Global Partnership for Effective Development Cooperation (GPEDC): EU Common Position for Nairobi High Level Meeting

- 1. The 2030 Agenda for Sustainable Development, with the Sustainable Development Goals (SDGs) at its heart, sets out a comprehensive vision of what needs to be achieved to promote sustainable development and eradicate poverty. It balances the three dimensions economic, social and environmental of sustainable development, includes the key issues of governance and peaceful societies, and recognises the important inter-linkages between goals and targets. It is a universal agenda, applying to all countries equally, with responsibilities for all.
- 2. The Addis Ababa Action Agenda (AAAA), as its integral part, sets out a new paradigm for the implementation of the 2030 Agenda, through a global partnership encompassing policy and financial means. It places domestic action and sound policies at its heart that are underpinned by a supportive international environment. In this context, development cooperation can be an important element for developing countries, which must be used as effectively as possible.
- 3. The development effectiveness agenda and the Global Partnership for Effective Development Cooperation (GPEDC) mark a shift from aid to development effectiveness, moving from a focus on Official Development Assistance (ODA) flows to broader development partnerships and actors. It will provide a major contribution to implementation of the 2030 Agenda in developing countries.
- 4. In this context, The EU's development cooperation will continue to focus where it is most needed and can have most impact, particularly in Least Developed Countries (LDCs) and in situations of fragility and conflict. The majority of ODA should be focused in these contexts, and the rest should be used to leverage other approaches such as blended finance and support capacity-building as necessary in Middle Income Countries (MICs) to promote the implementation of the 2030 Agenda, including sustainable development, poverty eradication and other shared interests.
- 5. The EU and its Member States reaffirm the importance and centrality of the development effectiveness principles. These are:
 - Ownership of development priorities by developing countries.
 - Focus on results.
 - Transparency and accountability to each other.
 - Inclusive development partnerships.
- 6. We note the interesting proposal for the introduction of a 5th principle of development effectiveness, to "Leave No-one Behind", and call for further work to operationalise it as this pledge is at the heart of the 2030 Agenda. The focus should be on poor, vulnerable and marginalised groups, taking into account gender equality and those in situations of fragility and conflict.

- 7. All forms of development cooperation should be underpinned by the principles of development effectiveness. Development cooperation includes international public and private finance targeted at development outcomes, as well as the interaction between domestic finance and policy with development partners. The resources covered include, but are not limited to, ODA, non-ODA climate finance, Other Official Flows, South-South Cooperation, funds and blended public/private finance, civil society actions and some non-financial co-operation including policy measures and private sector engagement. It also includes humanitarian aid, whilst respecting humanitarian principles. Each of these resources has an important and complementary role to play, and need to work together as effectively as possible.
- 8. Whilst the core principles are common to all partners, we recognise that the approach taken to achieve these principles will vary from one group of development partners to another: differentiated approaches to achieving the same goals. Philanthropic foundations will not act in exactly the same way as traditional DAC donors, or large civil society organisations. We welcome this diversity and invite all development partners to articulate their specific approach to implementing the principles of development effectiveness on the ground at the Nairobi High Level Meeting (HLM) of the GPEDC.
- 9. Development effectiveness should be focused on country-level implementation, particularly in the following areas: development and delivery of national development strategies, including the incorporation of development effectiveness principles into these policies; institutionalisation of multi-stakeholder partnerships to improve cooperation around and delivery of national strategies; development of data provision and use, including data for the GPEDC monitoring exercise, to track progress and drive improvements. The GPEDC should be restructured to better support this aim.

EU actions

10. The EU and its Member States will be ambitious in our implementation of each principle, to support the achievement of the SDGs. We will take action in the following specific ways to advance further on our previous commitments.

Democratic country ownership

9. The EU is committed to implementing a rights based approach (RBA), encompassing all human rights, into its development cooperation, with a focus on gender inequality. We emphasise that respect for and protection and fulfilment of human rights are an essential element for achieving sustainable development and the pledge to "leave no one behind". By applying the rights based approach the EU aims to contribute to sustainable development results through targeting root

- causes of problems, achieving active and meaningful participation of those concerned, and ensuring a focus on persons in vulnerable situations. The EU and its Member States will systematically exchange experiences of implementing RBA in different country contexts.
- 10. In the face of growing challenges we more than ever need a common vision for EU support aligned to a partner country's efforts, tailored to the specific context, including existing coordination mechanisms, as well as stronger political dialogue. Driven at the country level, the EU and its Member States agree to enhance EU Joint Programming (a Global Partnership Initiative) in order to maximize their collective impact, based on the findings of a joint evaluation of the approach. Joint Programming has the potential to strengthen the efficiency, coherence, transparency, predictability, and visibility of the external assistance of the EU and its Member States. Implementing Joint Programming at country level could facilitate reduced aid fragmentation, thereby increasing development effectiveness. Results so far show that it improves the context for effective division of labour, and helps to improve medium term predictability. Working together, we will share knowledge for the benefit of all and develop higher quality joint analysis of the country context. The partner country government should be engaged from the start.
- 11. Joint Programming can benefit from a more effective operating environment. It should link with country results frameworks, and use transparent data to inform the process. An increased use of joint indicative programmes, joint monitoring and results frameworks will be core elements of a joint strategic response, in order to maintain momentum, reinforce coordinated policy dialogue and enhance mutual accountability. Joint programming, while remaining voluntary, should be open to other development partners at country level, including Global Funds and multilaterals, particularly where they are implementers of EU funding.
- 12. The EU and its Member States will also move forward from Joint Programming to increased coordination during the implementation phase of our development cooperation activities. This could include sectoral or thematic coordination, as well as political dialogue.
- 13. Domestic public finance should be at the heart of all countries' efforts to achieve the Sustainable Development Goals. The EU and its Member States will support developing countries' efforts to strengthen domestic resource mobilisation (DRM) and public expenditure management, including revenues from natural resources. The EU and its Member States will promote fair, transparent, efficient and effective tax systems and public expenditure frameworks. They will also aim to increase the efficiency of public expenditure for inclusive growth, gender equality, sustainable development and poverty eradication. They will also tackle tax avoidance, tax evasion, illicit financial flows and corruption, broaden the tax base, increase tax compliance, and cooperate further on tax issues. We encourage all provider and partner countries to sign up to the Addis Tax Initiative (ATI), and recall the ATI commitments for providers to collectively double their technical co-operation for DRM by 2020, for partner countries to step up DRM as a key means to achieve the SDGs, and for all countries to ensure Policy Coherence for Development.
- 14. Strengthening partner countries' own institutions, systems, and capacity is crucial. The EU and its Member States will continue to promote the use of partner country systems for public financial management throughout the budget cycle where their quality allows, including procurement systems, in order to promote the development of more effective institutions. This could include the use of country systems at local and provincial level. The EU and its Member States will jointly

assess the effectiveness of partner country systems, using existing assessment tools such as the Public Expenditure and Financial Accountability (PEFA) framework, to ensure a coordinated approach to their use and to inform the implementation approach.

- 15. The EU recognises the need to monitor and report accurately on the full range of use of country systems, including beyond traditional modalities such as Budget Support, including the channelling of funds through implementing partners who use these systems. We call upon the GPEDC indicator on the use of country systems to be updated to ensure all relevant modalities are taken into account, including basket funds.
- 17. The EU and its Member States are committed to untying their aid as much as possible and will encourage all providers of development cooperation, including emerging economies, to do the same. The EU and its Member States will aim to refine the definition of aid untying to ensure reciprocity between all international providers of official development finance.
- 18. The EU and its Member States will focus attention on encouraging an increase in the inclusion of companies from developing countries in the supply chain and as sub-contractors.

Focus on Results

- 19. The EU has developed its own results framework that gives selected aggregate results that the EU has contributed towards achieving. In line with Busan commitments and previous agreements these results are drawn as far as possible from partner country results frameworks. Many EU Member States also have their own results framework/results reporting.
- 20. The UN Statistical Commission has agreed a set of SDG indicators, subject to future technical refinement. The EU and its Member States encourage the use of these SDG indicators of progress as far as they are relevant to the partner country own development strategies and own effort towards the SDGs. This should lead to common reporting standards where relevant; and also reduce the burden on partner countries by allowing them to use common methodologies. The EU and its Member States commit to progressively adapt their reporting systems to be consistent with the 2030 Agenda's targets and indicators and to support their use by partner countries.
- 21. In the context of the SDGs, greater emphasis will be placed on partner country measuring progress against the goals targeted. In many partner countries, this implies a step-up in the level of capacity building for statistics, planning and reporting, so that they have the relevant tools and expertise to monitor performance and show results e.g for gender statistics and collection of sex-disaggregated data. The EU is already one of the largest donors supporting capacity building in partner countries, and will continue to focus support this area. We encourage all development partners to ensure that funding for sustainable capacity to monitor performance is built into programmes, with particular regard to SDG indicators.

Transparency and mutual accountability

22. Full transparency on development resources is crucial to support scrutiny and accountability by a range of stakeholders, including citizens in the EU and in our partner countries, which can contribute to combatting corruption. Data for statistical purposes should be thoroughly validated before use. Live data for aid management purposes does not require extensive validation, as

timeliness is paramount. In order to achieve this, the EU and its Member States will publish fully both to the OECD reporting standards and the International Aid Transparency Initiative (IATI) standard, and will exchange knowledge and best practice in order to support all Member States to do so. This will include publication of at least 90% of all ongoing activities, as regularly as possible, including results data and with forward-looking data available for at least 25% of activities. We will also encourage our delivery partners to publish data to the IATI standard.

- 23. Data is only valuable so far as it is relevant, of good quality and usable. The EU and its Member States will shift from a focus on data publication to a focus on both data production and use, including through the development of tools to use and visualise available data, and supporting partner countries to do so.
- 24. Transparency should provide information on financial inputs and activities, as well as outputs and outcomes as far as possible. There should be common understanding amongst development cooperation providers, partner countries and implementing partners that all results on the outputs and outcomes of activities at a detailed level should be made publicly available in a timely fashion, using recognised transparency standards. Exceptions may be made for sensitive data such as some support to human rights activities. The EU and its Member States commit to making such results data publically available.
- 25. Transparency is important for all financial flows as part of the Means of Implementation of the 2030 Agenda. We call on all providers of development finance to make comprehensive information publically available on their activities in developing countries, including climate finance, humanitarian aid, and south-south cooperation.
- 26. The EU and its Member States will participate in mutual accountability reviews at the country level where they exist, and will support their development where they are not currently operational.

Inclusive development partnerships

- 27. The EU and its Member States will promote an expanded space and enabling environment for civil society, local authorities and the private sector. All these actors are crucial for effective development process, and should be empowered to make the most effective contribution possible.
- 28. The EU and its Member States will deepen their partnerships with civil society organisations (CSOs) at all levels, to empower CSOs to play their full role as independent actors of governance, both as advocates and implementers, including their important contribution to transparency and mutual accountability. They will support the fulfilment of CSOs commitments to effective, transparent and result oriented development cooperation, as detailed in the Istanbul Principles, including on transparency and results reporting through the International Aid Transparency Initiative.
- 29. The EU and its Member States will support efforts to improve framework conditions to create an environment for responsible business practices and an investment climate conducive to private

initiative in partner countries such as promotion of policy and regulatory reforms, facilitation of innovative business models and institutional capacity building, and participation in policy dialogue. The EU will engage with the private sector through structured dialogue and partnerships, and will focus support on improving access to finance, especially for Micro, Small and Medium Enterprises (MSMEs), youth, women and rural population, technical and vocational training, women's empowerment and digitalisation. An emphasis will be put on LDCs, including fragile states and post-conflict countries.

- 30. Catalysing private financial resources for development is crucial. The use of innovative financial instruments, such as EU blending facilities and guarantees will be strengthened to leverage private sector investments. The new External Investment Plan (EIP) is an important initiative, which will also aim at attracting private sector investments outside the EU, in particular in developing countries, as a means to address long term challenges. All EIP activities will be carried out in line with development effectiveness principles.
- 31. The achievement of most of the SDGs and their many targets will depend on the active involvement of local authorities. Effective localisation of the SDG depends on vertical (between national governments and local authorities) and horizontal (between local authorities, communities, civil society and private sector) partnerships. The EU and its Member States will support decentralisation reforms when requested by partner countries in order to empower local authorities for better governance and development results. They will support effective mechanisms for cooperation between local authorities and other public sector actors. They will also support mechanisms to enable people to interact effectively with local government at all stages of planning and implementation of policies.
- 32. The EU and its Member States welcome the launch of a new Global Partnership Initiative (GPI) the European Commission on "Empowering Local Authorities as Actors of Governance", the objective of which will be to support local authorities to implement the 2030 Agenda

Leaving No-one Behind

- 33. The pledge to "leave no-one behind" is at the heart of the 2030 Agenda. It means the SDGs and targets should be met for everyone, with a particular focus on the poorest, most vulnerable and furthest behind those who are often the hardest to reach. To fulfil the promise of the 2030 Agenda, we must ensure that no person wherever they live and regardless of ethnicity, gender, age, disability, religion or belief, race, sexual orientation or other status is denied universal human rights and basic economic opportunities.
- 34. Prioritising the interests of the poorest and most excluded people, and taking into account gender equality is key for effective sustainable development. The EU and its Member States will ensure that the context analysis for any intervention will always consider the differential priorities and impact on men & women across the lifecycle and that this will be included in the results targeted. We will also ensure that data disaggregated by sex, age, disability status and geography is used as far as possible, including in SDG reporting, and that capacity is increased to collect, analyse and report in this way where the data is not currently available.

- 35. Countries affected by conflict and fragility play host to the most vulnerable populations. In these circumstances, it is more important than ever that the development, diplomatic and humanitarian communities and activities work together in an integrated way to promote peace and development. The New Deal for Engagement in Fragile States can offer useful pathways to achieve the 2030 Agenda in these contexts. The EU and its Member States will put an increased focus on resilience-building including linking relief, rehabilitation and development (LRRD). We will support the inclusion of all relevant actors in donor coordination mechanisms, New Deal structures, and in joint programming processes, including programming for protracted crises. Joint conflict analysis will also be conducted as a strategic basis for conflict-sensitive programming.
- 36. Inequality is a growing problem, particularly in Middle Income Countries (MICs), which house the majority of the world's poor. The EU will support these countries to eradicate poverty and reduce inequality through use of appropriate policies and modalities, including technical support and blended finance.

Monitoring / Follow Up and Review:

- 37. The monitoring framework and process of the Global Partnership for Effective Development Cooperation (GPEDC) are a unique asset, which follow a country-led, inclusive, multi-stakeholder approach. We welcome the participation of over eighty countries in the current monitoring round.
- 38. The results of the GPEDC monitoring process are a valuable way of taking stock of progress and challenges in implementation of development cooperation, and should be used as a tool to influence behaviour change by a range of actors. We welcome the work of the Monitoring Advisory Group on strengthening the monitoring framework to achieve this aim. We encourage the systematic analysis and ongoing use of this valuable data between monitoring exercises to underpin in-country dialogue and action to improve effectiveness.
- 39. We welcome the inclusion of indicator 17.16.1 in the SDG Follow Up and Review (FUR) process on the "number of countries reporting progress in multi-stakeholder development effectiveness monitoring frameworks that support the achievement of the SDGs" and will aim to ensure that GPEDC monitoring contributes usefully and proactively to the overall FUR process.

Future role and mandate of GPEDC

- 40. The focus of GPEDC work should be on: maintaining political momentum behind aid and development effectiveness, and supporting country-level implementation of the principles and commitments, including through knowledge sharing. The partnership should continue to be "Globally light, country-focused"
- 41. Implementation of country-level activities and policy discussions should be taken forward in line with a clear work-plan by the following actors: the GPEDC Joint Support Team; regional platforms

working on development effectiveness; Global Partnership Initiatives (GPIs); and "communities of practice" to bring together wider members of the partnership on specific issues.

- 42. The GPEDC should be a true partnership of all relevant actors for development. We welcome the increasing involvement of Southern providers of development finance and the private sector in particular, and encourage these partners to play a more active role.
- 43. The EU and its Member States welcome the appointment of Germany as one of the three future cochairs of the GPEDC, and thank the Netherlands for their work in this role. We would support a move to High Level Meetings every four years, alternating with senior level meetings in between them. Momentum at technical level and in-county implementation must be maintained between these events.
- 44. The EU and its Member States look forward to the Commission's forthcoming report reviewing EU implementation of the Development Effectiveness Commitments.