and realization of women’s rights.” UNIFEM also developed a set of alternative indicators that were adopted as an annex of the Accra Women’s Forum (Chapter 8).

The Paris Declaration can be seen as the aid community’s response to Monterrey, in an effort to improve aid quality. It is based on principles that strive to redefine the “recipient-donor” relationship and its implementation is monitored in the context of the OECD. The Paris Declaration built on the principle of country ownership and national ownership from the Monterrey Consensus, but lacks the emphasis that the Monterrey Consensus has on developing countries’ leadership.

24 Cecilia Alemany, Fernanda Hopenhaym and Nerea Craviotto (2008), Aid Effectiveness and Gender Equality, 2008 Reality of Aid Report, August.
and the need for policy space to ensure sustainable development and democratic governance.

**If the “aid industry” and the international community are serious about developing countries’ ownership, there should be real commitments to reduce policy conditionalities.**

In a document commissioned by the UN Working Group on development, Roberto Bissio clearly remarks, “If countries do not “own” their national development strategy, donors have nothing with which to align or harmonize their aid. However, ownership is defined tautologically as countries having plans that conform to what the donor wishes as articulated in conditionalities attached to loans and grants.”

CSOs and women’s rights groups have stated repeatedly that conditionalities undermine ownership, but there are different kinds of conditionalities. These different types of conditionalities are usually mixed and confused. At least we need to make the difference between the following: process based conditions, fiduciary conditions, outcome performance based conditions and policy conditionalities.

• The **process based conditionalities**, refer to those conditions imposed on the development process. Process conditionality can differ, an example is when the World Bank used to request Latin American Governments to implement consultations with CSOs in the nineties and beginning of the 2000’s, in the context of the Protected Social Programs. Governments implemented civil society consultations as a way to ensure the disbursement of these loans, but not as sustainable national processes. These conditioned social dialogues, did not promote democratic governance and were just a process formality to receive disbursements. Moreover, when civil society consultation or participation was defined as a process condition for disbursement, many critics argued that this conditionality actually marginalized CSOs’ participation in the development process to a “box ticking”, undermining national CSOs efforts for participation in development and public policies processes.

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• Concerning **fiduciary conditions**, Eurodad calls to make a distinction "between fiduciary obligations – obligations owed by financiers to the resources held on trust on behalf of shareholders or taxpayers – and fiduciary conditions – conditions designed to meet such fiduciary obligations in financing contracts."\(^{27}\) It is also "necessary to distinguish between two types of programme conditions: a) conditionalities with a fiduciary component but which serve a larger (and some would say) ideological purpose; and b) fiduciary conditions which are more technical in nature and which relate to aspects of domestic governance insofar as they serve to fulfill the financiers’ fiduciary responsibility to the benefactors and beneficiaries of the financial resources they hold on trust for. This is a crucial distinction as fiduciary responsibility should not be utilized as a covert means of introducing substantive conditionalities into financing agreements between the Bank and Fund”, and other donors and developing countries’ governments. When fiduciary conditions are part of a process of mutual accountability and transparency, and not serving for broader policy conditionalities, they are welcome by civil society groups and women’s groups in particular.

• **Outcomes or performance based conditions** is more of a results orientated condition. Developing countries are proposing to move towards mutually agreed outcome conditions, because the traditional performance approach shows several limitations, mainly regarding the difficulty to integrate non expected tendencies and non controllable factors that affect results. During the AAA negotiations in July 2008, an official from a developing country proposed giving incentives to developing countries to find their own outcome benchmarks as basis for the dialogue and conditions of the relations with donors. As alerts Zimmermann in the Report from the Global Development Forum experts workshop "results based conditions could stifle innovation by discouraging policy makers from experimenting with unproven, more risky approaches.”\(^{28}\) Moreover, “performance-based approaches do carry risks. External shocks could put performance beyond the control of development-country officials, and strict performance conditions could thus prove harsh and inflexible. (…) To address these risks, performance-based conditions need flexibility in use.”\(^{29}\) Without

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27. TAN, Celine (2006), Fiduciary obligations in loan and aid contracts between donors, client states and citizens; Briefing Paper, EURODAD, March.
owned outcomes from developing countries and without flexibility, outcomes’ conditions will not be seen as a positive alternative to economic policy conditionalities.

Policy conditionalities are criticized by developing countries, some donors, analysts and CSOs from the entire world, because they impose ideological and external visions of economic development and restrict national policy space. Usually economic policy conditionalities impose reforms or concessions from the developing country that are not agreed in international fora and therefore are going beyond internationally agreed agendas. An obvious example is when public procurement or privatization policies are set up as conditionalities for aid disbursement or aid agreements with international financial institutions or in the context of bilateral relations. In the language of the Aid Effectiveness agenda, policy conditionalities restrict the “freedom of developing nations to choose their own development policy.”

Economic policy conditionalities and their related effects on Economic, Social and Cultural Rights is developed in the contribution made by Graciela Dede and Areli Sandoval in Chapters 2 and 3, the particular debates under the Paris Declaration framework are developed in Chapter 6, and the main discussion related to the Financing for Development process are developed by Josefa “Gigi” Francisco in chapter 5.

There are also mixed conditionalities, with elements from different types of conditionalities; such as the Poverty Reduction Strategy Papers promoted by the International Monetary Fund, these are economic policy conditionalities and also process based conditionalities, even if they are supposed to be endogenous (nationally owned). These policy-conditionalities, mostly implemented in Africa and Asian countries, and in some Latin American countries that ranked as Highly Indebt Poor Countries (HIPCs), evolved and today are the main instrument to measure the so-called country ownership principle under the Paris Declaration.

This is one of the clear contradictions of the debate on conditionalities and Aid Effectiveness, on one hand the international community call for support country owned development strategies, on the other hand the way to measure the achievements in this sense, are based

30. Ibid p. 3.
on a policy instrument imposed by international financial institutions and measured by the World Bank.

There is growing debate on how to reduce conditionalities. From the civil society perspective, the Aid Effectiveness agenda should recognize that donor imposed conditionalities are not consistent with the principle of country ownership, the right to development, and the right to self-determination. In this sense, the expectations of the CSOs involved in the Aid Effectiveness debates is that donors recognize that “policy conditionalities which link disbursement to changes in partners’ policies interfere with democratic ownership, and will be phased out.” However, analyzing the AAA, the South Center calls to attention, a continued focus on conditionality-based aid delivery approaches, and apparently not too much room for a real reduction of policy conditionalities. At the OECD 3rd High Level Forum preparation that took place in Accra in September 2008, there were several conversations on how to reduce policy conditionalities, and the result was not really convincing, but maybe an initial step towards mutually agreed conditions outcome-based, as Nerea Craviotto analyses in Chapter 10.

“Friendly or positive” conditionalities are not a constructive and sustainable way to strength Human Rights and gender equality and undermines local civil society and social movements efforts

Human Rights and gender equality are seen as “positive or friendly” conditionalities by some donors and some Human Rights and gender advocates. Women’s rights groups don’t support this approach and stress the need for a deep debate to clarify the different positions around friendly or good conditionalities in the context of the new aid architecture and Aid Effectiveness. This publication is a background document to promote this kind of discussion with other actors and within gender advocates.

Human Rights groups have not been very involved in these debates and therefore not very active, and there are a few efforts to connect the Aid Effectiveness agenda, Human Rights and the right to development. Certainly the study of the Paris Declaration on Aid

32. ISG policy paper related to the first Accra Agenda for Action draft.
Effectiveness commissioned to Roberto Bissio\textsuperscript{34} by the UN Working group of development is a first step in this sense, as well as the study carried out by the Overseas Development Institute (ODI)\textsuperscript{35} and the guidelines set by the OECD.\textsuperscript{36}

One key demand from the Women’s Working Group on FfD consultation (presented in chapter 4), is to remove all policy conditionalities, including conditionalities related to gender equality and other so-called positive conditionalities and instead to strengthen mutual responsibility, accountability and transparency of donors and recipient countries. Women’s rights organizations have been arguing that “donor and developing country governments must respect and advance regional and international Human Rights treaties, gender equality, and sustainable development agreements, and the main way to reinforce Human Rights or gender equality is not to make them new terms of conditionalities, but by supporting local groups, movements and women’s rights organizations in the South, that will hold their own governments accountable to these commitments, acting as advocates and strengthening democratic governance on the ground.”\textsuperscript{37}

The chapters developed by all the authors of this paper aim to contribute to a better understanding of the basis of this position as well as bring more elements to analyze the connections between development, Human Rights and women’s rights in particular.

In Chapter 7 Marta Lago highlights that gender equality and women’s rights advocates are now turning to the International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus in Doha, Qatar, in November 2008, and will continue monitoring the implementation of the Paris Declaration towards 2010. The struggle to have a strong representation of gender equality and women’s rights advocates continues and must be enhanced. The time to talk and act is now.

\textsuperscript{34} BISSIO, Roberto (2007); “PARIS DECLARATION ON AID EFFECTIVENESS: Application of the criteria for periodic evaluation of global development partnerships - as defined in Millennium Development Goal 8 - from the right to development perspective: the Paris Declaration on Aid Effectiveness”, A/HRC/8/WG.2/TF/CRP.7, December.
\textsuperscript{35} Marta Foresti et al (2006).
\textsuperscript{37} Recommendations from the International Consultation of Women’s Organisations and Networks and Aid Effectiveness (2008).
Need for conditionalities or need for implementation of Human Rights Treaties?

By Graciela Dede and Areli Sandoval (AWID consultants)
Despite the agreements that are shaping new aid modalities, conditionalities have continued to undermine developing countries’ sovereignty in terms of their public policies and priorities. From a Human Rights perspective, conditionalities undermine peoples’ right to self determination which implies not only limiting the possibility of free determination of their political status but the right to freely pursue their economic, social and cultural development. Moreover, conditionalities affect the right to development; and the non-transparent way in which they are negotiated, established, and implemented also threaten the right to access information, consultation and participation. The international treaties of Human Rights, the pillars upon which the universal protection system is based, have enshrined these rights, together with other Human Rights.

**Human Rights obligations at the domestic and international levels and respect to different groups**

When a State has ratified a Human Rights treaty, it has the duty to take positive steps towards the realization of the rights therein. According to the International Human Rights Law, States Parties of Human Rights treaties have three types of legal obligations: the obligation to respect, the obligation to protect and the obligation to **fulfill** Human Rights. The State obligation to respect implies abstaining from carrying out or tolerating any violation of the right in question by agents of the State. The obligation to protect means that the State must prevent the violation of the right in question by other individuals and non State actors (e.g. national private enterprises, transnational corporations). The obligation to fulfill enjoins upon the State the duty to provide the resources and services necessary for individuals to enjoy their rights, and implies the obligation to facilitate, provide and promote.

Accordingly, the realization of Humans Rights implies understanding that as stated in article 1 of the Universal Declaration of Human Rights (UDHR, 1948) all human beings are born equal in dignity and rights. But the reality of different forms of discrimination on the basis of gender and other grounds makes it necessary and urgent that States undertake specific measures towards the promotion of equality between different groups and sectors of the population, e.g. between men and...
women\(^{39}\). As the gender dimension is a cultural construction, in order to respect, protect and fulfill Human Rights, the measures undertaken need to have a gendered approach. We also understand that it is crucial to identify groups subject to discrimination or in special conditions of vulnerability within the different categories; special situations experienced by some groups or sectors due to structural and/or circumstantial contexts, historical or political processes, etc. The Human Rights approach must echo these differences in its analysis and measures, and adequately them as they will impact the various groups differently.

The Article 2 of the International Covenant on Economic, Social and Cultural Rights (ICESCR) provides that “each State Party to the present Covenant undertakes to take steps, individually and through international assistance and co-operation, especially economic and technical, to the maximum of its available resources, with a view to achieving progressively the full realization of the rights recognized in the present Covenant by all appropriate means, including particularly the adoption of legislative measures”\(^{40}\). This article is crucial in determining what national States must do and what they should refrain from doing in the process leading to the society-wide enjoyment of Human Rights, as it establishes obligations of conduct and obligations of result.\(^{41}\)

Box 1: Brief historical review of the ICESCR

Living in dignity implies the integral and universal realization of all Human Rights. The instruments that enshrine Human Rights are the result of social processes, struggles, dialogues and social demands. For instance, the Universal Declaration of Human Rights (UDHR) constitutes a consensus on human values which were adopted by the nations in 1948 after the atrocities of the 2nd World War. The UDHR enshrines all Human Rights in an integral and indivisible manner.

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\(^{39}\) As General Comment 16 of the Committee on Economic, Social and Cultural Rights explains: “Women are often denied equal enjoyment of their Human Rights, in particular by virtue of the lesser status ascribed to them by tradition and custom, or as a result of overt or covert discrimination. Many women experience distinct forms of discrimination due to the intersection of sex with such factors as race, color, language, religion, political and other opinion, national or social origin, property, birth, or other status, such as age, ethnicity, disability, marital, refugee or migrant status, resulting in compounded disadvantage.” (Cf. Committee on the Elimination of Racial Discrimination, general comment XXV (2000): Gender-related dimensions of racial discrimination).

\(^{40}\) Article 2, paragraph 1 of the International Covenant on Economic, Social and Cultural Rights (ICESCR).

The Human Rights panorama changed later: during the cold war the geopolitical map was fragmented and fractured into two blocks, on the one hand the Western Block put pressure to adopt a covenant seeking to protect civil liberties, and on the other hand the Eastern socialist block advocated creating an instrument which would protect social rights. In 1966 two covenants were adopted: the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights.

The International Covenant on Economic, Social and Cultural Rights (ICESCR) was adopted by the United Nations General Assembly on December 16, 1966, and entry in force from January 3, 1976. It commits its States Parties to work towards the fulfillment of economic, social, and cultural rights (ESCR) including labour rights and rights to health, education, and an adequate standard of living. As of June 2, 2008, the Covenant had 158 Parties (States having signed and ratified the Covenant). The Covenant is monitored by the Committee on ESCR (a separate body to the Human Rights Council) with permanent standing, to consider periodic reports submitted by member States on their compliance with the treaty.

On 19th June 2008, the United Nations Human Rights Council approved by consensus an Optional Protocol to the International Covenant on Economic, Social and Cultural Rights which brings one step closer the possibility of an international remedy mechanism for violations of the ICESCR. The Optional Protocol is the result of several decades of work by governments, civil society, experts and the UN Human Rights bodies to remedy a long-term gap in Human Rights protection under the international system. The ICESCR is among the only major Human Rights treaties to lack a petition mechanism.

For further information on the Optional Protocol Text please visit:
http://www2.ohchr.org/english/issues/escr/intro.htm
http://www.opiecescr-coalition.org

State Parties of the ICESCR have obligations regarding the population under their jurisdiction, which constitute obligations at the domestic or internal level, but they also have external or extraterritorial obligations and international obligations: 42

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- Internal obligations: those which the State has towards the victims in its own territory through its national authorities.
- External or extraterritorial obligations: those which the State has towards victims outside its own territory through its own national authorities.
- International obligations: those which the State carries individually towards victims inside and outside its territory through an international agreement or international authority for which it is as a member of the governing body or which states parties jointly carry as governing majority of a duty-bound international authority.

Each of the three types of Human Rights obligations mentioned above (the obligations to respect, protect and fulfill) is present in these three levels of obligations.

According to the ICESCR, States must “undertake to take steps... by all appropriate means” in an immediate manner and over time (progressively), and such steps must be deliberate, concrete and targeted as clearly as possible towards meeting the obligations recognized in the Covenant\(^43\). Among the appropriate means, States can undertake legislative, administrative, judicial, economic, social and educational measures. Also, States are obliged to allocate “the maximum of its available resources”, both the existing resources within a State and those provided by other States or the international community (through international cooperation and assistance)\(^44\), for the fulfillment of each of the rights found in the Covenant. Furthermore, this obligation requires an equitable and effective use of and access to the resources available. It is important to highlight that lack of resources can never be used to justify failure of a State to fulfill its obligation “to strive to ensure the widest possible enjoyment of the relevant rights under the prevailing circumstances”, to monitor non-enjoyment of the rights found in the Covenant, and to develop strategies and programmes for their promotion\(^45\). States also have to achieve economic, social and cultural rights “progressively” which means that States cannot indefinitely postpone efforts to ensure its full realization; on the contrary, States must move “as expeditiously and effectively as possible towards this goal.”\(^46\)

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\(^44\) See later in this paper the explanation of the role of such cooperation in facilitating the full realization of the economic, social and cultural rights.


also prevents States from undertaking any deliberately retrogressive measure or to fully justify it “by reference to the totality of the rights provided for in the Covenant and in the context of the full use of the maximum available resources.”

All these obligations must be implemented by States complying with the Human Rights principles of non-discrimination and equality. Using a non discriminatory approach means, for instance, that the measures taken, the policies implemented and the budget allocated must respect the criterion of equality. This implies that there should not be any discrimination based on “race, color, sex, language, religion, political or other opinion, national or social origin, property, birth or other status”, and that everyone living in a specific situation must be subject to measures from an equity perspective to achieve equality in the enjoyment of Human Rights.

Box 2: UN Charter (Chapter IX, International Economic and Social Co-operation)

**Article 55**
With a view to the creation of conditions of stability and well-being which are necessary for peaceful and friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples, the United Nations shall promote:

a. higher standards of living, full employment, and conditions of economic and social progress and development;

b. solutions of international economic, social, health, and related problems; and international cultural and educational cooperation; and

c. universal respect for, and observance of, Human Rights and fundamental freedoms for all without distinction as to race, sex, language, or religion.

**Article 56**
All Members pledge themselves to take joint and separate action in cooperation with the Organization for the achievement of the purposes set forth in Article 55.

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Regarding international Human Rights obligations of every State, it is important to note that they derived from the commitment of all States under the Charter of the United Nations to promote respect for all Human Rights, which was later reaffirmed by the Universal Declaration of Human Rights (UDHR). As the preamble of the UDHR reaffirms: “Member States have pledged themselves to achieve, in co-operation with the United Nations, the promotion of universal respect for and observance of Human Rights and fundamental freedoms”, based in their faith in fundamental Human Rights, in the dignity and worth of the human person and in the equal rights of men and women and of nations large and small, declared in the United Nations Charter.

The Committee on ESCR (CESCR) states in its General Comment 3 about the nature of States parties obligations that: “in accordance with Articles 55 and 56 of the Charter of the United Nations, with well-established principles of international law, and with the provisions of the Covenant [of Economic, Social and Cultural Rights] itself, international cooperation for development and thus for the realization of economic, social and cultural rights is an obligation of all States.”

International obligations also derived from the specific provisions included in several Human Rights treaties, and in the case of the International Covenant of ESCR, the relevant articles in this regard are articles 2, 22 and 23. Article 2 of the ICESCR establishes the obligation of all State parties to take steps, individually and through international assistance and cooperation, especially economic and technical, towards the full realization of the rights recognized in the Covenant; precisely, the essential role of such cooperation is facilitating that full realization. The Committee also considers that this obligation “is particularly incumbent upon those States which are in a position to assist others in this regard” and to better comply with this obligation it ask all States to take full account of all of the principles recognized in the Declaration on the Right to Development.

In this matter is necessary to take into account the ESCR Committee’s General Comment 2 on international technical assistance measures, in which the treaty body interprets article 22 of the ICESCR and draws attention to some of the opportunities and responsibilities that exist in

50. Adopted by the General Assembly in its resolution 41/128 of 4 December 1986.
relation to international cooperation. Article 22 establishes a mechanism that may assist United Nations organs and agencies involved in any aspect of international development cooperation—including the World Bank and the International Monetary Fund—“in deciding, each within its field of competence, on the advisability of international measures likely to contribute to the effective progressive implementation of the present Covenant”. 51

Box 3: ICESCR (provisions related to international cooperation and assistance)

**Article 2.1**
Each State Party to the present Covenant undertakes to take steps, individually and through international assistance and co-operation, especially economic and technical, to the maximum of its available resources, with a view to achieving progressively the full realization of the rights recognized in the present Covenant by all appropriate means, including particularly the adoption of legislative measures.

**Article 22**
The Economic and Social Council may bring to the attention of other organs of the United Nations, their subsidiary organs and specialized agencies concerned with furnishing technical assistance any matters arising out of the reports referred to in this part of the present Covenant which may assist such bodies in deciding, each within its field of competence, on the advisability of international measures likely to contribute to the effective progressive implementation of the present Covenant.

**Article 23**
The States Parties to the present Covenant agree that international action for the achievement of the rights recognized in the present Covenant includes such methods as the conclusion of conventions, the adoption of recommendations, the furnishing of technical assistance and the holding of regional meetings and technical meetings for the purpose of consultation and study organized in conjunction with the Governments concerned.

Furthermore, when the United Nations organs and agencies carry out efforts towards operating the principle contained in article 22 of the Covenant, they must: (a) recognize the intimate relationship which should be established between development activities and efforts to promote respect for Human Rights in general, and economic, social and cultural rights in particular; (b) prepare a “Human Rights impact statement” in connection with all major development cooperation activities; (c) train project and other personnel employed by United Nations agencies in Human Rights standards and principles; (d) make every effort, at each phase of a development project, to ensure that the rights contained in the Covenants are duly taken into account, “this would apply, for example, in the initial assessment of the priority needs of a particular country, in the identification of particular projects, in project design, in the implementation of the project, and in its final evaluation.”

In addition to article 22, the article 23 of the Covenant specifically identifies “the furnishing of technical assistance” as well as other activities, as being among the means of “international action for the achievement of the rights recognized in the present Covenant.” Considering the provisions in both articles in conjunction with provisions of article 2 of the ICESCR, it is very important to acknowledge that transforming the obligation of complying with Human Rights instruments in a conditionality imposed by creditors and donors to deliver aid, is not only far from the spirit of the Covenant but also far from strengthening the Human Rights international system, as it is going to be explained after in this paper.

With respect to extraterritorial obligations of State Parties towards individuals and groups outside its territory, it is important to say that the Covenant “gives rise for these kinds of obligations.” In the context of obligations to respect and protect economic and social rights extraterritorially, states should be wary of involvement in extraterritorial violations that can take place, for example, through international financial institutions. In this context, creditor states have accountability responsibilities vis-à-vis the borrowing countries: they must take reasonable measures to find out what their loans are being used for, in order to

be responsible for the role their loans play. Yet, creditors cannot impose conditionalities in a way that it limits or impedes access to Human Rights in the recipient country. Donor countries should ensure that loans do not cause negative impacts and do not impede the ability of debtor States to uphold their minimum Human Rights obligations.

As observed by the former Commission on Human Rights: “….. the exercise of the basic rights of the people of debtor countries to food, housing, clothing, employment, education, health services and a healthy environment cannot be subordinated to the implementation of structural adjustment policies, growth programmes and economic reforms arising from the debt”. 55

In 2000, the Committee on the Elimination of Discrimination against Women (CEDAW) noted that the implementation of structural adjustment programmes and increasing debt burden, as well as political instability, have impeded progress towards the full realization of women’s rights in Guyana56. This case is not isolated as in many countries where structural adjustment programmes (SAPs) were implemented, unemployment, poverty and inequality increased, and therefore, the violation of the right to have an adequate standard of living, and other economic, social and cultural rights of a great quantity of individuals and groups, specially the most vulnerable ones. The elimination of subsidies, the budgetary cuts, the privatization of public services and enterprises, the liberalization of trade and investments, were part of the measures determined by the SAPs.

Besides the Treaty Bodies, a series of experts have worked on the linkage between impacts of debt burden and the realization of Human Rights. The Special Rapporteur on Violence against Women, Yakin Ertürk, reported, after his mission to Ghana in 2007, that high and extreme levels of poverty and the external debt burden limit the Government’s ability to allocate sufficient resources for universal basic education, gender parity in education and the socio-economic development of marginalized regions and districts. She also reported that the international community has an obligation to support the Government through targeted aid, debt relief and fairer terms of trade. 57

57. A/HRC/7/6/Add.3.
Conditionalities undermine the Right to Development: an analysis based on a Women’s and Human Rights perspective

Nuria Molina affirms that undoubtedly there ought to be mechanisms in place in a way that international cooperation resources are not misused and “they are effectively spent for poverty reduction – the ultimate goal of development aid”. She adds that donors are not the only ones concerned about effectiveness of the aid. Governments, civil society and, mostly, citizens living in poverty those whose lives are most affected by the success or failure of development aid. However, beyond these concerns, donors have sometimes put conditions to protect their national commercial or political interest.

The spirit of international Human Rights treaties is described as an exercise of solidarity amongst states and peoples aiming at achieving better quality of life. However, it has become important machinery that not only involves international assistance but imposes trade reforms, privatization and a series of adjustment to be undertaken by the recipient countries in order to access to funds.

Concerning trade policy reforms, even if final decisions are usually taken at the domestic level, they are frequently imposed by donor countries and international financial institutions in the granting of resources. This undermines the developing countries’ sovereignty in

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Box 4: Most Nation Treatment (MFN)

The MFN is a clause included in various multilateral trade agreements (World Trade Organization and free trade agreements). It constitutes a status awarded by one nation to another in international trade. It means that the receiving nation will be granted all trade advantages - such as low tariffs - that any other nation also receives. In effect, having MFN status means that one’s nation will not be treated worse than anyone else’s nation.

For further information please visit:
http://www.unctad.org/Templates/webflyer.asp?docid=186&intItemID=2322&lang=1
www.wto.org/english/thewto_e/whatis_e/tif_e/fact2_e.htm
http://www.globalpolicy.org/socecon/bwi-wto/wallach.htm

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terms of deciding and implementing their public policies and priorities; moreover this conditionality does not pursue the spirit of Article 2 of the ICESCR.

Moreover, according to the Third World Network (TWN), trade rules violate Human Rights principles. From a Human Rights perspective, non-discrimination requires positive measures in favor of the most vulnerable. In trade agreements, non-discrimination is implemented as national treatment and most favored nation treatment. National treatment requires countries to treat foreign products as well as local products and a country can treat a foreign product more favorably than the local product, but not vice versa. When national treatment is extended to services, intellectual property, investment, procurement, and competition, the most vulnerable (local companies, small farmers) cannot be positively discriminated, even by their own governments. 59

Structural adjustment is one of the conditionalities imposed by donor countries and financial institutions to recipient countries. During the 1990s, inflation targets and fiscal limits were imposed to government spending, donors suggested the retirement of funds from public services and social expenditure, which had a great impact on the most vulnerable populations, particularly on women and girls. Many country experiences have shown the negative impact of the SAPs fostered by the World Bank during the 90’s; the so called “necessary evil” recognized by the World Bank was in fact the worsening of the living conditions of the populations.

Privatization, which was part of the package of conditionalities imposed by some international financial institutions (IFI), was undertaken considering only economic profit. While Human Rights instruments do not prevent the provision of services - including water, education, electricity and sanitation - through private companies, States have the responsibility to ensure that privatization does not infringe on the Human Rights of the population (the already mentioned obligation to protect). In most of the privatization processes the need to ensure access of groups in a special situation of vulnerability for Human Rights related goods and services was not taken into account, nor consulted or publicly discussed.

A recent World Bank report assessing its own progress on reforming conditionality reveals that one in four of World Bank policy conditions in 2006 push economic reforms. A 2006 study by the Norwegian government of International Monetary Fund (IMF) conditionality revealed that 26 out of 40 poor countries still have privatization and liberalization conditions attached to their IMF loans. There have been some improvements in enhancing country ownership of reform with the advent of nationally-created poverty and development plans. However, when the World Bank surveyed poor-country government staff in 2005, 50 per cent still felt that “the Bank introduced elements that were not part of the country program”.60

International financial institutions do have Human Rights responsibilities; however, the extent to which macroeconomic policy reforms impact a borrowing country’s Human Rights obligation under the ICESCR or other international Human Rights treaties is almost absent from IFI policy considerations and completely out of question in the implementation assessment framework.

Miloon Kothari, former Special Rapporteur on adequate housing reported a number of preliminary key findings related to existing obstacles against the realization of the right to adequate housing of women; privatization played a relevant role in the infringement of the rights, as special tariffs addressed to groups in vulnerable situations were seldom foreseen in the privatization process.61 Regarding the impacts on the fulfillment of Human Rights from a gender perspective, when health services and education cease to be accessible for all, due to privatization and/or newly-imposed fees with its particular financial burden on the poor, women and girls are the first directly affected. They abandon their studies to take care of the sick and the elderly, or are often the first ones to lose their jobs when state-owned companies are privatized or “modernized”, being pushed into insecure labour or the informal economy.

According to the report presented by the independent expert on the effects of economic reform policies and foreign debt, Bernard Mudho, to the General Assembly in 2007, the impact of concrete policy measures (in particular on Human Rights realization) depends largely on each country-specific context and thus, it is not suggested the

elaboration specific universal norms regarding such processes. However, he observed that any economic reform should be formulated in a participatory and transparent way, with relevant information available in time with the knowledge of the public. He concludes that although debtor States are the primary guarantor of the Human Rights of their population, creditor States and international financial institutions also play a critical role in ensuring access to rights.62

However, donor countries, as well as international financial institutions have not so far established systematic and rigorous criteria to assess the impact of the execution of debt repayments and structural reform programmes on the realization of fundamental economic, social and cultural rights, as provided for in the international Human Rights instruments. Nevertheless, donor countries are currently demanding debtor countries to fulfill their Human Rights obligations in order to be eligible to renew or access to credit.63

Since 2006, donor countries have increased their preoccupation with regards to the of recipient States’ obligations regarding Human Rights. In fact, this preoccupation has been translated into a new conditionality for granting development assistance. Firstly, donors require the recipient countries to respect a series of international agreements (being it declarations based on political will or binding international instruments on Human Rights). In addition, donors request Human Rights performance assessments of the recipient governments in order to evaluate impact and aid effectiveness. Despite this new trend, the Paris Declaration, the latest agreement on international cooperation, does not mention the obligation of the States to respect, fulfill and protect Human Rights, and above all to respect the right to self determination and the right to development.

Moreover, there is no statement or document requiring donor countries to uphold their own Human Rights obligations.64

Having said that, it is neither coherent nor fair, that creditors and/or donors demand recipient countries to perform Human Rights impact assessments, when they were previously requested to implement

62. A/62/212
63. The independent expert on the effects of economic reform policies and foreign debt on the full enjoyment of all Human Rights, Bernards A. N. Mudho, undertook an expert consultation in July 2007 to draft guidelines aiming providing parameters for a clear and unambiguous definition of the required minimum economic, social and cultural Human Rights standards and objectively measurable quantification of resources needed to achieve this minimum level.
massive structural adjustment measures, including liberalization of trade and investments, cutting of subsidies, etcetera. None of these measures were conceived or undertaken considering the negative impacts they would have on Human Rights, or utilizing the Human Rights framework, thus it would be an unexpected consequence that they comply with the Human Rights obligations of the State. On the contrary, these types of measures frequently became obstacles in the realization of Human Rights.

Using Human Rights performance assessment in a bilateral way, as a condition to deliver aid, not only is far from the spirit of the Covenant but also far from strengthening the international Human Rights system and its’ already existing mechanisms such as; the Universal Periodic Review\textsuperscript{65} of the UN Human Rights Council, the examination of States’ periodic reports by the Treaty Bodies, as well as the mandates of the Special Procedures of the Human Rights Council. The UN Human Rights system and other multilateral institutions do count on monitoring and evaluating mechanisms where they can follow-up and assess the implementation of developing agreements, including Human Rights, gender equality and environment issues.

\textsuperscript{65} The universal periodic review is based on objective and reliable information, of the fulfilment by each State of its Human Rights obligations and commitments in a manner which ensures universality of coverage and equal treatment with respect to all States; the review shall be a cooperative mechanism, based on an interactive dialogue, with the full involvement of the country concerned and with consideration given to its capacity-building needs; such a mechanism shall complement and not duplicate the work of treaty bodies United Nations General Assembly, resolution 60/251.
an analysis based on a Women's and Human Rights perspective
The Right to Development and the Right to Self-determination:

Why donor-imposed conditions undermine the achievement of these and other Human Rights?

By Areli Sandoval and Graciela Dede (AWID consultants)
The human right to development

The Declaration on the Right to Development (1986) defines development as "a comprehensive economic, social, cultural and political process, which aims at the constant improvement of the well-being of the entire population and of all individuals on the basis of their active, free and meaningful participation in development and in the fair distribution of benefits resulting there from". If well-being is regarded as the fulfillment of Human Rights and fundamental freedoms that enhance the capabilities of the people to realize their full potential, the process of development that leads to the improvement of that well-being can be claimed as a human right.

The right to development is “an inalienable human right by virtue of which every human person and all peoples are entitled to participate in, contribute to, and enjoy economic, social, cultural and political development, in which all Human Rights and fundamental freedoms can be fully realized.”

As Mr. Arjun Sengupta, former Independent Expert on the Right to Development, explained in his various reports, the right to development “is the right to a process that expands the capabilities or freedom of individuals to improve their well-being and to realize what they value”, and in this sense is the right to “a particular process of development.”

The right to development has to be exercised in a manner that ensures that:

(a) The individuals concerned would effectively participate, fully and meaningfully, at all stages of decision making (articles 1, 2 (3) and 8 of the Declaration on the Right to Development).

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66. Preamble of the Declaration on the Right to Development, adopted by General Assembly resolution 41/128 of 4 December 1986. It is important to notice that the recognition of right to development is rooted in the purposes and principles of the United Nations Charter of 1945; this right took form in the Declaration on the Right to Development in 1986 and reached consensus or universal acceptance in the Vienna Declaration and Programme of Action adopted by the World Conference on Human Rights on 25 June 1993 (A/CONF.157/24 (Part I, chap. III)).

67. Sixth report of the independent expert on the right to development, Mr. Sengupta, submitted in pursuance of Commission on Human Rights resolution 2003/83 (E/CN.4/2004/WG.18/12, paragraph 3).

68. Article 1, paragraph 1 of the Declaration on the Right to Development.


70. Third report of the independent expert on the right to development, Mr. Sengupta, submitted in accordance with Commission resolution 2000/15 (E/CN.4/2001/WG.18/2, paragraph 9).
(b) Individuals would have equal opportunity of access to resources (art. 8).

(c) They would be entitled to a fair distribution of the benefits of development and of income (arts. 2 and 8).

(d) States would carry out their responsibilities to enable that process of development to materialize through appropriate national and international development policy (arts. 3 and 4).

(e) There would be international cooperation among States (and international agencies) to facilitate the realization of the right to development; and finally and most importantly.

(f) All such activities will be carried out while maintaining full respect for civil and political as well as economic, social and cultural rights (preamble, arts. 6 and 9).  

The human right to development includes the following:

- full sovereignty over natural resources;
- self-determination;
- popular participation in development;
- equality of opportunity;
- creation of favorable conditions for the enjoyment of other civil, political, economic, social and cultural rights.

Even though the right to development should not be understood merely as an umbrella right or as a sum of rights, it can be compared to the improvement of a vector of Human Rights. In this vector, as the independent expert on the right to development describes, each element is a human right just as the vector itself is a human right. Being all rights interdependent, “the requirement for improving the realization of the right to development is the promotion or improvement in the realization of at least some Human Rights, whether civil, political, economic, social or cultural, while no other deteriorates.”

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71. Study on the current state of progress in the implementation of the right to development submitted by Mr. Sengupta, independent expert, pursuant to Commission resolution 1998/72 and General Assembly resolution 53/155 (E/CN.4/1999/WG.18/2, paragraph 45).


73. Third report of the independent expert on the right to development, Mr. Sengupta, submitted in accordance with Commission resolution 2000/5 (E/CN.4/2001/WG.18/2, paragraph 10)
Thus, “It is not merely the realization of those rights individually, but the realization of them together in a manner that takes into account their effects on each other, both at a particular time and over a period of time.”\textsuperscript{74} In consequence, “the integrity of these rights implies that if any one of them is violated, the composite right to development is also violated.”\textsuperscript{75}

For instance, if the right to freely participate and to decide on the use of resources is not protected and promoted, the right to self-determination and the right to development will be directly affected. Thus, other rights will be indirectly affected. The indivisibility and interdependence of all Human Rights is evident in the right to development. Moreover, living in dignity implies the integral and universal realization of all Human Rights. Beyond the text of the different treaties which enshrine groups of specific rights or rights of specific groups of people (e.g. children, women, migrants) it is crucial to keep in mind that in order to achieve an adequate standard of living, a decent life, it is necessary to enjoy both civil and political rights and economic social and cultural rights.

With respect to the promotion of respect for Human Rights in the context of development activities, two general principles are important according to the Committee: first of all to keep in mind the indivisibility and interdependence of the two sets of Human Rights which means that efforts to promote economic, social and cultural rights should also take full account of and be fully consistent with the enjoyment of civil and political rights. “In negative terms this means that the international agencies should scrupulously avoid involvement in projects which, for example, involve the use of forced labour in contravention of international standards, or promote or reinforce discrimination against individuals or groups contrary to the provisions of the Covenant, or involve large-scale evictions or displacement of persons without the provision of all appropriate protection and compensation. In positive terms, it means that, wherever possible, the agencies should act as advocates of projects and approaches which contribute not only to economic growth or other broadly defined objectives, but also to enhanced enjoyment of the full range of Human Rights.”\textsuperscript{76}

\textsuperscript{74} Fourth report of the independent expert on the right to development, Mr. Sengupta, submitted in accordance with Commission resolution 2001/9 (E/CN.4/2002/WG.18/2), paragraph 9.
\textsuperscript{75} Sixth report of the independent expert on the right to development, Mr. Sengupta, submitted in pursuance of Commission on Human Rights resolution 2003/83 (E/CN.4/2004/WG.18/2, paragraph 3).
The second principle of general relevance highlighted by the CESCR is that development cooperation activities do not automatically contribute to the promotion of respect for economic, social and cultural rights. Many activities undertaken in the name of “development” have subsequently been recognized as ill-conceived and even counter-productive in Human Rights terms. In order to reduce the incidence of such problems, the whole range of issues dealt with in the Covenant should, wherever possible and appropriate, be given specific and careful consideration.\(^7^7\)

Another important aspect for understanding the right to development is that in this process not only the “ends” but also the “means” used to achieve results matter. Precisely, part of the added value of the Human Rights approach to development is that it is concerned “with ‘how’ these outcomes are realized, whether the State parties or the other duty holders have fulfilled their obligations and whether the procedures followed are consistent with the rights-based approach to development.”\(^7^8\) This approach implies transparent, accountable, participatory and non-discriminatory processes with equity in decision-making and sharing of the fruits or outcomes of the process. The relevance of the “means” is an important difference between the Human Rights-based approach to development and human development thinking which focuses on the outcomes “in a way that is not sensitive to how these outcomes were brought about.”\(^7^9\) It is also important to note that the approach based on the assumption that development is a human right, “broadens the human development approach, by making all the human development goals for the provision of the corresponding goods and services, rights that belong to individuals.”\(^8^0\)

Regarding obligations around the right to development, it must be emphasized that it imposes obligations both on individual States - to ensure equal and adequate access to essential resources - and on the international community - to promote fair development policies and effective international cooperation.\(^8^1\) This right is to be facilitated and

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77. Ibid paragraph 7.
78. Fourth report of the independent expert on the right to development, Mr. Sengupta, submitted in accordance with Commission resolution 2001/9 (E/CN.4/2002/WG.18/2), paragraph 7.
80. Fourth report of the independent expert on the right to development, Mr. Sengupta, submitted in accordance with Commission resolution 2001/9 (E/CN.4/2002/WG.18/2), paragraph 8.
ensured by the corresponding duty-bearers on whom the claims are made, and who must adopt and implement policies and interventions that conform to the Human Rights norms, standards and principles.\textsuperscript{82}

Finally, it is important to mention that based on Article 8 of the Declaration on the Right to Development which requires States to undertake "effective measures … to ensure that women have an active role in the development process" the independent expert on the right to development; Mr. Arjun Sengupta had addressed gender and women’s rights. He repeatedly drew the attention to issues such as gender equality, participation of women’s organizations, and women’s health. He also noted the need for gender-sensitive and gender-specific indicators and for sex-disaggregated data. The lack of this information constitutes an obstacle to adequate integration of gender perspectives into the promotion and protection of the right to development.\textsuperscript{83}

The Fourth World Conference on Women, held in Beijing 1995, constituted a significant benchmark in targeting the international aid towards, women, for instance, its final report suggested as one of the main actions to be taken in order to achieve gender equality:

"By multilateral development institutions, including the World Bank, regional development banks, bilateral donors and foundations:

(a) Consider increasing funding for the education and training needs of girls and women as a priority in development assistance programmes.
(b) Consider working with recipient Governments to ensure that funding for women’s education is maintained or increased in structural adjustment and economic recovery programmes, including lending and stabilization programmes.\textsuperscript{84}

However, donor resources for gender equality have progressively declined since the Beijing world conference on women in 1995. In 2003, of the net official development aid disbursement (69 billion dollars), only 0.6 percent went to programmes with gender

\textsuperscript{82} Sixth report of the independent expert on the right to development, Mr. Sengupta, submitted in pursuance of Commission on Human Rights resolution 2003/83 (E/CN.4/2004/WG.18/2, paragraph 3).


\textsuperscript{84} DEVELOPMENT: ‘Aid Must Budget for Women’, Sabina Zaccaro. IPS.
equality as a principal objective. Of the European Union’s annual external budget of 8 billion euros, eight million euros are devoted to gender equality work.\(^{85}\)

Yet, 2008 could represent an opportunity for further dialogue on development aid, especially during the third High Level Forum on Aid Effectiveness, in Accra in September 2008 as stated by Stephen Marks, the Chairperson-Rapporteur of the Working Group on the Right to Development. In the Report of the high-level task force on the implementation of the right to development (7-15 January 2008), he presented the main points of the discussions undertaken among several actors and established the links between the Paris Declaration on Aid Effectiveness and the right to development.\(^{86}\) During the session, a consultant to the task force presented a report\(^{87}\) commenting on asymmetries and imbalances in the process, in favor of developed countries and stating that the Paris Declaration principles are conducive to the right to development criteria; however, the corresponding indicators do not strictly relate to the principles.

Representatives of the Organization for Economic Co-operation and Development (OECD) argued that the participation of developing countries and civil society organizations within the Paris Declaration process has been evolving and it is getting well institutionalized. Besides, the representative of the World Bank stated that even though Human Rights are not referred explicitly in the Paris Declaration, there are synergies between the Paris Declaration principles and Human Rights, which highlight their mutually reinforcing potential. The representative also emphasized the importance of clarifying the value added of Human Rights in empirical and practical terms. During the discussions there were also references to the need for a cost-benefit analysis of the harmonization and alignment principles of the Paris Declaration, the implications for the poorest of a decision to withhold health-related aid due to lack of absorbing capacity in a recipient country, and the significance of the power imbalances for realizing the right to development.

However, in our opinion, deeper and further analysis needs to be developed on this issue as it is not clear the manner in which the Paris Declaration will guide the implementation of Human Rights principles.

\(^{86}\) A/HRC/8/WG.2/TF/2.
The human right to self determination

The right to self-determination is a cornerstone of the international legal system, and has been a premier concern of the international community since the creation of the United Nations in 1945, particularly in regard to issues such as independence, non-interference and democracy.

As it was mentioned before, the right to self-determination is an important component of the right to development. Article 1 of the Declaration on the Right to Development establishes that “the human right to development also implies the full realization of the right of peoples to self-determination, which includes, subject to the relevant provisions of both International Covenants on Human Rights, the exercise of their inalienable right to full sovereignty over all their natural wealth and resources”.

The ICESCR establishes in its article 1 that “All people have the right of self-determination. By virtue of that right they freely determine their political status and freely pursue their economic, social and cultural development.”

The Committee on ESCR has explained that article 1 of the ICESCR is worded in precisely the same terminology as article 1 of its sister text, the International Covenant on Civil and Political Rights as: “the self-determination provisions in common article 1 are particularly important because the realization of this right is a fundamental prerequisite for the effective guarantee and observance of individual Human Rights and is pivotal in securing and strengthening Human Rights protection measures.”

It is also very important to consider that the right to self-determination “has both external and internal dimensions and has been the subject of some controversy in recent years, as it is increasingly asserted by groups within countries, as distinct from ex-colonies and occupied countries.” With regards to this, some authors have stated that countries will only develop if their governments take full responsibility for devising their own plans, with commitment from their political leaders and under the scrutiny of their citizens. As the United Nations Conference on

88. Fact Sheet 16 Rev.1 on the Committee on Economic, Social and Cultural Rights.
89. Ibid
Financing for Development (the 2002 Monterrey Summit) recognized, ‘Each country has primary responsibility for its own economic and social development, and the role of national policies and development strategies cannot be overemphasized’. 91 The Africa Commission in 2005 concluded, ‘History has shown us that development cannot and does not work if policies are shaped and forced by outsiders’. 92

The relation between the right to development and international cooperation

First of all, it is important to say that the duty of the international community to cooperate was built upon Articles 56 and 57 of the Charter of the United Nations (that has the legal status of an international treaty). 93 As established in article 3, paragraph 3 of the Declaration on the Right to Development “States have the duty to co-operate with each other in ensuring development and eliminating obstacles to development. States should realize their rights and fulfill their duties in such a manner as to promote a new international economic order based on sovereign equality, interdependence, mutual interest and co-operation among all States, as well as to encourage the observance and realization of Human Rights.”

This was also reaffirmed by the Vienna Declaration of the World Conference on Human Rights, held in Vienna in 1993. The Vienna Conference dealt extensively with the right to development. It adopted the Vienna Declaration and Programme of Action, which recognizes that democracy, development and respect for Human Rights and fundamental freedoms are interdependent and mutually reinforcing. The World Conference reaffirmed by consensus the right to development as a universal and inalienable right and an integral part of fundamental Human Rights. It further stated that, while development facilitates the enjoyment of all Human Rights, a lack of development might not be invoked in order to justify the abridgement of internationally recognized Human Rights. 94

In addition, States are required, by Article 6 of the Declaration on the Right to Development to take steps “to eliminate obstacles to

development resulting from failure to observe civil and political rights as well as economic, social and cultural rights,” because the implementation, promotion and protection of these rights would be essential for realizing the right to development as all Human Rights and fundamental freedoms are indivisible and interdependent.

Most importantly, Article 4 declares quite categorically that States have the duty, individually and collectively, to formulate international development policies to facilitate the realization of the Right to Development. It recognizes that sustained action is required to promote rapid development of developing countries, and then declares, “as a complement to the efforts of developing countries, effective international cooperation is essential in providing these countries with appropriate means and facilities to foster their comprehensive development.” The implication of this clause becomes clearer when read in conjunction with Article 2 which says that the states not only have the duty to formulate appropriate national development policies but also the right to do so, and other actors of the international community have the duty to facilitate that process. Clearly, the national states on their own may not be able to formulate and carry out that process in an increasingly globalised and interdependent world without the cooperation of the other states and international agencies.95

The issue of conditionalities in development cooperation from a Human Rights perspective

The issue of conditionalities in development cooperation has been under a long and open ended debate among States and also within the NGO community. As described by Mr. Sengupta,96 although the major industrial countries have had development cooperation policies, especially development assistance programmes, since the 1950s, they have been reluctant, until very recently, to link them to the Human Rights standards (…) Invoking Human Rights concerns was not favored either by the recipient developing countries or the donor industrial countries. The first group thought it would result in unnecessary interference in their political sovereignty. The latter felt:

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96. Section on “Human Rights and development cooperation” within the Fourth report of the independent expert on the right to development, Mr. Sengupta, submitted in accordance with Commission resolution 2001/9 (E/CN.4/2002/WG.18/2), paragraphs 46-55.
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(a) That it would unnecessarily alienate the recipient countries.
(b) That some of the recipient countries, which were known perpetrators of Human Rights violations, actually received the largest amounts of development assistance because they were allies of the major donor countries and such a policy would be difficult to justify if Human Rights standards were applied; and
(c) That development policies should be kept separate from the issues of Human Rights (which at best should be used to assess the compatibility of those policies and practices with Human Rights norms, but could not be the basis of development models. That would be too close to accepting the legitimacy of economic, social and cultural rights, which most of the major donors were not fully prepared to do).

Mr. Sengupta recognizes that over the years the situation partly changed because the Human Rights movements in the industrial countries pushed for Human Rights concerns to be reflected in development assistance policy, and to invoke Human Rights violations has been the reason for stopping assistance to specific countries. The Human Rights approach to development cooperation has extended from focused on assistance for specific projects and programmes in specific areas of development, to policies, but there was reluctance to link general policies, even such as meeting basic needs or eliminating absolute poverty, to Human Rights. It has been argued that such a linkage might have been construed as affecting the political neutrality of the multilateral agencies, such as the World Bank or the IMF, and therefore the preference was to use specific projects to promote specified Human Rights. Later, development cooperation policies started integrating a Human Rights approach into a country’s development programme combining a set of projects with policies and social arrangements, using their interdependence and common overall objectives. Poverty eradication has been the main objective of development bringing out the importance of applying the Human Rights approach both in terms of partnership and empowerment.


98. On this matter, Philip Alston has noted that in the fact of that many of these programmes adopted “an instrumentalist approach to Human Rights, rather than giving Human Rights, ‘a prior value commitment’. Fulfilling Human Rights was important as it would be conducive to the realization of specific developmental goals. Human Rights policies as reflected in concerns about good governance, or ensuring transparency, accountability and non discrimination and partnership leading to empowerment were regarded as important, if not essential, for the implementation of poverty eradication programmes. But the legal standards of achievement attaching to Human Rights were not considered policy objectives” quoted at Fourth report of the independent expert on the right to development, Mr. Sengupta, submitted in accordance with Commission resolution 2001/9 (E/CN.4/2002/WG.18/2), paragraphs 48-49.
Nevertheless, Mr. Sengupta, pointed out that mechanisms for establishing the international obligations and specifying the duties of the different agencies of the international community are still lacking: “one lesson that has been learnt from the experience of international cooperation is that one-sided conditionality imposed on a party, even if in principle it is beneficial for the party, seldom works and is honored more often in the breach than in the observance. The donor community has therefore moved towards ensuring partnership with and empowerment of the recipient countries, making them owners of the programmes that entail those conditionalities. However, if those conditionalities are not matched by the specification of obligations belonging to the donor countries and institutions, and the international community in general, the exercise falls short of the requirements of the Human Rights approach.”

He suggested that the programmes implementing the right to development have to be designed in such a manner that the conditionalities set as the developing countries’ obligations are matched by reciprocal conditionalities, in terms of obligations that the international community will have to carry out. He also expressed that there is no unique model for implementing the right to development, and whatever model is chosen has to be selected through open international deliberation and agreement.

He concludes the report by presenting a development compact model and its operational aspects, which were later discussed during a mission in the meetings with officials of some major bilateral donor countries (the United Kingdom Department for International Development, the United States Department of State, the Government of the Netherlands), as well as concerned international organizations (OECD, IMF, World Bank).

Despite the previous described effort of shaping a model of a development cooperation programme based in “reciprocity of conditionalities” in order to meet in this way the Human Rights principle of equity, the present reality is very far from the model. Donors (both countries and financial institutions) are always reluctant to accept conditionalities of any kind over them, and in the contrary, donors are always ready to impose conditionalities to the recipient countries. In our opinion, the

100. The outline of the meetings held during this mission and the summary of the discussions is available in the document: E/CN.4/2002/WG.18/2/Add.1, Fourth report of the independent expert on the right to development, Mr. Sengupta, submitted in accordance with Commission resolution 2001/9. Mission to the Organization for Economic Cooperation and Development, the United Kingdom of Great Britain and Northern Ireland, the International Monetary Fund, the World Bank, the United States of America and the Netherlands.
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Conditionalities approach to development cooperation is far from being appropriate and in correspondence with the international law of Human Rights. Moreover, as it was said since the beginning, the conditionality approach lead to the denial of many Human Rights, and the so-called “Human Rights conditionalities” are contradictory. In this sense, the Declaration on the Right to Development is very clear when affirming “the promotion of, respect for and enjoyment of certain Human Rights and fundamental freedoms cannot justify the denial of other Human Rights and fundamental freedoms.”101

Conditionalities cannot be justified on the basis of the effectiveness, not even on the basis of the idea of “fostering” Human Rights realization. There is no justification to impose conditionalities that threaten and/or affect the right to self-determination and other rights (such as the right to access to information, the right to consultation, and the right to participation) even if these conditionalities aim to put pressure on the governments to accomplish with their Human Rights duties.

Looking at Human Rights obligations under article 2 of the ICESCR, the appropriateness of the means that the State Parties should apply is also relevant. This article establishes that “Each State Party to the present Covenant undertakes to take steps, individually and through international assistance and co-operation, especially economic and technical, to the maximum of its available resources, with a view to achieving progressively the full realization of the rights recognized in the present Covenant by all appropriate means, including particularly the adoption of legislative measures.”102

By no means, conditionalities can be considered as “appropriate means”. We can therefore affirm that conditionalities imposed by international aid and cooperation are incompatible with a Human Rights based approach. In our opinion, the accomplishment of the obligations of the State of respect, protect and fulfill Human Rights should be fostered by these existing mechanisms at the Human Rights UN System and at the regional Human Rights systems, rather than creating sort of bilateral or parallel mechanisms through conditionalities imposed by donor countries or institutions.

The Reality of Aid 2004 Report concludes that “The Alice in Wonderland” interpretation of good governance and Human Rights by OECD do-

102. ICESCR, article 2, paragraph 1.
nors — so that these terms mean whatever OECD countries want them to mean. This Report represents a serious critic to the way donor countries have been facing governance issues. Respecting Human Rights is one of the effective dimensions that donor countries consider that all “good government” must have. However, many in the South, including authors for “The Reality of Aid 2004”, are asking whether donor concerns for ‘good governance’, now referred to as the ‘Post-Washington Consensus’ are no more than repackaged structural adjustment programmes that were highly contested in many countries in which they were imposed in the 1980s and 1990s, now with a supposed human face for demonstrable ‘country ownership’. 103

Some other ideas and recommendations around this issue have been discussed within the High-level Task Force on the implementation of the right to development, set up within the framework of the Working Group on the Right to Development. 104 In the background paper on “International Human Rights Law as an Assessment Instrument” 105 is explained that for the development partnership of Millennium Development Goal No. 8 to gain practical relevance, and to be susceptible to evaluation, it needs to be operationalised in multilateral and/or bilateral development contracts or agreements. In this context, Human Rights law could and should play an important role by functioning first of all as imperative law that protects the weaker contracting party.

Human Rights law would thus impose constraints on the contractual freedom of countries in the North and international organizations, in that they would not be allowed to impose conditions that are contrary to international Human Rights law. At the same time, Human Rights law also limits the contractual freedom of developing countries, in that they cannot agree to contractual development obligations that are contrary to international Human Rights law. Secondly, international Human Rights law can also normatively inform development contracts, and thus assure that they are instrumental in fostering human development, rather than only economic growth.

104. The high-level task force the implementation of the right to development was set up in pursuance of the Commission on Human Rights resolution 2004/7. http://www2.ohchr.org/english/issues/development/taskforce.htm
Statement of the Women’s Consultation on Financing for Development

Church Center, New York,
June 16-17 2008

Formal Submission to the Financing for Development Review Process

Submitted by Josefa “Gigi” Francisco (DAWN)
Preamble

1. In 2002, heads of State and Government gathered in Monterrey, Mexico and adopted a set of actions addressing the inter-connected challenges of financing for development around the world, particularly in developing countries. These agreements known as the Monterrey Consensus had the aim of mobilizing increased and predictable resources toward achieving the internationally agreed development goals, including the Millennium Development Goals (MDG). The review of the Monterrey Consensus takes place this year amidst evidence showing that women’s empowerment and welfare indicators are the weakest among the MDG targets. Moreover, gender equality which is now widely regarded in official circles as a cross-cutting issue suffers from a lack of conceptual clarity and clear monitorable targets which exacerbates what has been a persistent gap between official rhetoric and action.

2. Much more needs to happen to address the national, international and systemic challenges of financing development spawned by an environment of intensified and unregulated trade and financial liberalization processes that often bear unpredictable negative consequences for productivity, growth, employment, poverty eradication and income distribution goals. The current financial, food and climate change crises are stark realities in a volatile environment marked by confusing market competition processes. A gender analysis raises further questions on the connection of these trends and volatilities to (a) women’s wages, employment and unpaid labor, (b) state of social reproductive and social protection capacities, resources and services, and (c) within-country and within-household sharing of financial risks and shocks. Gender inequality is embedded in asymmetrical social structures and systemic processes that underpin the uneven spread of financial risks and widening economic disparities which are experienced most acutely by those most disadvantaged especially women. For example, empirical evidence show that women in developing countries who work for very low wages in the large informal sector also carry a disproportionate share of financial risks as household finance managers in a context where there is inadequate or non-existent publicly provided social welfare and protection for the poor.

3. This set of proposals that substantively address women’s inter-linking concerns in the Monterrey Consensus was discussed and adopted at a women’s consultation meeting convened by the Women’s Working
Group on Financing for Development in New York on June 16 and 17 2008. The women’s consultation, attended by 50 women and men was supported by UNIFEM and the Financing for Development Office in DESA as well as benefited from intensive interaction and collaboration with the larger Doha NGO Group of Networks, a process that enabled women’s issues and gender equality concerns to be recognized by a larger constituency. Thus, our proposals align with but also enhance several key recommendations found in the draft Civil Society Key Recommendations for the Doha Draft Outcome Document.

Key Recommendations for Forward Actions

Chapter 1: Domestic Resource Mobilization

The Monterrey Consensus highlighted domestic resource mobilization, both public and private, as the principal source of financing for development. It called for an enabling national environment where macroeconomic policies and regulatory frameworks that support growth, employment, poverty eradication, redistribution, equality and human development coexist in interaction with participatory and accountable governance systems and processes. Central in this commitment is the issue of domestic policy space and how the international institutional environment supports or undermines the capacity of national governments to achieve development.

1. Promote Participatory and Gender Responsive Budgets

The greater allocation of domestic resources toward gender equality is critical to achieving MDG3 and signals a country’s commitment to gender equality and good governance through investments of their own resources. The Monterrey Consensus had already stressed the critical need for reinforcing national efforts in building capacity for gender budget policies and practice while the 2005 High Level Dialogue emphasized that domestic resource mobilization should encourage gender-responsive budgeting to ensure that relevant commitments to gender equality, poverty eradication and social welfare and protection are resourced. To be efficient effective and accountable, Public Finance Management systems and practices need to be supportive rather than undermining of participatory and gender responsive budgeting.
Toward this end, resources should be allocated for the following:

(1) training of government bureaucrats on the use of participatory and gender responsive budgets;
(2) collection and utilization of gender disaggregated data, including time-use surveys that measure women’s unpaid work and its contribution to the national economy to make visible women’s actual economic contribution and gender-responsive poverty measure in the National Accounts System (ECLAC Quito Consensus 2007); and
(3) meaningful and regular participation of women’s rights advocacy groups and representatives of civil society in participatory and gender responsive budget processes.

Gender budget practices may also be applied to the planning and implementation of ODA funded projects and programs both on the part of donor and recipient countries.

2. Strengthen the national commitment to and enforcement of Decent Work

National enforcement of policies and regulation that promote decent work is a strategy that simultaneously responds to poverty reduction, gender equality and equitable growth. It promotes good governance and the rule of law by ensuring that the rights of a large majority of citizens (workers) such as their right to a living wage and collective bargaining processes are protected by law. Related to this, we welcome a recent report that criticized the World Bank’s Annual Doing Business Report which ranks countries on whether or not they have a favorable business environment, and that gives low rankings to countries attempting to promote the decent work principles.

Policies to create decent work should fully account for rapid changes in labor markets and opportunities as governments begin to put in place the necessary adjustments toward a properly sequenced and managed trade liberalization that enhances rather than weaken domestic productive capacity. Efforts are needed to immediately reach the large numbers of women in Export Processing Zones and in informal work.
We recommend special attention be given to women workers in the following aspects:

(1) need for quality jobs for women workers;
(2) training that improves women’s options across different sectors of the labor market;
(3) access to finance for women entrepreneurs, especially in small and medium enterprises;
(4) provision of health insurance including access to reproductive health care services;
(5) provision of maternity benefits and access to affordable child care, and
(6) protecting the rights of women workers to self-organization and self-representation in social dialogues.

3. Utilize progressive and fair taxation schemes including tax rebates and tax relief for the poor and women

Progressive tax regimes can optimize revenues, while easing the income disparities that have marked growth in many countries (UNIFEM 2007). In this light we support progressive fair and efficient taxation, including taxation of transnational corporations, addressing more forcefully the problem of tax evasion and tax havens, and strengthening world-wide tax cooperation and setting up an International Tax Organization, all of which have been proposed and endorsed widely by CSOs and citizens’ groups.

In addition, we recommend the following additional tax measures:

(1) tax rebates to women in recognition of their contribution to the society, their historical discrimination in land ownership as well as their unequal sharing of family responsibilities;
(2) tax relief for the poor and for single household heads a majority of whom are women who either care for the very old or the very young.

Chapter 2: Foreign Direct Investments and Private Capital Flows

The Monterrey Consensus for the most part valorized the increase in the volume of private and public capital flows to developing countries, the changing composition and the differentiated impacts of various kinds of capital flows, as well as, their changing geography. While largely recognizing the opportunities for financing development from
these kinds of flows, governments also acknowledged in a preliminary and generalized way the need to “mitigate the impact of excessive volatility of short-term capital flows are important and must be considered. Given each country’s varying degree of national capacity, managing national external debt profiles, paying careful attention to currency and liquidity risk, strengthening prudential regulations and supervision of all financial institutions, including highly leveraged institutions, liberalizing capital flows in an orderly and well sequenced process consistent with development objectives, and implementation, on a progressive and voluntary basis, of codes and standards agreed internationally….“ (Monterrey Consensus, para 25).

We join in the effort by our colleagues in civil society in putting forward the call for a multilateral mechanism that would subject investors and transnational corporations to more lawfully binding norms and standards. In the meantime, investor behavior continues to pose problems to developing country governments that have difficulty dealing with the effects of wage competition and the global tax race to the bottom. In a situation of liberalized financial markets that continue to exhibit tendencies toward crisis, these governments need to deal with an increasingly riskier environment as they seek opportunities for sourcing finances for development through private capital flows while ensuring stability of growth for their economies.

Given the current context of yet another financial crisis, the time to act is now. The present financial turmoil showed that existing national regulatory mechanisms even within developed countries as well as international economic surveillance and information exchange systems are inadequate and unable to respond to the increased emergent risk-taking practices of banks and other non-bank financial institutions and to the growing speculative behavior of investors and traders in an environment of increasing volatility and risks. Financial crises have employment and earnings effects, as well as indirect effects on welfare and poverty reduction that ultimately reach women and men differentially, with women who are care providers often taking on the burden of risk sharing and adjustment in the household.
Conditionalities undermine the Right to Development: an analysis based on a Women’s and Human Rights perspective

In the spirit of supporting the call for binding norms for transnational corporations in the United Nations, we propose the joint recommendations, as follows:

1) Convene within the United Nations and at the soonest possible time, an inter-governmental meeting addressed to how governments can efficiently and in an effective way manage their competition for FDI and other capital flows.

2) Strengthen at the national sphere the rule of law and citizen’s access to information and the legal system in order to compel investors and traders to behave as “good citizens”.

Chapter 3: Trade

The framework of rapid and intensified trade liberalization that is espoused by the World Trade Organization and which is driving some regional and bilateral free trade agreements has been criticized for its anti-development elements. Trade is not an end in itself – it must serve pro-people and inclusive development, the realization of Human Rights and the right to development for all, and the achievement of a caring economy and environmental sustainability. A gender perspective of trade is a holistic one, supportive of the broader framework of international conventions and multilateral commitment for the common good.

Trade affects gender equality through employment and income opportunities or losses, as well as shifts in the costs of basic goods and services. There is as yet no mechanism to monitor the extent to which current trade policies have worked to reduce gender inequalities, but trade liberalization, which is normally accompanied by lower revenue collection from tariffs, can slow investments in public services and shift tax burdens towards labor in ways that limit women’s productivity. Some industries favored by trade improve women’s employment prospects as a general principle, but others, including some high-tech sectors that offer better wages, may not benefit women because of persistent gender biases that reduce women’s chances of cultivating appropriate skills. This is seen in the widely criticized practice of export oriented industries of regarding women as low-cost inputs into production (UNIFEM 2007).
1. Actively apply special and differential treatment and less-than-full reciprocity as principles for trade negotiations.

In the current trade liberalization climate, countries are unable to protect their industries some of which had traditionally produced incomes and supplied affordable basic services for women. Particularly in the area of food and agriculture, women are the majority producers of the world’s staple crops. As small producers, they lack access to land, markets, credit, and other inputs. This could be remedied through targeted domestic support for small producers.

As countries grow in their ability to integrate into the global economy, the international environment must support their newly emerging capacities. All international trade agreements should make allowances for countries to address varying national development circumstances. Policy options might include the identification of specific industries for support; the encouragement of foreign direct investment that supports development targets; some amount of trade protection through reasonable tariffs and related measures that help domestic producers develop their capacities; and the upgrading of skills and technology so that a country’s competitive advantage is not based solely on low-cost labor and other inputs, but also on technological and human development (UNIFEM 2007).

2. Support and strengthen women’s meaningful involvement in multi-stakeholder oversight processes and mechanisms related to trade agreements and reforms at all levels.

Women are consistently not involved in a meaningful way in trade negotiations processes nor is a gender perspective included in the analysis and understanding of the potential impacts of trade agreements and trade-related adjustments. Civil society and parliamentary oversight must be incorporated into regular trade impact reviews at all levels so that there could be monitoring of the social and gender impacts of trade. The effort to draw up a list of indicators that are sensitive to uncovering contradictions in relation to social targets and commitments in trade must also be funded and supported.

Chapter 4: International Financial and Technical Cooperation

Although the overall share of ODA in the financing landscape is smaller than private financial flows and trade, in poorer countries, ODA is
essential for achieving the internationally agreed development goals, the MDGs included. There is recognition that aid flows are highly volatile and threatens the continuity of development programs, for instance, on gender equality. It is in this light that we welcome the emergence of South-South Cooperation and other innovative sources of financing for development.

Recognizing that donors allocate ODA when they fund specific projects, and recipient governments determine the allocation of donor financing given as direct budgetary support or sector support, we recommend to:

1. Ensure additionality and predictability of aid flows

Women worldwide are the most affected by poverty and structural adjustment programs, with the privatization of education and health services and of other resources & services essential to social reproduction having a more severe impact on women. Projects that support women’s empowerment suffer a shortage of funds and must be strengthened if progress is to be made. Moreover, gender and social transformation takes place over a long period of time and must receive sustained support to become possible. This is true not only of developing countries where aid flows are highly concentrated in but also of certain sectors and regions within middle income countries which must also be reached by traditional and new donors.

With this in sight, donor governments must immediately meet its pledge of 0.7% of their GNP as official development assistance to developing countries. In addition, donors and recipients should scale up the share of ODA for gender equality and women’s empowerment to reach 10% by 2010 and 20% by 2015, ensuring that there are year-to-year increases by some agreed upon level. They should avoid ODA distorting practices such as inflating their ODA statistics by arbitrarily including various types of costs or shuffling funds from an old to a new item without any real topping up of finances or counting debt relief as part of ODA.

As well, the increase in ODA should not lead to a cycle of debt for the recipient country. Rather the major increase in ODA should be felt in the grants component of aid rather than in the loan component.
2. Remove conditionalities and strengthen mutual responsibility, accountability and transparency of donors and recipient countries

ODA must not be used to exercise power over recipient countries through the use among others of conditionalities. Neither should ODA be linked to trade negotiations. Instead, ODA must be used to develop the capacity of the recipient country’s economy to generate and mobilize its own resources, to promote development while reducing structural inequalities including gender inequality. In short, ODA should be a contribution that truly supports national economic and social development within a framework of a vibrant and robust democratic society and transparent and accountable governments propelled by their own empowered political actors.

To ensure that the benefits of additional financing benefit gender equality, social justice, and inclusion, ODA processes must uphold the mutual responsibility and obligations of governments to fulfill the internationally agreed development norms, goals, targets and actions which have been identified in the Beijing Platform for Action, Convention on the Elimination of All Forms of Discrimination Against Women, International Convention on Population and Development, Education For All, among others, without resorting to impositions and conditionalities within the narrow framework of aid giving.

Mutual accountability should ensure equal partnership between donors and recipients and facilitate governments of both donor and recipient countries to be accountable to various publics, women included. Negotiations on ODA must country-driven rather than donor-driven, and should be democratic and inclusive in its processes and practices, as well as, subject to a multilateral and multi-stakeholder review forum such as the ECOSOC’s Development Cooperation Forum.

3. Develop gender-sensitive indicators, tools and methodologies for the evaluation of the quality and development effectiveness of aid

In support of mutual responsibility and accountability for gender equality on the part of both donors and recipients, monitoring and evaluative tools and methodologies need to be developed to assess the extent to which aid allocations address or do not address the achievement of redistributive, social and gender goals. The categorization of gender, along with Human Rights and environmental sustainability, as cross cutting issues have led to difficulty in tracking
outcomes within basket funds and sector-wide programming. The development of gender-informed tools and methodologies must be carried out in a participatory process and should involve both traditional and emerging donors and across several aid modalities. Moreover such exercise should take place across all levels, with resources being allocated to enable women’s rights advocates meaningfully participate in national, regional and international processes. The United Nations system in particular its various agencies and entities charged with the promotion of women’s rights and gender equality must be the location of this process at the multilateral sphere.

Chapter 5: Debt

The inclusion of debt into the Monterrey Consensus provided an opportunity for the international community to commit to new principles related to the long-time problem of debt burden among developing countries. Nevertheless, the concrete agreements centered on a limited debt write-off mechanisms through the HIPC whose underlying weakness may be found in the unbalanced emphasis on financing and on required policy conditionalities rather than on the development dimension of external debt.

1. Undertake a more critical round of review and redefinition of the Debt Sustainability Framework that should involve not only national governments but also civil society including women’s rights organizations

Current strategies for debt relief are only oriented to resolve fiscal and financial and not development problems. Most countries are still suffering from the huge burden of debts and the impact of losing much needed resources to debt service. There is an urgent need to expand and deepen debt cancellation to cover not only low income countries and middle income countries burdened with debt. The revised Debt Sustainability Framework must be a framework that gives centrality to human development goals and Human Rights, which includes gender equality and women’s empowerment.
2. Loans and debt cancellation must be de-linked from conditionalities

Policy conditionalities that have accompanied loans as well as debt cancellation programs (ex HIPC) have had negative effects on women, the poor and marginalized, livelihoods and economies, and on the environment. The impacts of these conditionalities negate the positive outcomes of debt cancellation.

Donors must not unilaterally determine where to use funds freed from debt cancellation, such as, for instance, to support gender equality programs. A transparent, accountable and democratic process of deciding on where to utilize the funds must include in-country CSOs throughout the whole process, women’s rights organizations included. Such a process, at the same time, obligates financial transactions to recognize and uphold the mutual responsibility and obligations of governments to protect Human Rights, ensure gender equality and women’s empowerment, and promote environmental sustainability.

3. In the UN, a political dialogue must be initiated to deal with the question of odious / illegitimate debts

There is growing recognition of the problem of odious and illegitimate debt, the shared responsibility of lenders and borrowers in the emergence and perpetuation of this problem, and the justness of the call to cancel odious and illegitimate debts. Norway has led the way when it cancelled debt that it recognized as illegitimate. This had been followed by other initiatives such as the World Bank Roundtable and UNDP discussions on illegitimate debt as well as UNCTAD’s paper on illegitimate debt.

Comprehensive country debt audits are encouraged to address among others the question of illegitimacy of debt. There is also need to develop a common platform for Principled and Responsible Financing to be upheld by both lenders and borrowers.

Chapter 6: Systemic Issues

Gender disparities reflect and are related to the structural imbalances in the global economic system, which are expressed as the development gaps between North and South, the marginalization of groups of peoples
from core growth processes and their low levels of participation and decision-making in global economic governance. Addressing these inequities is an important step towards responding to the needs of people, women and men, on the ground.

The framework for enhancing the coherence and consistency of the international monetary, financial and trading systems in support of development requires a commitment to bringing into the rubric of the United Nations entities such as the Basel Committee where developing countries are not represented but whose actions and decisions have an impact on financial markets, as well as, to prioritizing the promotion of social objectives and policies over narrow financial objectives. Toward this end, we recommend:

1. Continue to ensure that FFD follow-up mechanisms, consultative processes, and opportunities for technical inputs in all of its multi-stakeholder arenas are effective spaces for consistent and regular inputs on gender equality by women’s rights organizations and networks and gender equality experts.

Global instability and financial crises have a disproportionately negative impact on women, hence, the need to prevent and manage the occurrence of crises informed by gender analysis. The FFD’s multi-stakeholder approach is uniquely situated to bring in women’s organizations and networks and gender experts for the identification of innovative policy approaches and solutions that explicitly address the gender dimensions of macroeconomic and exchange rate coordination (especially of large economies), the development of financial codes and standards, and the regulation of private sector activities. Discussions can also include exploration and development of mechanisms to collectively provide resources for programs and institutions (including national women’s machineries) that meet social objectives and gender equality.

Strengthening the institutional links and arrangements within the UN system to support women and women’s organizations in all levels of planning, monitoring and evaluation of development processes at the national and international settings is needed to bolster the implementation of commitments under the Monterrey Consensus (para. 4 and para. 64). Coherence and consistency is also needed between the Monterrey Consensus and the Beijing Platform for Action.
The FFD’s multi-stakeholder approach and strong participation from civil society including women’s rights organizations and networks may be replicated elsewhere in the UN system. For instance, the Development Cooperation Forum which is a multi-stakeholder platform with a more flexible agenda may be used for more frequent information exchange on best practices and dialogue for peer learning and that can provide the boost for the exploration of new approaches on participatory and gender-sensitive international, regional, and national economic governance mechanisms.

As such, all UN entities on gender equality and women’s empowerment should strengthen their capacity to link with issues and areas not traditionally identified with gender equality. Efforts should not remain small and sporadic. This will open up new thinking and strategies on promoting gender equality and women’s empowerment in the context of building new consensuses around development and global governance within the United Nations system.

Chapter 7: Emerging Issues

1. Financing to address the food and climate crises should not be in the form of loans.

The food energy and climate crises render peoples of the South, and women who dominate the food sector, more vulnerable to the accumulation of new loans. Governments should not offer or enter into loan-financing for seed purchases and similar food and agriculture programs, or loan-financing of climate mitigation and adaptation mechanisms.

Staying Engaged for Gender Equality

The Women’s Working Group on the FfD commits itself to keep fully engaged in all follow-up processes and to build bridges between commitments and actions on development, trade, finance, debt and systemic issues and women’s rights and gender equality commitment and goals which are consistent with the holistic agenda of the Monterrey Consensus. Engendering the financing for development process cannot be realized without a holistic approach that looks at the inter-connections among trade and finance in all its different form – aid, investment, debt and domestic savings.
Time to act is now

Intervention from the Women’s Working Group on Financing for Development

This Chapter is an adaptation of the intervention prepared and presented by Josefa “Gigi” Francisco (DAWN) at the Hearing with Civil Society Organizations on Financing for Development (FfD), organized by the United Nations on June 18th, 2008 in NY.

By Josefa ”Gigi” Francisco (DAWN)
This set of proposals that substantively address women’s interlinking concerns in the Monterrey Consensus, was discussed and adopted at a Women’s Consultation meeting convened by the Women’s Working Group on Financing for Development in New York on June 16 and 17, 2008. Our proposals align with but also enhance several key recommendations found in the draft Civil Society Key Recommendations for the Doha Draft Outcome Document.

The Women’s Consultation on Financing for Development observed that much more needs to happen to address the national, international and systemic challenges of financing development spawned by an environment of intensified and unregulated trade and financial liberalization processes, that often bear unpredictable negative consequences for productivity, growth, employment, poverty eradication and income distribution goals. The current financial, food and climate change crises are stark realities in a volatile environment marked by confusing market competition processes.

A gender analysis raises further questions on the connection of these trends and volatilities to:

(a) women’s wages, employment and unpaid labor. Empirical evidence show that women in developing countries who work for very low wages in the large informal sector also carry a disproportionate share of financial risks as household finance managers in a context where there is inadequate or non-existent publicly provided social welfare and protection for the poor.
(b) state of social reproductive and social protection capacities, resources and services. Women worldwide are the most affected by poverty and structural adjustment programs, with the privatization of education and health services and of other resources & services essential to social reproduction having a more severe impact on women. Projects that support women’s empowerment suffer a shortage of funds and must be strengthened if progress is to be made. Moreover, gender and social transformation takes place over a long period of time and must receive sustained support to become possible.
(c) within-country and within-household sharing of financial risks and shocks. Financial crises have employment and earnings effects, as well as indirect effects on welfare and poverty reduction that ultimately reach women and men differentially, with women who are care providers often taking on the burden of risk sharing and adjustment in the household.
Gender inequality is embedded in asymmetrical social structures and systemic processes that underpin the uneven spread of financial risks and widening of economic disparities which are experienced most acutely by those most disadvantaged especially women. For example, empirical evidence shows that women, in developing countries who work for very low wages in the large informal sector, also carry a disproportionate share of financial risks as household finance managers in a context where there is inadequate or non-existent publicly provided social welfare and protection for the poor.

The Women’s Consultation ended with a commitment to stay engaged in the FfD process, in particular with the hope that the FfD’s multi-stakeholder approach and strong participation from civil society including women’s rights organizations and networks may be replicated elsewhere in the UN system. Moreover, we urge all UN entities on gender equality and women’s empowerment to strengthen their capacity to link with issues and areas not traditionally identified with gender equality. This will open up new thinking and strategies on promoting gender equality and women’s empowerment within the UN system.

In consideration of the limited time allowed for intervention, allow me to focus on only a few highlights in three areas.

Under Chapter 1: **Domestic Resource Mobilization**, we recognize the fact that the Monterrey Consensus prioritized on domestic resource mobilization, both public and private, as the principal source of financing for development. Central in this commitment is the issue of domestic policy space and how the international institutional environment supports or undermines the capacity of national governments to achieve development goals. Our recommendations in this area include:

1. Promoting participatory and gender responsive budget.
2. Strengthening the national commitment to and enforcement of Decent Work; and
3. Utilizing progressive and fair taxation schemes including tax rebates and tax relief for the poor and women.

Under Chapter 2: **Foreign Direct Investments and Private Capital Flows**, our joint key recommendations are:
1. To convene within the UN and at the soonest possible time, an inter-governmental meeting that will address how governments can efficiently and effectively manage their competition for Foreign Direct Investment (FDI) and other capital flows; and

2. To strengthen at the national sphere the rule of law and citizen’s access to information and the legal system in order to compel investors and traders to behave as “good citizens”.

We join in the effort by our colleagues in civil society in putting forward the call for a multilateral mechanism that would subject investors and transnational corporations in compliance with Human Rights obligations. In the meantime, however, investor behavior continues to pose problems to developing country governments that have difficulty dealing with the effects of wage competition and the global tax race to the bottom. In a situation of liberalized financial markets that continue to exhibit tendencies toward crisis, governments need to deal with an increasingly riskier environment as they seek opportunities for sourcing finances for development through private capital flows while ensuring stability of growth for their economies.

The present financial turmoil showed that existing national regulatory mechanisms even within developed countries as well as international economic surveillance and information exchange systems are inadequate and unable to respond to the increased emergent risk-taking practices of banks and other non-bank financial institutions and to the growing speculative behavior of investors and traders in an environment of increasing volatility and risks. The time to talk is now.

Finally in Chapter 4: **International Financial and Technical Cooperation**, we agree with the worldwide recognition that aid flows are highly volatile and threaten the continuity of development programs, for instance, on gender equality. It is in this light that we welcome the emergence of South-South Cooperation and other innovative sources of financing for development. This is a positive development to our concern on additionality and could enhance the predictability of aid flows in support of the internationally agreed development goals. Governments have agreed to allocate 0.7 % of their national income to development aid under the Monterrey Consensus; however only a few are reaching the target. There is need for additional resources and not only more effective mechanisms to deliver aid.
One key demand is to remove conditionalities related to gender equality and other so-called “positive conditionalities” and instead strengthen mutual responsibility, accountability and transparency of donors and recipient countries. ODA should be a contribution that truly supports national economic and social development within a framework of a vibrant and robust democratic society and transparent and accountable governments propel by their own empowered political actors. To ensure that the benefits of additional financing benefit gender equality, social justice, and inclusion, ODA processes must uphold the mutual responsibility and obligations of governments to fulfill the internationally agreed development norms, goals, targets and actions which have been identified in the Beijing Platform for Action, and other international agreements such as Human Rights international instruments. Negotiations on ODA must be country-driven rather than donor-driven, and should respect the right to self determination and the right to development, be democratic and inclusive in its processes and practices, as well as, subject to a multilateral and multi-stakeholder review forum such as the ECOSOC’s Development Cooperation Forum.

In support of mutual responsibility and accountability for gender equality on the part of both donors and recipients, monitoring and evaluation tools and methodologies need to be developed to assess the extent to which aid allocations address or do not address the achievement of redistributive, social and gender goals and the fulfillment and realization of women’s rights.

The categorization of gender, along with Human Rights and environmental sustainability, as cross cutting issues have led to difficulty in tracking outcomes within basket funds and sector-wide programming. The development of gender-informed tools and methodologies must be carried out in a participatory process and should involve both traditional and emerging donors and across several aid modalities. Moreover such exercise should take place across all levels, with resources being allocated to enable women’s rights advocates meaningfully participate in national, regional and international processes. The United Nations system in particular its various agencies and entities charged with the promotion of women’s rights and gender equality must be the location of this process at the multilateral sphere.
That the full text of the Women’s Consultation recommendations published in Chapter 4 of this publication, was submitted to the Hearings’ Co-Chairs, reiterating that engendering the financing for development process cannot be realized without a holistic approach that looks at the inter-connections among trade and finance in all its different forms – aid, investment, debt and domestic savings.
Another expression of the lack of political will to reduce conditionalities and advance on Gender Equality?

By Cecilia Alemany, Fernanda Hopenhaym, and Michele Knab (AWID)
Is it possible to advance on gender equality under the Aid Effectiveness framework?

The 3rd High Level Forum that took place in Accra in September 2008 was an opportunity to test if there was real political will to advance on gender equality and the reduction of policy conditionality, amongst other issues. The previous venue in 2005 was the 2nd High Level Forum held in Paris, and the main result was the Paris Declaration on Aid Effectiveness. In this sense, the previous High Level Forum was not very encouraging, but the debates and Civil Society Organizations (CSOs) engagement from a critical perspective maybe contributed in some way to push for some political will to go beyond the discourse and the narrow approach of the Paris Declaration.

Despite some positive changes on how to deliver aid to developing countries, CSOs contend that the Paris Declaration remains an unjust and unequal framework for understanding and implementing changes in the aid architecture. From the civil society perspective there is a risk that in the name of being more effective, key donor countries have developed a new set of aid tools and principles under the Paris Declaration that do not address the real development needs of the recipient countries and vulnerable groups in those countries. Particularly, women’s rights organizations have stated that, among other concerns, the Paris Declaration doesn’t recognize gender inequalities and fails to include gender analysis in the development agenda.

An analysis developed by AWID and WIDE points out that, “the Paris Declaration mentions gender equality in only one out of 50 paragraphs (paragraph 42, see box 1), with language that at best can be described as weak. This clearly indicates a lack of political commitment from donors and governments to make gender equality a priority as one of the central goals of development.”106

Box 1: Paragraphs 40 to 42 of the Paris Declaration: promoting a harmonised approach to environmental assessments:

40. Donors have achieved considerable progress in harmonisation around environmental impact assessment (EIA) including relevant

106 Alemany et al., AWID/WIDE (2008a), Implementing the Paris Declaration: implications for the promotion of women’s rights and gender equality, Commissioned by the Canadian Council for International Cooperation (CCIC), January.
health and social issues at the project level. This progress needs to be deepened, including on addressing implications of global environmental issues such as climate change, desertification and loss of biodiversity.

41. Donors and partner countries jointly commit to:
   • Strengthen the application of EIAs and deepen common procedures for projects, including consultations with stakeholders; and develop and apply common approaches for “strategic environmental assessment” at the sector and national levels.
   • Continue to develop the specialised technical and policy capacity necessary for environmental analysis and for enforcement of legislation.

42. Similar harmonisation efforts are also needed on other cross-cutting issues, such as gender equality and other thematic issues including those financed by dedicated funds.

Source: Alemany et al, AWID/WIDE (2008), Implementing the Paris Declaration: implications for the promotion of women’s rights and gender equality, Commissioned by the Canadian Council for International Cooperation (CCIC), January.

A strong concern regarding gender equality within the Paris Declaration context is that it is conceived, together with Human Rights and environmental sustainability, as a cross-cutting issue. At the Dublin + 1 Workshop[107] it was proposed to substitute the term “cross-cutting issue” by “policy priority issue” or “central goals to development”, as the continued use of the term “cross-cutting” perpetuates the marginalisation of these issues[108]. Environmental sustainability, gender equality and Human Rights are not a parallel debate of aid and development policies, but central development standards and goals.[109]

A positive result from Accra was that this main concern repeated several times during the past 3 years, was finally heard and integrated in the Accra Agenda for Action (AAA), as Nerea Craviotto details in

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107. GENDERNET organized a first workshop to discuss the so-called cross-cutting issues in Dublin in 2007. The key messages from the Dublin workshops were: Gender equality, Human Rights and environmental sustainability: are fundamental cornerstones for achieving good development results; can be advanced through implementing the principles and partnership commitments of the Paris Declaration; and must be harnessed to advance the implementation of the Paris Declaration. In 2008, DFID and Gendernet followed this initiative in the Dublin + 1 workshop, on March 12 and 13 in London.

108. Gendernet followed this initiative in the Dublin + 1 workshop, on March 12 and 13 in London. Irish Aid, Joint Assistance Strategies Brief.

109. See the Recommendations from the International Consultation of Women’s Organisations and Networks and Aid Effectiveness organized by the Association for Women’s Rights in Development (AWID), Women in Development Europe (WIDE) in Ottawa at the end of January 2008. Download from: http://www.awid.org/go.php?pg=ottawa_recommendations
Chapter 10.
An analysis of the five principles of the Paris Declaration (see box 1, Chapter 1) from a gender equality and women’s rights perspective raises the following concerns:

Ownership: The evaluation of the Paris Declaration implementation recognizes that, “at the level of principle as well, country ownership is accepted as the overarching commitment, although the subjective and political bases for judging ownership can make this difficult to apply in practice.”

Country ownership of development programmes should not be equated with “government” or “Executive” ownership. The role of Congress / parliament and sub-national or local authorities should not be eroded in their own capacities to define national development plans and budget. Moreover, to build sustainable development and aid strategies, citizens, CSOs, including women’s organisations, should be involved in the formulation, delivery and assessment of development policies and programmes.

From the civil society perspective, the principle of democratic or participatory ownership should be the guiding principle, as a vector where all the other principles of the Paris Declaration should guarantee in their implementation that they are not going against national ownership. There is growing consensus on the participatory dimension of ownership and the need to promote broader effective and legitimate participation of all the development actors. But it is also true that some developing countries’ officials see the consultative or participatory dimension of ownership as an external conditionality, imposed from the donors’ community and not owned or responding to national processes or dynamics. Social dialogues take different forms depending on the country, and the participatory and political culture also varies, this is the reason why developing countries will not accept a model or normative definition coming from the 3rd High Level Forum in Accra.

From the Human Rights’ perspective, the Right to Participation is inextricably connected to democracy in terms of building sustainable participatory processes and therefore should not be seen as a process conditionality that enhances “democratic ownership”.

110 Evaluation of the Paris Declaration implementation (2008), section 4.7.
It should be seen as an obligatory base point in any democratic process as it is an obligation of the States to respect, protect and fulfill the right of the people to participate.\textsuperscript{111}

The right to participate “is a human right characterized by universality, integrality, and indivisibility with other rights. Participation may be exercised in individual or associated form, and includes the spheres of political life as well as economic, social, and cultural life.”\textsuperscript{112} The right to participate is interdependent with regard to other rights like the right to self-determination, the right to access to information, the right to consultation, the right to freedom of peaceful assembly and association, the right to freedom of opinion and expression, and of course is crucial for the realization of the right to development.

CSOs and social movements from the entire world have been opening spaces for participation and social dialogue over decades, with different results, depending on national contexts. So, in terms of process, there are already participatory development processes being implemented in developing countries and the existence, or not, of these spaces is directly related with democratic maturity, institutional governance and political will. Strengthening ownership will be possible if there are efforts to strength democratic governance, and its institutions, but also supporting national CSOs in general, and women’s rights and women’s empowerment in particular; promoting their watchdog role but also giving institutional support to platforms, alliances and individual CSOs.

In a document commissioned by the UN Working group on development, Roberto Bissio analyses the significance of the fact that indicator 1 of the Paris Declaration, is the only indicator on ownership, defined as, “partners have operational development strategies (includingPRSs)” and the target for 2010 is that “at least 75% of partner countries” have them. (…) If countries do not “own” their national development strategy, donors have nothing with which to align or harmonize their aid.

\textsuperscript{111} The Universal Declaration of Human Rights includes the right to political participation in article 21: “Everyone has the right to take part in the government of his country, directly or through freely chosen representatives” (article 21, para. 1); in the same way, the right to take part in the conduct of public affairs is recognized in the International Covenant of Civil and Political Rights (article 25 a). The right to participate along with the right to consultation are also recognized in the Convention 169 of the International Labour Organization concerning Indigenous and Tribal Peoples. The right to participation is implicit in other Human Rights, like the right to self-determination recognized in article 1 of both the ICCPR and the International Covenant on Economic, Social and Cultural Rights, and the right to development (Declaration on the Right to Development).

However ownership is defined as tautologically as countries having plans that conform to what donor wishes as articulated in conditionalties attached to loans and grants.\textsuperscript{113}

Alignment: as donors align aid with national priorities and budgets, aid is progressively being channelled from government to government, through General Budget Support (GBS) and other aid modalities. A burning question in this sense, is how can there be progress on Human Rights or gender equality obligations when it is not an explicit national priority and gender advocates have not significant role in development policymaking? This is the situation in several countries, where the participation of gender advocates in policy making is not possible or not systematic. In these cases there is a risk of dilution of Human Rights and gender equality goals in development cooperation, when developing countries don’t prioritise them.

On the other hand, when donors use Human Rights and gender equality obligations as “positive or friendly” conditionalties to improve their advancement in developing countries, the major risk is that these advancements would not be sustainable or national owned and their legitimacy would be questioned. Moreover, these type of conditionalties and in consequence the creation of “ad hoc” mechanisms to monitor achievements in gender and Human Rights could undermine the international Human Rights system and the existing mechanisms to asses the progress and fulfillment of Human Rights.

The Paris Declaration implementation evaluation observes that “donor earmarking for special thematic interventions and cross-cutting initiatives remains common, even among donors that are highly-committed to the Paris Declaration objectives, and these are sometimes seen as “donor issues” that run counter to the commitment to alignment. This relates to the advocacy role that donors play in some countries in helping focus attention on issues such as gender equity, the environment and democratic governance. One country study specifically quotes the challenges involved in reconciling priorities established separately through these strategic processes and others arising from the MDGs.”\textsuperscript{114}

\textsuperscript{113} BISSIO, Roberto (2007); “PARIS DECLARATION ON AID EFFECTIVENESS: Application of the criteria for periodic evaluation of global development partnerships – as defined in Millennium Development Goal 8 – from the right to development perspective: the Paris Declaration on Aid Effectiveness”, A/HRC/8/WG.2/TF/CRP.7, December.

\textsuperscript{114} Evaluation of the Paris Declaration implementation, Phase One, Synthesis Report, Final Draft Bernard Wood et all (2008); July, section 3.6.
In relation to Alignment and Ownership, women’s rights organisations and gender advocates have repeatedly stated that:

- Several countries have successfully used global agreements, such as the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), the Beijing Platform for Action, and Millennium Development Goals (MDGs), to inform the political process involved in identifying national priorities. Success depend in large part on the strength of alliances of gender equality advocates with parliaments, academic institutions, civil society and other sectors in building political support for women’s participation (UNIFEM, 2007).\(^{115}\)

- Poverty Reduction Strategies (PRSs or PRSPs) as a way to measure ownership and guide alignment are tricky instruments. Not only because they are World Bank and IMF instruments but also because in most cases PRSPs take a narrow approach to gender equality, limiting it “to social sectors or micro-enterprise, with little attention to macro-economic policies.”\(^{116}\)

Another risk related to a narrow implementation of this principle, is when is understood that aligning with countries’ priorities is only alignment with governmental priorities. Using progressively aid modalities such as GBS, could mean that fewer aid resources will be available to support other agendas, the work of CSOs, and particularly women’s organisations. The Second AWID Fundher Report signals the perception from women’s organisations that resources coming from bilateral and multilateral aid for these organisations are decreasing, particularly in regions like Sub-Saharan Africa.\(^{117}\) In addition, women’s rights organizations are receiving a very small share of the money that is available for civil society work. For example, “in 2005, World Vision International, the world’s largest Christian international development organization, and one with no mandate to support the emergency contraception and abortion, had an income of almost USD 2 million. In that same year, 729 of leading women’s rights organizations worldwide had a collective income of a paltry USD 76 million, not even 4 percent of World Vision’s budget.”\(^{118}\)

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115. UNIFEM (2007), Promoting Gender Equality in the Aid Effectiveness Agenda in Asia Pacific, Engaging the Principles of the Paris Declaration, Discussion Paper, November; p. 3.
Harmonisation: On the positive side there are several experiences of “several developing countries that have already benefited from joint analytic work on gender.” 119 Although in some situations “harmonising” donor policies could lead to a strengthening of conditionalities, such as the imposition of certain economic and trade policies, adding the real reduction of bargaining power that some developing countries confront when a group of donors harmonise their actions and their conditions.

There is also a risk that harmonisation will result in a too narrow framework (based on the policies of the least progressive donor) and thus a reduction of the development agenda. 120 Even when the Paris Declaration is explicit on the need for harmonisation efforts to include so called cross-cutting issues such as gender equality (paragraph 42); the likelihood of this happening will depend on how strong the commitment to gender equality is from donors and partners. 121 Another determining factor is how much consensus can be reached regarding this commitment and how that translates into explicit and measurable indicators in performance assessment frameworks and other monitoring and review mechanisms. 122 This is particularly important when women’s rights and gender equality commitments are not included as national priorities within the PRSPs, which unfortunately happens more often than not. 123

Managing for results: Article 43 of the Paris Declaration clearly states: “Managing for results means managing and implementing aid in a way that focuses on the desired results and uses information to improve decision-making” 124. If the desired results of aid effectiveness are to alleviate poverty then it is necessary to look beyond mere aid effectiveness and focus on development effectiveness. 125

Human Rights treaties’ standards, principles, and legal obligations of donors and governments should be used to determine the effectiveness of aid policies and approaches – particularly their impact on vulnerable

120. ALEMANY, Cecilia et al (2008b), Brief Issue Paper on Harmonisation and Gender Equality, AWID, WIDE, DAWN and FEMNET, May, p. 3.
121. Ibid.
groups. GENDERNET\textsuperscript{126} proposes that existing country-relevant gender equality indicators and processes be the basis to monitor results and progress towards gender equality. Existing mechanisms include MDG targets and indicators, as well as CEDAW reporting requirements and reporting on the Beijing Platform for Action. Additionally, there are international instruments such as the Universal periodic Review, as well as regional instruments such as the Maputo and the Belem do Pará conventions.

Key development goals as gender equality and women's empowerment should be advanced through a twin-track approach; that is, through the integration of gender equality targets along all sectors as well as by the inclusion of specific programmes and the allocation of specific resources focused on this issue.\textsuperscript{127}

The monitoring and evaluation systems put in place to assess the capacities at the country level pose many challenges, partner countries have expressed: "Aid should be allocated and performance assessment matrices designed based on country-defined sustainable development results and progress towards them, not on policy design, establishment of systems or processes, or short-term inputs or outputs, which implies reorienting conditionality."\textsuperscript{128} In addition, the way results are monitored and evaluated is relevant to the implementation of the Managing for Development Results principle. Sex disaggregated data is a key component of the monitoring and evaluation strategies. Without the gender equality perspective on the data collection, decision making processes can not be expected to properly focus results-oriented decisions on improving the lives of women and girls, those who are most affected by poverty.\textsuperscript{129}

**Mutual Accountability:** the principle of mutual accountability, where donor countries, recipient countries and citizens should be able to hold each other accountable for their development commitments, can only be truly possible where strong, independent, and well resourced civil society and women’s rights organisations exist. The Paris Declaration relies on a range of new aid modalities, including budget support, sector wide approaches, poverty reduction strategy papers,

\textsuperscript{126} GENDERNET, Draft Issue Paper, "Understanding the Connections between the Paris Declaration and Work on Gender Equality and Women’s Empowerment", August 2007.
\textsuperscript{128} Accra High-Level Forum Partner Country Preparation Process, Issues Note 7 Managing for Development Results, April 20, 2008.
\textsuperscript{129} Alemany et al (2008c), p.3.
basket funding and joint assistance strategies. Across the board, these modalities raise concerns in terms of the possibilities for real civil society participation in influencing development plans and funding for development, limited capacities to play an informed role in shaping and monitoring budgets.

As Nerea Craviotto points out “CSOs, and women’s rights organisations, believe that aid impacts and outcomes must be ultimately assessed in terms of progress towards internationally-agreed Human Rights commitments, including women’s rights, the right to development and associated economic and social rights. Rights-based obligations should provide a normative and organising framework for accountability in the aid system. (…) accountability mechanisms must include gender responsive indicators and results-based frameworks, in order to ensure steps towards the achievement of MDG 3. CSOs demand the inclusion of specific instruments within the new aid tools, particularly: gender budgeting, gender audits and monitoring of the implementation of international instruments for gender justice.” CSOs have raised concerns regarding the practices of the international financial institutions, as it is not clear how they are accountable at the national level. Women’s rights groups, working with CSO campaigns on the international financial system, can play a key role in monitoring the direct and indirect effects of these institutions’ policies on women’s livelihoods.

In sum, there are opportunities to strength accountability, transparency in aid processes under the Aid Effectiveness framework, but the current understanding and monitoring system are clearly inefficient and even in contradiction with the principles of the Paris Declaration. A potential positive principle became dangerously in contradiction when applied without flexibility and a broader vision of development effectiveness. Moreover, possible positive principles such as ownership and alignment became only one face of the practice when its indicators are externally defined and measured based on a narrow interpretation of the principle.

Strengthening women’s rights agenda in the broader development debate and policy-making as well as in some of the innovative aid approaches and tools is possible. However, the Aid Effectiveness

Conditionalities undermine the Right to Development: an analysis based on a Women’s and Human Rights perspective

agenda has been too narrowly defined until now, and the role of gender advocates is still marginal in this debate. If the Declaration is reviewed under a broader development effectiveness framework and its monitoring system reviewed and opened to other actors, opportunities to advance on gender equality will be higher, Accra was an opportunity to advance in terms of the necessary integration of a broader framework, however the monitoring system remains unchanged and it is not clear what will be the interaction between those commitments made in Accra and the formal monitoring system set up under the Paris Declaration.

Box 2: Paris Declaration Monitoring system

<table>
<thead>
<tr>
<th>INDICATOR</th>
<th>PRINCIPLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Recipient countries have operational development strategies</td>
<td>Ownership</td>
</tr>
<tr>
<td>(number of countries with national development strategies with priorities for middle-term expenditure reflected in annual budgets)</td>
<td></td>
</tr>
<tr>
<td>2. Reliable country systems</td>
<td>Alignment</td>
</tr>
<tr>
<td>(number of countries with procurement and financial management systems that aim for good practices)</td>
<td></td>
</tr>
<tr>
<td>3. Aid flows are aligned on national priorities</td>
<td>Alignment</td>
</tr>
<tr>
<td>(percent of aid flows to public sectors reported on recipients’ national budgets)</td>
<td></td>
</tr>
<tr>
<td>4. Strengthen capacity by coordinated support</td>
<td>Alignment</td>
</tr>
<tr>
<td>(percent of donor capacity-development support)</td>
<td></td>
</tr>
<tr>
<td>5a. Use of country public financial management systems</td>
<td>Alignment</td>
</tr>
<tr>
<td>(percent of donors and aid flows that use systems in partner countries which adhere to good practices or have reforms to achieve these)</td>
<td></td>
</tr>
<tr>
<td>5b. Use of country procurement systems</td>
<td>Alignment</td>
</tr>
<tr>
<td>(percent of donor countries and aid flows that use systems in recipient countries which adhere to good practices or have reforms to achieve these)</td>
<td></td>
</tr>
<tr>
<td>6. Strengthen capacity by avoiding parallel implementation structures</td>
<td>Alignment</td>
</tr>
<tr>
<td>(number of parallel project implementation units (PIUs) per country)</td>
<td></td>
</tr>
<tr>
<td>7. Aid is more predictable</td>
<td>Alignment</td>
</tr>
<tr>
<td>(percent of aid disbursements released in the agreed schedules)</td>
<td></td>
</tr>
<tr>
<td>8. Aid is untied</td>
<td>Alignment</td>
</tr>
<tr>
<td>(percent of bilateral aid that is untied)</td>
<td></td>
</tr>
</tbody>
</table>
Is it possible to reduce conditionalities under the Aid Effectiveness framework?

The Report Financing Development 2008: Whose ownership? Of the Development Centre Studies, recognizes that, “donors remain reluctant to explore alternatives to policy conditionalities, a direct barrier to local decision-making. The Paris Declaration does not go far enough in addressing (…) them.”\textsuperscript{131} Under the Paris Declaration, the term “conditionalities” is not mentioned and there are no targets or commitments to reduce policy conditionalities per se.

The guiding principle of country ownership could be a possible way to reduce policy conditionalities depending on how it is applied, but there is no specific reference under this principle in the Paris Declaration. The Report Financing Development 2008 also recognizes that, “the omission of a stand on economic policy conditionality from the Paris Declaration’s section on ownership is more striking than its lack of reference to development knowledge”\textsuperscript{132}. The Paris Declaration refers only to “conditions” under the principle of Alignment.

Depending on how ownership and alignment are understood and applied, they will reduce or reinforce conditionalities. The Evaluation of the Paris Declaration implementation\textsuperscript{133} expresses the difficulty to define ownership and the need to have a more dynamic vision. One of the main suggestions from the Evaluation related to ownership

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\textsuperscript{132} Felix Zimmermann and Ida McDonnel (2008), p. 25.

\textsuperscript{133} Evaluation of the Paris Declaration implementation (2008), section 3.2.
practices and conception is that “while it is accepted as the most crucial single factor in aid effectiveness, country ownership remains notoriously difficult to define and measure, and in some cases becomes highly subjective and controversial. Approaching ownership analytically, as a process, may help.” From the civil society perspective, ownership has been conceived as a process where all the development actors should be involved, proposing the use of the concept of democratic ownership in terms of a participatory process. Women’s rights organizations have clearly claim for substantive participation in all development phases (definition, implementation, evaluation and monitoring).

Box 3: Paris Declaration - Paragraph 16: Donors align with partners’ strategies

Donors commit to:
• Base their overall support — country strategies, policy dialogues and development co-operation programmes — on partners’ national development strategies and periodic reviews of progress in implementing these strategies (Indicator 3).
• Draw conditions, whenever possible, from a partner’s national development strategy or its annual review of progress in implementing this strategy. Other conditions would be included only when a sound justification exists and would be undertaken transparently and in close consultation with other donors and stakeholders.
• Link funding to a single framework of conditions and/or a manageable set of indicators derived from the national development strategy. This does not mean that all donors have identical conditions, but that each donor’s conditions should be derived from a common streamlined framework aimed at achieving lasting results.

The Evaluation suggests that “most donors’ own political and administrative systems are found to set differing limits on their actual behavior to support country ownership. Key obstacles identified include the pressures they face to maintain the visibility and attribution of their individual contributions, to satisfy their individual fiduciary and accountability requirements, and to be able to pursue foreign policy, commercial and/or institutional interests through their

134. Ibid, section 3.4.
aid programmes”. Additionally, “among bilateral development partners, there is limited reported evidence of significant changes in aid predictability and less on untying”.

The Evaluation concludes the following “in countries where the Declaration, and its central commitment of country ownership and leadership, are seen to be mainly about technical and bureaucratic issues, the base for changing and overcoming the obstacles is demonstrably weaker. Some of the evaluations and their informants are frank in their assessments that aid effectiveness, as envisioned in the Declaration, does not necessarily outweigh their other national concerns and objectives in their aid programmes.” In other words, some donors’ national strategic interests are translated into some form of policy conditionalities, reducing the possibility of real leadership and ownership.

That means that even if there is strong commitment from the donors’ community to deepen the implementation of the Paris Declaration, broader interests like foreign policy, trade or institutional strategies are obstacles for fully implementing the principle of country Ownership, and to advance on key issues related to conditionalities such as, aid predictability and tied aid. These obstacles reduce the policy space of developing countries to lead and own aid and development policies. Without aid predictability there is no chance to develop long term development strategies at the national and local level; and tied aid is clearly an instrument with which to impose conditionalities, specifically related to public procurement.

Mariama Williams (2007) argues that “the streamlining of conditionality, especially when these are politically linked, is a potent weapon against partner country. In a context in which the conditionality is linked to general budget support, this will have significant adverse impact on the direction and process of national development. One might say that the biggest victory of the new aid regime is that the donor community has been able to achieve, without apparently any great disturbances, significant political control over the national budgetary process of partner governments”. This is a remarkable achievement for donors interests affirms Williams.

135 Evaluation of the Paris Declaration implementation (2008), Section 3.5.
136 Evaluation of the Paris Declaration implementation (2008), section 3.3.
On the other hand, “the country evaluations generated inconclusive and some conflicting findings on the of multilateral agencies in general in relation to ownership. The two multilateral headquarters evaluations (supported by case studies in UNDG’s case) each yield a picture of considerable and continuing cultural and organizational change to put ownership first, and document the particular hurdles they face in achieving the necessary organizational and behavioral changes.”

According to the commitments stated under the alignment principle, the imposition of conditions by donors to partner countries is still a possibility. The process remains unclear; the explicit need for transparency and consultation with other stakeholders is a positive achievement from Paris but rarely applied. Regarding the alignment principle indicator $139$, requires “Reliable country systems”, and it is measured by the “Number of partner countries that have procurement and public financial management systems that either (a) adhere to broadly accepted good practices or (b) have a reform programme in place to achieve these.” Roberto Bissio alerts, “This target is not about aligning ODA with the recipient country strategies, but about aligning country governance with the requirements of donors / creditors. The Paris Declaration indicators also track and score the procurement systems of each recipient country. (…) Except for the explicit goal of eliminating corruption, which is consistent with the promotion of Human Rights, no other human right values are attached to the use of country systems and none of the criteria to assess them explicitly support the practice of requiring suppliers to adhere to core labour standards. The use of government procurement as a tool of affirmative action in favor of local producers or of vulnerable sectors of the population (small business, cooperatives, women or minority-run firms) is an established practice to contribute to the progressive realization of economic, social and cultural rights, but such policies are deemed as “discriminatory” against foreign firms and explicitly forbidden.”

The evaluation of the Alignment principle suggests that “on the donor side there emerges a picture of willingness and active commitment to engage in alignment processes at the level of formal commitments, but less so when moving to operational arenas”.

140. Ibid.
141. Evaluation of the Paris Declaration implementation (2008), section 3.11.
3rd High Level Forum in Accra: is there space to end policy conditionalities and advance on gender equality?

Assessing the process towards Accra, one can say that compared to 2005 (the Paris Declaration is gender blind), there have been some improvement in terms of recognising the importance of gender equality and women’s rights but the overall evaluation of the current draft declaration for Accra is not very encouraging. Women’s groups have been part of the International Steering Group (ISG) and support all the proposals and statements made by this civil society broader group.

The AAA emphasises the central place of poverty reduction and Human Rights in development policy and the importance of cross-cutting issues such as gender equality, and environmental sustainability. The claim to integrate the decent work agenda suggested by the International Steering Group (ISG) was not considered in the AAA. The AAA recognises the need to improve access to sex-disaggregated data. But, there is no commitment to financially support the production of disaggregated information systems and capacities’ development requested by developing countries.

- To affirm that there was political will to move forward in Accra, women’s organizations called donors and developing countries.

- To recognize (and not “welcome”) the importance of the United Nations Development Cooperation Forum (DCF - ECOSOC) and the importance of this multilateral space to aid discussions and norm-setting.

- To recognize (and not “welcome”) the High Level Conference on Financing for Development that will take place in Doha in December 2008 to follow the Monterrey Consensus implementation.

- To accept that there can be no aid effectiveness without development effectiveness and that gender equality, Human Rights, decent and environmental sustainability must be recognised as crucial areas for development effectiveness. The AAA should not continue the use of cross-cutting issues, but policy priority issues.

- To ensure that the implementation of the Paris Declaration and the improvement of aid quality do not undermine, but contribute to the achievement of internationally agreed development goals,
Human Rights standards, the achievement of commitments on gender equality, decent work for all and the protection of environmental sustainability.

- To broaden the Ownership definition without setting this as a process conditionality (as it seems in the current AAA draft). Integrate the participatory dimension of ownership will be seen as an advance only if:

  - It is reinforced with the recognition of national leadership (Monterrey Consensus) and the Right to development, the right so self-determination and the right to participation.
  - Ownership becomes a vector principle of the implementation of the Paris Declaration.

- To review and refine the monitoring system of the Paris Declaration, to implement it with more adapted and genuine indicators and through a much more inclusive process.

- To recognize the existing monitoring systems to monitor CEDAW, the Beijing Platform for Action and the MDGs, that can be complementary to measure the implementation of the Aid Effectiveness agenda.

- To accept that economic policy conditionality are instruments developed by donors and international financial institutions, to undermine ownership and in contradiction to the rights to Development and Self-determination.

- To remove all policy conditionality, including conditionality related to gender equality and other so-called positive conditionality and instead strengthen mutual responsibility, accountability and transparency of donors and southern countries towards their gender equality and Human Rights commitments at regional and international level. Aid assistance should truly support national owned plans towards implementing these commitments, rather than imposed them.

One of the main recommendations on transparency and mutual accountability from the Women’s Consultation in Ottawa (January, 2008)\(^{142}\), is that all relevant actors must commit in Accra to the highest standards of openness and transparency:

\(^{142}\) Recommendations from the International Consultation of Women’s Organisations and Networks and Aid Effectiveness (2008).
• Donors and international financial institutions should deliver timely and meaningful information, adopt a policy of automatic and full disclosure of relevant information, and submit to the norms and direction-setting of the United Nations (UN).

• Developing countries’ governments must work with parliamentarian elected representatives, CSOs (at local and national level) and the public to set out open and transparent policies on how aid is to be sourced, spent, monitored and accounted for.

• Diverse CSOs, including women’s rights organizations, must also exercise accountability and continuously draw their legitimacy from their constituencies.

Women’s advocates and CSOs called for clear actionable actions to set up the work plans to 2010 by developing countries and donors as the final phase of the implementation of the Paris Declaration. Moreover, as the South Center highlighted the AAA draft “follows very closely the conceptual framework and approach to aid – including the use of policy reforms and policy conditions as the bases for the provision of aid – that are used by the World Bank and developed countries; (…) with an uncritical assumption that the Paris Declaration has provided and continues to provide the best framework for improving aid effectiveness; (…) and a continued focus on conditionality-based aid delivery approaches.”143

In sum, the road to phase out policy conditionality is long. Even if more than 200 women participated at the Accra Women’s Forum, and more than 900 civil society representatives called to move towards a development effectiveness framework in Accra, the political result was not very encouraging in terms of policy conditionalities, but an improvement related to Paris in terms of gender equality, Human Rights, and civil society participation.

An Overview of the Events in Accra

By Marta Lago
(IGTN)
The 3rd High Level Forum on Aid Effectiveness (HLF3) that was held in Accra, Ghana, from 2nd - 4th September 2008 ended with out much surprise. Convened by OECD-DAC (Development Assistance Committee), the Accra Government and the World Bank, the HLF3 aimed at assessing progress made in the implementation of the Paris Declaration on Aid Effectiveness, and at agreeing upon an agenda for action, the ‘Accra Agenda for Action’ (AAA), that will take this process forward. The HLF3 was attended by ministers from over 100 countries, heads of bilateral and multilateral development agencies, donor organizations, and civil society organizations (CSOs)144.

Despite being only a small amount of representatives in a large scale official event, that which the agenda was considered too technical, not truly democratic or for that matter inclusive, CSOs held a two-day parallel meeting (31st August - 1st September) in which over 600 representatives from 325 civil society organizations in 88 countries were present. Likewise, the Accra Women’s International Forum (30th August), has originally anticipated approximately 70 participants, had an attendance of over 200 participants representing many different regions of the world.

The Accra International Women’s Forum - Since 2007, women’s rights organizations, gender advocates and experts have been engaged in mobilizing in order to influence an agenda, that until recently was not very known among women’s groups, despite its gender implications. Gender issues should be central to development but the Paris Declaration was gender blind in its goals and measures and did not take into consideration the role of women as development actors. Thus, during this event organized in Accra145, participants strategized around the HLF3 and its outcome AAA document, along with agreeing upon a statement that was circulated the following days.

Although recognizing that the latest AAA draft, circulated by the Working Party on Aid Effectiveness (11th August), brought some advances in language regarding the importance of Human Rights, gender equality, and environmental sustainability, participants considered it still as being vague, as it did not bring concrete commitments in terms of targets

144. Civil Society participation was limited to 80 representatives. It is important to mention here that such restrictive participation was only applied to CSO representatives.

145. Hosted by the Network for Women’s Rights in Ghana (NETRIGHT) and co-convened by the African Women’s Development and Communication Network (FEMNET), Women in Development Europe (WIDE), the Association for Women’s Rights in Development (AWID), Development Alternatives with Women for a New Era (DAWN) and the International Gender and Trade Network (IGTN).
and time bounds. The women’s statement reaffirmed the view that there is no aid effectiveness without development effectiveness and that aid effectiveness without gender equality and women’s rights perspective will not lead to effective development; neither will it contribute to reduce poverty, inequalities and the achievement of the Millennium Development Goals¹⁴⁶.

The International Women’s Forum succeeded in raising the visibility of gender equality and women’s empowerment issues in Accra and its statement was supported by the CSOs Forum, which incorporated some of its language.

**The CSO Forum** - During the two days that followed the Women’s Forum, CSOs also expressed their concern about the latest weak draft of the AAA, where donors made even fewer concrete commitments than in the previous drafts. By the time the HLF3 started, nearly all dates were removed from the August draft, meaning that there were no time-bound commitments. Also, very little was left from the comments made by CSOs¹⁴⁷. The draft failed to address conditionality issues, tied aid, and the burden of foreign debt, all themes that have a strong impact on development in southern countries. In the Final CSO Statement¹⁴⁸ the idea of linking aid to development effectiveness was reaffirmed, as well as the importance of broadening the definition of ownership to democratic ownership so that citizens, civil society organizations and elected officials are central to the aid process at all levels.

Both the Women’s Forum and the CSO’s statements reinforced the belief that development aid is only one part of the equation, and has to be analyzed in the broader context of its interactions with trade, debt, domestic and international resource mobilization and the international governance system. Thus, effectiveness of aid should be assessed under a universal, more democratic and representative platform than the OECD/DAC, such as within multilateral platforms like the Development Cooperation Forum at the United Nations, and in frameworks such as the Monterrey Consensus.

¹⁴⁶. www.betteraid.org
¹⁴⁷. See ‘Response from the CSO ISG to the second draft’ in www.betteraid.org
¹⁴⁸. See the final declaration at www.betteraid.org
The outcome - The AAA endorsed by the ministers at the HLF3 aimed to satisfy all those involved but in the end it does not mention anything concrete. There has been little real progress towards the priorities pointed out by CSOs and Gender Equality / Women’s Rights advocates. Again, too much importance was given to the delivery and management of aid, ignoring the political content of aid policies and relations. During the last days of this long process of discussion, where closed door negotiations similar to the WTO “green room” took place, we learned that United States and Japan strongly resisted making any progress beyond the Paris Declaration in some contentious areas such as the use of country systems and tied aid, while a number of European countries were keen for some issues such as the division of labor to be open for negotiation. From the side of developing countries, it’s interesting to highlight the role played by Brazil. Brazil was actively involved in Accra debates and negotiations, defending strongly the role and recognition of ‘new donor countries’ and South-South cooperation. Brazil issued a strong and critical statement to the AAA and the current aid governance, as well on specific focuses regarding donor approaches to South-South cooperation. In the end, a push by Brazil and other newer donors and developing countries led to the amendment of the AAA and saved the political negotiations from being a complete failure. The inputs and lobbying efforts of CSOs and women’s rights organizations played a part in this process, even though women’s demands are still marginal in this framework.

All in all, some ideas in the final AAA text can lead to some possibilities of change in the post-Accra debate. Some time-bound commitments were included so as to avoid the text from being, for the most part, a good intentions statement. The importance and particularities of South-South cooperation are recognized as well as the role of Parliament, and there is stronger language in areas directly related to CSOs: developing countries and donors will ensure that development policies and programs are designed and implemented in ways consistent with agreed international commitments on gender equality and Human Rights, and the recognition of CSOs as independent development actors in their own right. It is also mentioned (paragraph 31) that ECOSOC Development Co-operation Forum contribution is welcomed.

149 Available at http://www.choike.org/nuevo_eng/informes/7022.html
150 Paragraphs 13c and 20 in the AAA.
What is next? Gender equality and women’s rights advocates are now turning to the International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus in Doha, Qatar, in November 2008, and will continue monitoring the implementation of the Paris Declaration towards 2010. The struggle to have a strong representation of gender equality and women’s rights advocates continues and must be enhanced. The more visible these agendas become and the more effective advocacy results are the better governments can be held accountable for the agreements they sign before their citizens.

In addition, it is urgent to include the aid discussion in broader and more democratic frameworks. It is also urgent to start discussing alternatives to the neoliberal model and its failed promises to reach sustainable development and gender equality. It has brought discrimination, social exclusion, injustice and more inequalities. It has decreased the possibilities of a fair and people centred development. Economic growth does not necessarily mean sustainable development nor does it mean equality, a case of point being Latin America, where most countries are considered middle-income countries, hold, notwithstanding, the largest income concentration in the world.

As stated in the closing speech of the International Gender and Trade Network (IGTN) at the CSOs Forum, discussing aid means being coherent in all forums and arenas of international cooperation for development. Trade and trade-related issues are of critical importance to the social and economic rights and the empowerment of ‘ordinary’ women and men, especially considering the work of social reproduction for which women worldwide are primarily responsible. The imbalances and incoherencies in the new aid agenda are easily detected when one observes and compares the volume of aid projects OECD countries carry out and the high volume of subsidies these countries provide to sustain their agriculture. Agriculture subsidies in the North are causing distortions that hinder local producers’ capacity of sustainability in most of Southern countries, by, for example, dumping the local markets with cheaper northern products.

The current development model must be challenged. We have been witnessing the negative impacts of privatisation of basic services, climate change and food insecurity, besides the recent US financial crisis, which are undermining any possibility of sustainable development. It is time for social movements to challenge this perverse model. “Action, not words”, a sticker distributed by CSOs during the HLF3 expresses well this momentum.
Recommendations for Action on Development Effectiveness in Accra and beyond
On the 30th August 2008, more than 200 women’s rights organizations, women’s empowerment organizations, gender advocates and experts from all regions of the world attended the Accra International Women’s Forum to discuss the implementation of the Paris Declaration on Aid Effectiveness. This statement, which emanates from the forum calls for actions and recommendations for the 3rd High Level Forum.

Officials present at the Accra High Level Forum cannot ignore the failure of their development policies and practices, particularly those related to gender equality and women’s empowerment.

According to recent figures today 1.4 billion persons live under the new poverty line of USD 1.25, and the majority of these are women and girls. It is essential to analyse the implications of the Aid Effectiveness agenda for the advancement of gender equality, women’s rights and women’s empowerment, and to consider how future aid management will tackle this fundamental issue. It is crucial to understand the political context of development policies and the challenges posed by the implementation of the Paris Declaration (PD). We are concerned about the persistent neo-liberal model that is clearly failing deliver the promised results of growth for all, bringing instead, discrimination, social exclusion, injustice and more inequalities. In addition, it has decreased the possibilities of a fair and people centred development. We are also concerned about the negative impacts of privatisation of basic services, climate change and food insecurity which are undermining any possibility of sustainable development.

Promises of aid made by donors have not been fulfilled.

Today the aid industry - defined, designed and mainly implemented by donors - is failing to fulfil the right to development as stated in 1986 UN Declaration, as well as the right to gender equality and the right not to be poor. The Paris Declaration is another expression of the unequal aid architecture, lacking a holistic approach to build sustainable development and social justice. Aid assistance should truly support nationally owned and democratically adopted plans towards implementing these commitments, rather than imposing them through aid. To assure sustainability, it is urgent that the relation between the multilateral trading agenda and the aid agenda is made explicit.
Aid cannot be detached from the larger context of global trade and the financing system.

While the Paris Declaration is not a binding agreement, the International Covenant on Economic, Social and Cultural Rights, as well as the Convention on the Elimination of All forms of Discrimination against Women (CEDAW) among others, pose legal obligations to governments regarding issues of development, Human Rights, gender equality, and environmental sustainability. International treaties endorsed by governments in the last decades must be the framework for development policies and practices. Governments should be held accountable for these commitments. Any efforts to implement the Paris Declaration should be aligned with these international standards and goals and must not serve to pursue political or economic interests.

The 3rd High Level Forum impacts on aid relations has to be considered in the context of the broader development financing debates. It also has to be recognised that in middle income countries wealth is highly concentrated in the hands of a few, with the majority of the people living in poverty. The last draft of the Accra Agenda for Action (AAA) has ignored the efforts of the various consultations that could have meant an improvement. Broader civil society organisations (CSOs), including women’s rights organisations, are very concerned about this 25th July version. As stated in the International Steering Group (ISG) comments on the draft, “not enough progress has been made in making aid work for poor people”, especially from the donors side. The consequences of a weak AAA could be inaction in improving aid quality and impact.

Compared to 2005 when the Paris Declaration was gender blind, there are now a few improvements in the AAA text. The 11th August AAA emphasizes the central place of poverty reduction and Human Rights in development policy and the importance of Human Rights, gender equality, and environmental sustainability as cornerstones for achieving enduring impact. The AAA also states that “developing countries and donors will ensure that their respective development policies and programmes are designed and implemented in ways consistent with international commitments on gender equality, Human Rights, disability, and environmental sustainability”. It also recognises the need to improve access to sex-disaggregated data.
However, it fails in explicitly recognising the need to allocate resources and to bind support from the donor community. The use of the qualifying phrase - “as appropriate” - obviously opens the door not to do anything. In addition, advances in language are undermined by the lack of new targets. Instead, existing targets are monitored by indicators defined by the World Bank, which are widely contested by CSOs and women’s organisations.

Another world is possible

Our vision is a world where aid is no longer necessary, where transformed relations of power and democratic redistribution of wealth continually challenge norms and structures of injustice and war and create new forms of relations based on respect, solidarity and justice for all. Where the existing aid system is not an instrument for oppression and policy capture nor for the support for any armed conflicts, but an instrument for promoting democratic sustainable development agendas which support the equitable distribution of productive resources, decent work, and the provision of social security for all, particularly for women. Last but not least, aid must be delivered to catalyse sustainable dynamics of social organizations and strengthen local productive structures in the face of globalization.

Women’s groups understand that legitimate space for norm-setting on aid and international cooperation issues cannot be removed from the larger global trade and finance system contexts. Systemic issues are best discussed under the rubric of the United Nations, and the Development Cooperation forum should be the space to advance and monitor progress on aid and development effectiveness.

The Accra Women’s Forum participants believe that there is no aid effectiveness without development effectiveness. Aid effectiveness without a gender equality and women’s rights perspective will not lead to effective development and will not contribute to reduce poverty, inequalities and the achievement of the MDGs.

Women’s recommendations to the Accra High Level Forum on Aid Effectiveness

The Aid Effectiveness process continues towards 2010 by which time the Paris principles will need to be met. Yet, there are no clear actionable commitments to set up work-plans for the coming phase. To affirm
that there is political will to move forward in Accra, women’s organizations call donors and developing country governments:

- To be consistent with the recognition of gender equality, environmental sustainability and respect for human’s rights, as cornerstones for development; by treating these policy priority issues as sectors with progress indicators and specific resources allocated in national budgets.

- To align the Paris Declaration implementation with international agreed development goals (IADG) as suggested by the United Nations Secretary General Report\(^\text{152}\), particularly the international standards on Human Rights, gender equality, decent work, and environmental sustainability.

- To deliver donors’ commitment to increase Official Development Assistance (ODA) to 0.7% of their GNP. In addition, aid should be additional to debt relief, and should be in the form of grants, not loans.

- To provide transparent information on how ODA allocations respond to policy commitments and people’s needs, and developing country governments have to provide transparent and publicly available budgets.

- To consider how available resources are allocated. Donors and governments need to ensure that special funds are available for women’s rights organisations and that effective mechanisms are in place to ensure that the money reaches these organisations. Funding needs to be diversified to ensure that the current focus on CSOs as instruments of advocacy does not exclude other work that is critical for women’s rights, gender equality and poverty reduction. We recommend that women are given opportunity to design and implement their own projects according to their local priorities. Resources need to be distributed to make provision for the use of local expertise instead of wasting resources on foreign experts and consultancies.

- To recognize the importance of the UNSCR 1820, and allocate resources for mobilizing communities and the protection of women rights and their organizations.

\(^{152}\) UN/ECOSOC E/2008/XX, Secretary General Report (2008), Trends and progress in international development cooperation, Unedited version.
### ANNEX: Suggested Alternative Indicators for Monitoring Progress towards National Development Goals, including Gender Equality and Women’s Empowerment

<table>
<thead>
<tr>
<th>Paris Declaration Principle</th>
<th>Suggested Indicators</th>
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| Ownership                   | 1.1 Countries evaluated in 2010 have institutional structures in place which allow for systematic participation of civil society and women’s groups in national development planning (including PRSP formulation), implementation and monitoring.  
1.2 National development strategies and PRSPs developed up to 2010 integrate a gendered analysis of poverty consistently supported by sex disaggregated data, and reference to national commitments to international conventions such as CEDAW and the Beijing Platform for Action.  
1.3 National gender equality priorities/plans are costed, supported by an action plan and integrated into the national development strategies and PRSPs. |
| Alignment & Harmonization   | 2.1 Donor and partner countries evaluated in 2010 have gender responsive budgeting systems in place at national and local levels.  
2.2 Percentage of donor funds dedicated to capacity building on mainstreaming gender perspectives in public finances for Finance Ministry officials. Line Ministries, Civil society (and in particular women’s organizations) and Parliamentarians.  
2.3 Percentage of public/donor funding for meeting women’s specific needs for example, violence against women and HIV/AIDS. |
• To integrate a strategic plan for financing gender equality and women’s empowerment that is reflected in budget guidelines into the monitoring system of the PD implementation. In addition, donor (bilateral and multilateral) and developing country governments must ensure and establish clear mechanisms for the participation of women’s rights organizations as part of civil society, particularly women from excluded groups, in all the national development planning processes and aid planning, programming, management, monitoring and evaluation. Women’s organizations should receive substantial, predictable and multi-year, core funding.

• To define democratic and participatory ownership as a vector principle of the implementation of the Paris Declaration, without setting new forms of process conditionality. Such an approach must go in line with the recognition of national leadership (Monterrey Consensus), the right to development, the right to self-determination, the right to participation, and the right to non-violence.

• To strengthen capacities, resources and authority of national women’s machineries to support and monitor line ministries, other government bodies and parliaments in influencing national development planning and budget allocations for gender equality and women’s rights.

• To accept that economic policy conditionalities have a negative impact on people, particularly on women. And therefore, to remove all economic policy conditionalities that undermine the principle of ownership and stand in contradiction with the rights to Development and Self-determination. This must include those conditionalities related to gender equality and the so-called “positive conditionalities”. Instead, mutual responsibility, accountability and transparency of donors and developing countries must be applied and strengthened towards gender equality and Human Rights standards and goals.

• To measure development results within the Paris framework by adopting the existing reporting and monitoring systems for Human Rights compliance, such as the Gini Index of Income Inequality, as

153. Participants at the consultation call on donors and developing countries to follow the recommendation of the meeting of the UN Expert Group on Financing for Gender Equality asking governments to commit to reach 10% of ODA for gender equality and women’s empowerment by 2010 and 20% by 2015, setting out in the action plan of donors, recipient countries and the DAC strategies for reaching the target, monitoring performance and evaluating impact (Expert Group on Financing for Gender Equality - the UN Commission on the Status of Women, Oslo, September 2007).
well as other processes such as CEDAW, MDGs, United Nations Security Council Resolution 1325 (UNSCR 1325), etc. If new indicators are created, they should be built within a more inclusive process that also takes into account grassroots beneficiaries and local actors. It must be explicitly stated how data for indicators are being generated, allowing civil society, and women’s groups, to participate both in generating data and monitoring indicators. Allocating national budget resources for training women’s groups in monitoring and evaluating should be considered.

- To measure outcomes on gender mainstreaming and gender specific action such as access to health and education, changes in women’s employment and income, incidence of gender based violence, right to reparation, right to inheritance, property, land use, women’s participation in decision-making.

- To pay special attention to the needs and rights restitution of victimized women in fragile states (states in conflict, coming out of conflict or post-conflict situations) and in communities experiencing localised conflicts and xenophobia attacks, by involving women in peace-building processes and channelling specific development assistance to women’s organisations to address the concerns and needs of women survivors, including, capacity building, access to sexual and reproductive health, information and services and the stopping of violence against women.\(^\text{154}\)

- To promote the use of mix of funding mechanisms to ensure progress on women’s rights and empowerment, including general as well as sector budget support, pooled funding through the SWAp and partnerships with civil society organizations and UN agencies. General budget support alone cannot lead to progress on development goals, especially for most marginalized groups.

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\(^{154}\) Sharing the case of Mauritania: development partners and donors should not use aid as a policy instrument, on the top of people’s livelihoods, instead they should promote a constructive approach and support the population to strengthen and building democratic institutions.
Testimonies and opinions from Accra

Compiled by Anne Schoenstein\(^\text{156}\) (AWID)

\(^{156}\) Thanks to all the contributors for their openness, time and effort to share their reflections and opinions.
The Accra International Women’s Forum, the Civil Society Parallel Forum on Aid Effectiveness and the 3rd High Level Forum on Aid Effectiveness (HLF3) in Accra, Ghana, 2008 brought together a large number of civil society organizations (CSOs), including women’s rights organizations. In particular the Accra Women’s Forum provided space for women’s rights and gender equality advocates to exchange experiences and opinions, raise their voices and build alliances with each other.

This chapter, through direct testimonies and reflections from women who participated in the different events in Accra, aims to provide an insight into what the Accra Women’s Forum was like. It offers suggestions on what actions governments and donors should take in order to reach and promote gender equality and women’s rights and presents different views about conditionalities.

The chapter also includes the opinion from the European Network on Debt and Development (EURODAD) about this present publication on conditionalities.

Nurgul Djanaeva, Forum of women’s NGOs of Kyrgyzstan, President

What are your feelings/thoughts about the Accra Women’s Forum?

The event itself was important to gather women’s opinions and visions and clarify for participants many issues and share perspectives and learn from each other. But it is also very important in the relation to the broader discussion of the FfD (Financing for Development) and aid effectiveness debate and further integrating joint position to the CSOs statements and HLF 3 from women’s side.

My feelings were very positive and I learnt a lot. I saw also that we, women from all world, share similar challenges of under-funding, undermining women’s CSOs contribution as development actors. Also it was clear that without joint women’s lobbying inclusion of reflection of gender equality in aid debated and outcomes of these debates won’t be possible.
I think that organization of such women’s meeting prior to CSOs meeting in relation to general development issues unites and give chances to strengthen language of women’s statement and energized women’s movement. This was a good case of international thematic network around crosscutting issue. This contributed to lobbying and networking as well as advocating capacity development at international level.

**What actions should governments and donors in your opinion take in your country, region, to reach and promote gender equality and women’s rights?**

1. To take funding of women’s issues and women’s organizations as part of aid improving process and mechanism. Include into donors budget and portfolio for the country lines for women’s national machineries in developing countries and implementation of the national plans of actions on gender equality and consider this as implementing their commitments on gender equality and not as conflicting with country ownership when women’s is not part of national list of priorities, but rather considering this as their gender mainstreaming action. Consider development of women and gender equality specific targets and indicators, relate them to MDGs (Millennium Development Goals) at country levels and include them into aid agenda from the perspective of results based management. Shortly – to allocate sufficient funds in donors and state budgets.

2. Allocate special funds for supporting women’s organizations on long-term and program level in state budgets and in donors’ budgets. Otherwise majority of plans, including at state level remain as planned failure.

3. Women’s NGOs (Non-Governmental Organizations) should be part of implementation and monitoring process of the PD (Paris Declaration) and of the AAA (Accra Agenda for Action). Donors should allocate specific funds for women’s NGOs capacity building in this regard.

**What is your view about conditionalities?**

Conditionalities are barriers for aid effectiveness. This is a way to limit country ownership and impose external pressure.
Fati Alhassan,
GRASSROOTS SISTERHOOD FOUNDATION,
Executive Director

What are your feelings/thoughts about the Accra Women’s Forum?

Since the beginning I had my reservations about this whole conference. I was afraid it would end up as one of the numerous contributions that women make that are treated as feminine agitations and that which are right in all perspectives but are never taken serious.

However I believe that bringing various women to the forum to speak on various is a clear indication that we would rather fight to have our issues heard than have government official mostly men talk about our issues and in the end give us token responses which do not reduce poverty, disease, morbidity and mortality among us.

We would want to let our government understand that faceless as we may, we still have a stake in the total development of our communities and therefore need to be heard and taken seriously. I hope this forum and the recommendations therein do not remain decorations on government tables as is always the case.

What actions should governments and donors in your opinion take in your country, region, to reach and promote gender equality and women’s rights?

The ideas around using aid for long term change are key and I would want our governments and donors to adopt policies that will support women to get out of poverty in view of the fact that more than half of the worlds poor are women. These can only be if women are supported to collectively buy land, support women with resources for agricultural ventures and supporting them to actively and effectively engage with local government, local to local dialogues with other stakeholders that would ensure that GRASSROOTS women are on district council spending oversight committees, involved in the monitoring and evaluation, and importantly, the tracking of funds- how are they being used and where are they going. Both governments and donors must make this
part of the package and put in place indicators that will ensure that these are not only lip serviced but are carried out to the letter for the benefit of women.

**What is your view about conditionalities?**

As for conditionalities, they further reduce the bargaining powers of beneficiaries and I on behalf of rural women would appeal to donors to reconsider tying conditionalities to aid as this impoverishes us the more since many people are not able to access the aid even though it was facilitated in their names.

Conditionalities that ensure that the money is made available to those for whom it was meant is not bad. However conditionalities that will throw people out of work and income and reduce people to second class citizens in their own countries is not acceptable as in the days of the structural adjustment of the 80’s. Developing countries should be supported to come out of poverty by donors demanding indicators that will increase wealth among people, reduce unemployment and promote women’s rights in all sectors of the economy. ‘Until rural women can buy and own and control land and housing, be able to engage governments for the development of their communities the world will still joggle with poverty and conditionalities.’

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**Nang Lao Liang Won, Shan Women’s Action Network (SWAN)**

**What are your feelings/thoughts about the Accra Women’s Forum?**

Women in Ghana and in the region were well-represented at the forum, and I saw a few familiar faces from other regions and other networks. The meeting hall was packed, and the discussion was so good that the whole day passed very quickly. I wish the forum could have gone on so that we could hear from those whose voices were not heard, from other regions with different backgrounds.

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157. This comment refers to the fiduciary conditions detailed in Chapter 1.
We came from different regions through different networks, but we all spoke the same language of gender equality, women’s Human Rights and empowerment, demanding a holistic approach. We all agreed that aid will never be effective as long as there is no gender equality.

I was also encouraged to hear about NETRIGHT’s national consultation process, preparing for active participation of women’s groups across the world while building consensus nationally.

It confirmed my belief in the importance of having a proper consultation process to obtain good sustainable outcomes of any plan/project, whether big or small; whether we do things as an organization or a community or a country. Such a process is needed at every level, and for every task.

It takes time, space, a safe environment and encouragement, resources, but the outcomes are sustainable, and people involved are empowered by the process of learning from each other, sharing knowledge, and becoming informed.

What actions should governments and donors in your opinion take in your country, region, to reach and promote gender equality and women’s rights?

In the short term, maybe donors and governments (and their staff) need gender lenses!

Long term holistic strategies are needed, as the root cause of gender inequality is patriarchy. For a country like Burma even longer term strategies are needed, as it is ruled by a military junta made up entirely of men who are promoting patriarchy through militarization and committing various forms of violence against women throughout the country.

Women’s empowerment is the key. Huge investment is needed for this too. Empowerment doesn’t come overnight. Just giving funding is not empowerment; we also need:

- To create space, a safe environment, and provide support, both financial and psychological, for women at every level to exercise their rights, their skills.
A valuable contribution to the conditionality challenge

AWID’s recent initiative on conditionalities and Human Rights is a valuable contribution to the continued debate surrounding the role of donor governments or multilateral agencies in their provision of aid to developing countries. The third High Level Forum on aid effectiveness held in Accra on September 2-4, 2008 saw some minor shifts in discourse towards an aid model that should be more “inclusively owned” by developing countries, and more transparent and accountable, with a new and welcome emphasis on the responsibilities of donors. But the use of conditionality in aid relationships was left unchallenged, despite clarion calls from civil society actors from around the world and developing country governments. The only really new commitment was to “regularly make public all conditions linked to disbursements”.

Meanwhile civil society demands for the need for broader “democratic ownership” of aid and for gender equality to be a central development goal gained some ground in terms of improved language in the Accra Agenda for Action. However these discussions have also provoked some people to question whether this should translate into some form of increased “positive” or “process” conditionality for aid in order to operationalise these commitments. This collection of papers provides a useful challenge to such an approach, which is particularly interesting and relevant coming as it does from a leading association of women’s rights organizations whose main aim is to advance the rights of women globally.

The publication contributes in particular with its clear analysis of the differences between Human Rights obligations of individual states/ of the international community and aid conditionalities – particularly policy conditionalities. NGOs in the north – including Eurodad and its members – have tended to focus their criticism of conditionality on economic policy conditions, à la structural adjustment policies. The authors pro-
vide a strong critique of the negative impacts that many of these economic policies have had on the economic, social and cultural rights but they also go much further and argue against all policy conditionalities, including those related to gender equality. These “friendly” or ‘positive’ conditionalities are not a constructive and sustainable way to strengthen the realization and promotion of Human Rights and gender equality.”

Through careful analyses of the clauses of international Human Rights agreements the authors show how conditionality approaches contradict with the obligations that donors have signed up to under these agreements as well as undermining the Human Rights monitoring system. Linking aid to “positive” conditions such as gender equality is deemed “neither coherent nor fair”. On the one hand developing countries have had to implement structural adjustment policies which have had negative impacts on Human Rights. On the other, donors are not committing to any reciprocal conditionalities for which they will be held to account.

One of the main weaknesses of the Paris Declaration framework is that despite commitments to important principles such as “ownership” and “mutual accountability”, little has changed in the power relations between donor and aid recipient countries. The paper illustrates how conditionality continues to thrive both in the sense of specific conditions being linked to aid flows, but also in the way that the Paris Declaration is monitored – namely with the World Bank’s monitoring the main commitments of developing countries. Despite widespread criticism of this monitoring process, including from the OECD’s own evaluation, the Accra HLF did nothing to reform it.

The authors recommend to “remove policy conditionalities and instead strengthen mutual responsibility, accountability and transparency of donors and southern countries towards their gender equality and Human Rights commitments at regional and international level.” An ongoing challenge for women’s rights groups together with other CSOs will be to develop more detailed and practical proposals for how this recommendation might be put into practice.

The crux of the problem keeps returning the lack of any functioning system that can hold donor countries to account for their commitments, including their Human Rights obligations. An improved system of international accountability is urgently needed if the shift in rhetoric in the Paris Declaration is to translate into a paradigm shift in reality.
A gender analysis of the Accra Agenda for Action

By Nerea Craviotto
On the 4th of September 2008 ministers of developing, donor countries as well as heads of multilateral and bilateral development agencies adopted the Accra Agenda for Action (AAA) in Accra, Ghana. This political statement was the result of months of lengthy discussions, along with last minute political negotiations in Accra, all of which aimed to save the agreement from being a complete delusion.

Women’s rights organizations, gender equality and women’s rights advocates set an ambitious “high bar” of expectations for the High Level Forum III (HLF3) on the road leading up to Accra. This can be seen in the “Recommendations of the International Consultation of Women’s Organizations and Networks and Aid Effectiveness” (January - February 2008) and the “Accra Women’s International Forum Statement” (see Chapter 8) that include the following demands:

- That donor and developing country governments deliver on their commitments to international Human Rights frameworks and key agreements on women’s rights, such as the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), the Beijing Platform for Action (BPfA), and the Millennium Development Goals (MDGs). These commitments require policy coherence from donor and developing country governments that supports and operates in compliance with these and other agreed United Nations (UN) commitments, especially as regards women’s rights, social and gender equality obligations.

- That development effectiveness is the measure of aid effectiveness, by measuring the contribution towards the achievement of international Human Rights standards, gender equality, decent work and sustainable development. In this sense, existing reporting and monitoring systems for Human Rights compliance, such as the Gini Index of Income Inequality, as well as other processes such as CEDAW, MDGs, United Nations Security Council Resolution 1325 (UNSCR 1325), etc. should be integrated to measure development results.

- To broaden the concept of country ownership to democratic ownership with citizens and parliaments fully engaged in debating and setting development priorities for the alignment of aid to country priorities and people’s needs. In addition, CSOs, including women’s rights

158. www.awid.org; www.wide-network.org
159. www.awid.org; www.wide-network.org
organizations, must be recognized as autonomous development actors in their own right.

- That donor and developing country governments provide transparent information on how Official Development Assistance (ODA) is allocated. In addition, donor and developing country governments must provide public national budgets.

- That donor governments deliver on their commitment to scale up ODA to 0.7% of their gross national product (GNP). In addition, the current financial crisis must not be an excuse for further delays to this commitment.

- To accept that economic policy conditionalities have a negative impact on people, particularly on women. And therefore, to remove all economic policy conditionalities that undermine the principle of ownership and stand in contradiction with the rights to development and self-determination. This must include those conditionalities related to gender equality and the so-called “positive conditionalities”. Instead, mutual responsibility, accountability and transparency of donor and developing countries must be applied and strengthened towards gender equality and Human Rights standards and goals.

- To pay special attention to the needs and rights restitution of victimized women in fragile states (states in conflict, coming out of conflict or post-conflict situations) and in communities experiencing localized conflicts and xenophobia attacks, by involving women in peace-building processes and channelling specific development assistance to women’s organizations to address the concerns and needs of women survivors.

Accra brought some progress, but nothing revolutionary. Compared to 2005 when the Paris Declaration on Aid Effectiveness was adopted, without any gender equality or women’s rights perspective (the Paris Declaration was gender blind), the final text of the AAA includes some improvements. The AAA emphasizes the central place of poverty reduction and Human Rights in development policy and the importance of Human Rights, gender equality, and environmental sustainability as “cornerstones for achieving enduring impact”[para. 3]. It states that “developing countries and donors will ensure that their respective development policies and programmes are designed and implemented in ways consistent with their agreed international commitments on
gender equality, Human Rights, disability, and environmental sustainability” [para. 13c] and that “donors and developing countries will work and agree on a set of realistic peace- and state-building objectives that address the root causes of conflict and fragility and help ensure the protection and participation of women”[para. 21b]. Moreover, the AAA recognizes the need to improve the availability of sex-disaggregated data and developing countries commitment to strengthen the quality of policy design, implementation and assessment by improving information systems, “as appropriate”[160], which includes disaggregating data by sex, region and socioeconomic status. However, it fails to explicitly recognize the need to allocate resources and to bind support from the donor community.

In terms of statistics, the 2005 Paris Declaration on Aid Effectiveness mentions “gender equality” only once out of 50 paragraphs, mainly to address “the need to consider applying harmonized approaches towards other cross-cutting issues, besides environment […]”, which would include gender equality among these other thematic issues. The AAA, out of 32 paragraphs, mentions gender equality only twice (once in the preamble), and the second which states the need to design development policies and programmes consistently with international agreed commitments on gender equality. It points out once the need to include the participation of women in peace and state-building processes, plus the recognition that extreme poverty is mainly affecting women and girls and makes a reference to the need to improve information systems with sex-disaggregated data. Although, one can recognise some level of improvement in the recognition of the importance of gender equality in the Paris process, this is far from being enough. Numbers talk here and show not only the lack of ambition to integrate gender equality and women’s rights specifically in the AAA, but also the failure to apply a gender mainstreaming approach throughout the different priorities put forth in the document.

In addition, advances in language are undermined by the lack of new targets or monitorable commitments towards gender equality and women’s rights. This indicates again the lack of political commitment from donor and developing countries governments as well as bilateral agencies to make gender equality a priority in the aid effectiveness process.

[160] AAA paragraph 23a. The usage of the expression “as appropriate” leads to the dilution of the commitment.
The AAA includes language that links development effectiveness and aid in a Human Rights framework and states that:

“Gender equality, respect for Human Rights, and environmental sustainability are cornerstones for achieving enduring impact on the lives and potential of poor women, men, and children. It is vital that all our policies address these issues in a more systematic and coherent way.” [para. 3]

“We commit to continuing efforts in monitoring and evaluation that will assess whether we have achieved the commitments we agreed in the Paris Declaration and the Accra Agenda for Action, and to what extent aid effectiveness is improving and generating greater development impact.” [para. 11]

“Developing countries and donors will ensure that their respective development policies and programmes are designed and implemented in ways consistent with their agreed international commitments on gender equality, Human Rights, disability and environmental sustainability.” [para. 13c]

CSOs had, however, called for the inclusion of decent work as one of the critical parameters by which development effectiveness should be assessed. Regrettably, the AAA fails to incorporate this important dimension in paragraphs 3 and 13. In addition, as stated before, the lack of mechanisms to monitor the implementation of these commitments lead to a declaration of intentions more than to a real commitment to change behaviours.

Regarding ownership, the AAA does not refer to “democratic ownership”, but it does identify country ownership as a key area and commits developing country governments to “take stronger leadership of their own development policies” through a “closer involvement of parliaments and citizens in shaping those policies” and donor governments to “respect country’s priorities […] making greater use of their systems to deliver aid, and increasing the predictability of aid flows” [para. 8]. In addition, officials at the HLF3 committed to “work in more inclusive partnerships so that all our efforts have greater impact on reducing

poverty” [para. 9]. In addition, in paragraph 13a “developing country governments commit to also engage with civil society organisations (CSOs)”. Along these lines, donor governments in paragraph 13b commit to “increase the capacity of all development actors - parliaments, central and local governments, CSOs, research institutes, media and the private sector - to take an active role in dialogue on development policy and on the role of aid in contributing to countries’ development objectives”.

Paragraph 15 recognizes the lack of progress in donor country governments using partner country-systems, despite its benefit for development and engage donor country governments to “use country systems as the first option for aid programmes in support of activities managed by the public sector” [para. 15a]. Moreover, “should donors choose to use another option and rely on aid delivery mechanisms outside country systems (including parallel project implementation units), they will transparently state the rationale for this and will review their positions at regular intervals. Where use of country systems is not feasible, donors will establish additional safeguards and measures in ways that strengthen rather than undermine country systems and procedures” [para. 15b]. In terms of timing, donor country governments commit to start working immediately and to transparently share their plans to fulfil their PD commitment on using country systems and thus, reaffirm their commitment “to provide 66% of aid as programme based approaches. In addition, donors will aim to channel 50% or more of government-to-government assistance through country fiduciary systems […]” [para. 15d].

Although one could welcome the steps taken in Accra to deepen the concept of “country ownership”, there are still challenges ahead, especially at the implementing level. Democratic ownership requires legitimate governance mechanisms for participatory decision making and accountability in development plans and processes that apply to parliaments and elected representatives as well as civil society groups, including women’s rights organizations and citizens. However, so far, the primary indicators of country ownership have been the Poverty Reduction Strategy Papers (PRSPs) and related development plans. Yet, PRSPs are a debt relief mechanism that gives primacy to the creditors. The AAA does not identify mechanisms neither does it

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identify new indicators to assess progress in meeting the commitments made in Accra.

Finally on the ownership principle, although CSOs, including women’s rights organizations, are acknowledged in the AAA as development actors in their own right\textsuperscript{163}, no mention is made about establishing clear funding mechanisms to support the participation of CSOs, including women’s rights organizations, in all the national development planning processes and aid planning, programming, management, monitoring and evaluation.

Transparency and accountability have been a key demand for women’s rights organizations and CSOs in general. There is stronger language in the AAA on transparency and accountability, starting with the recognition of “transparency and accountability as essential elements for development results” [para. 24]. Thus, developing country governments commit to “implementing greater transparency in public financial management, including public disclosure of revenues, budgets, expenditures, procurement and audits” and donor country governments to “publicly disclose regular, detailed and timely information on volume, allocation, and, when available, results of development expenditure to enable more accurate budget, accounting and audit by developing countries” [para. 24a]. Paragraph 24 includes also a commitment to use “credible independent evidence” in monitoring and an agreement to “review proposals for strengthening the (mutual accountability) mechanisms by end 2009.” However, it is unclear who gets to decide upon the “credibility” of the evidence.

In Accra the International Aid Transparency Initiative (IATI) was launched. It is a UK led donor initiative which makes a number of commitments on making aid more transparent. The initiative was endorsed by 14 donors, including the World Bank, the United Nations Development Programme (UNDP) and the European Commission\textsuperscript{164}.

Significantly, there was also agreement to review mutual accountability at the international level. This was an important issue for both

\textsuperscript{163} Paragraph 20 of the AAA states: “we will deepen our engagement with CSOs as independent development actors in their own right whose efforts complement those of governments and the private sector”.

\textsuperscript{164} Based on International CSO Steering Committee (2008). Accra agenda for action: Moving from aid effectiveness to development effectiveness! www.betteraid.org
civil society and developing countries, in order to improve the weak accountability of donors. The AAA says that “developing countries and donors will jointly review and strengthen international accountability mechanisms, including peer review with participation of developing countries” [para. 24c]. And they committed to reviewing these proposals by the end of 2009. This issue will require follow-up from CSOs, not least because there will undoubtedly be reluctance from some donors to implement this commitment165.

However, the AAA fails to identify mechanisms to monitor how far aid allocations correspond to national priorities as well as people’s needs, and contribute to development impacts, which must be ultimately assessed in terms of progress towards internationally-agreed Human Rights, including women’s rights, the right to development and associated economic and social rights. Rights-based obligations should be the normative and organizing framework for accountability in the aid system but the AAA language is very vague in this direction.

Regarding conditionality, similarly to 2005, this issue was put aside in Accra and the AAA hardly reflects any progress. However, roundtable discussions resulted in proposals that could move forward a more explicit debate post-Accra. A key message from the roundtable on country ownership (chaired by Switzerland and Colombia), given to ministers immediately following the roundtable sessions stated that:166

“There is strong evidence showing that policy conditionalities don’t work as intended. Donors should take this evidence seriously and respect country leadership when negotiating the terms and conditions of aid. The respect of Human Rights, including women’s rights, constitutes the basis for the definition of such terms.”167

However, the AAA calls for “mutually agreed conditions” [para. 25a] that support ownership and improve the predictability of aid flows. Donor and developing country governments commit as well to “regularly make public all conditions linked to disbursements”, “beginning now” [para. 25b]. Again, it is not clearly defined what “beginning now”

165. Ibid.
166. Ibid.
means in reality. The AAA calls for a review of “good practices” in conditionality “with a view to strengthening country ownership” and explicitly says that this review will “be receptive to contributions from civil society” [para. 25c].

The AAA recognizes the link between ownership and conditionality [para. 25a], but unfortunately there was no agreement to reduce conditionality despite both developing country and civil society calls for this to happen. In Accra, there was an agreement to “make public all conditions linked to disbursements” starting immediately and to increase the “emphasis on harmonised, results-based conditionality” and for conditions to be “mutually-agreed.”

The lack of legitimacy of the OECD/DAC as a Forum for addressing the linkages between aid and the broader development agenda has been an issue consistently raised. The AAA does recognize the relevance of the UN’s comprehensive development agenda, including the MDGs review process, the Financing for Development review process and the ECOSOC Development Cooperation Forum. However, the AAA falls short of asserting the need to establish concrete coordinating mechanisms between aid effectiveness and the UN’s broader development agenda. Women’s rights groups that gathered in Accra stated that legitimate space for norm-setting on aid and international cooperation issues cannot be removed from the larger global trade and finance system contexts. Thus, systemic issues are best discussed under the rubric of the United Nations, and therefore the Development Cooperation Forum should be the space to advance and monitor progress on aid and development effectiveness. There are informal proposals circulating suggesting to organise the next High Level Forum on Aid Effectiveness being organized by the OECD-DAC and UN instances. Women’s rights groups and civil society in general, need to carefully assess the opportunities along with, threats this may imply, so as to decide whether or not to support such an initiative.

From a gender equality and women’s rights perspective, there is agreement that the AAA is not revolutionary and will not change much the process towards 2011 (when next High Level Forum on Aid Effectiveness will take place), unless there is political will to do so.

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169 It’s important to highlight here that it can also be argued that at the end of the day Accra reinforced the Paris Declaration machinery and its monitoring system did not change in spite of the criticism expressed by various actors, not only CSOs, including women’s rights organizations.
The AAA opens some windows of opportunity for improvement. However, the challenge now is to see in how far intentions will translate into practice. This chapter is merely an initial analysis that will need to be complemented according to what will happen after Accra: How will the AAA be translated into practice? Which chapters of it? When will donor and developing country governments start implementing? What about the role of the international financial institutions? How will the current financial crisis and economic recession in many donor countries affect development cooperation and resources mobilized? Will gender equality and women’s rights commitments be put aside again?

The AAA recognizes the need “to develop institutionalised processes for the joint and equal partnership of developing countries and the engagement of stakeholders” (para. 30). However, it is not clear if this recognition provides an opportunity to move beyond mere criticism of the role and lack of legitimacy of the OECD-DAC. A deeper reflection of systemic issues and international governance is required and international institutions and fora need to adapt to accountability standards that promote and ensure equal participation of all development actors.

Women’s rights organizations will continue to advocate for change and monitor progress over the next months on the road to 2011 with the aim that those windows of opportunity opened towards a development effectiveness approach that is inclusive of gender equality and women’s rights priorities as well as needs and brings real structural changes in the global aid architecture, from policy to practice\(^\text{170}\).

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Conditionalities undermine the Right to Development
an analysis based on a Women’s and Human Rights perspective
About this publication

The Association for Women’s Rights in Development (AWID), Development Alternatives with Women for a New Era (DAWN), the International Gender and Trade Network (IGTN) and Women in Development Europe (WIDE) collaborated to develop this publication as a contribution to the debate on development cooperation, conditionalities, Human Rights and gender equality. These organizations and networks have been involved in the United Nations Conferences of the nineties, the Monterrey Consensus process, and other national, regional and international fora (trade negotiations and campaigns, debt, development, etc). This publication is a result of this experience and a contribution to the current discussions on Development and Human Rights under the Aid Effectiveness international agenda and the United Nations Financing for Development Process.

This effort was coordinated by AWID, with contributions from Cecilia Alemany (AWID), Graciela Dede and Areli Sandoval (AWID consultants), Nerea Craviotto (WIDE), Josefa ”Gigi” Francisco (DAWN), Marta Lago (IGTN), Fernanda Hopenhaym, Anne Schoenstein and Michele Knab (AWID). This publication presents statements from the Consultation organized by the Women’s Working Group on Financing for Development (Chapter 4) and the Accra Women’s Forum organized by NETRIGHT, FEMNET, IGTN, DAWN, WIDE and AWID. These consultations were possible with UNIFEM support, Action Aid International (AAI), Actional Women’s Development Fund (AWDF) and Urgent Action Africa.

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