CPDE Statement 2018 High Level Political Forum
UN Headquarters, New York
9-18 July 2018

The CSO Partnership for Development Effectiveness (CPDE) is a platform of civil society organisations, spanning seven regions and eight sectors, engaged in the discussion of effective development cooperation and development finance. The 2018 UN High-Level Political Forum, with its thematic focus "Transformation towards sustainable and resilient societies", is an opportunity to advocate for the application of development effectiveness principles to the environmental pillar of the 2030 Agenda.

Ensuring that countries are transparent and accountable, have democratic ownership of their development strategies, undertake inclusive partnerships, and maintain a results focus built on the notion of leaving no one behind, will be critical for implementing the Sustainable Development Goals (SDGs) and realising the 2030 Agenda. As societies embrace the challenge of becoming resilient and sustainable for this generation and the next, development cooperation will have an important role to play, particularly in addressing the developmental needs of all, especially the poor and the marginalised.

Forming Inclusive Multi-stakeholder Partnerships through a CSO Enabling Environment
CPDE is committed to realising the effective implementation of the 2030 Agenda. CPDE stresses that in order for this implementation to be effective; it needs to act on actual enforcement mechanisms through genuine multi-stakeholder partnerships that embody inclusiveness, transparency and accountability for all actors, and more importantly underpins the human rights-based approach.

Unfortunately, despite acknowledgement of the civil society (CSOs) as a development actor in its right, conditions for CSOs have worsened over the years, with recorded shrinking and closing spaces for civil society becoming more mainstream. The continued closing space for civil society is alarming even in the reporting of the voluntary national reviews (VNRs). This runs counter to the inclusive nature of the 2030 Agenda and its ambition to leave no-one behind.

Member States, in keeping with the ambition of the 2030 Agenda, should set-out to reverse the trend of closing spaces for civil society to build a positive environment for sustainable development, peaceful societies, and accountable governance. Minimum standards must also be set for the institutionalised participation of civil society and peoples organisations at all levels of the review process.

CPDE stresses that the international community must also outline the modalities that will help improve the quality of partnerships to establish accountability for all stakeholders and to ensure that the Effective Development Co-operation Principles are realised and that human rights and collective rights are upheld and respected as foundation of genuine multi-stakeholder partnerships in this agenda. These principles ensure that multi-stakeholders partnerships enable development to become meaningful to people and to guarantee accountability of the states and other development stakeholders to the people.

Increasing the Quantity and Quality of Development Cooperation to finance the SDGs

The 2017 aid figures suggest that the increase in Official Development Assistance (ODA) in real terms in 2016 was due, in large part, to increases in in-donor allocations for refugees. As these allocations fell in 2017, so has overall ODA. The ODA to Least Development Countries (LDCs) specifically increased; but, in reality, the international community is still far below the 0.7% global commitment, at an average of 0.31% of GNI.

The mantra of billions to trillions has seemingly given many development partners license to ignore the 0.7% commitment, with few exceptions. The failure to meet this target is all that more disturbing in light of the financing needs to realise the SDGs. Many governments now suggest that financing flows must come from sources other than ODA. This has been incorrectly used as a way to diminish the relevance of aid and divert attention away from the reality that the 0.7% commitment has been abandoned by many governments. If governments, especially development partners, are expecting other sources of financing to fill the SDGs financing gap, they should lead by example and not only meet but go beyond the 0.7% target.

Meeting the SDGs will require improvements in the quality and effectiveness of development cooperation. International development cooperation is unique compared to other international financial flows as it has a set of principles and a supporting process to make it more effective. The effectiveness principles of ownership, inclusiveness, transparency and accountability, and results provide an important scaffolding to support the quality of development cooperation. Unlike other international financial flows, through these principles we are able to evaluate and eventually improve the quality and effectiveness development cooperation.

However, we regret that progress on meeting these commitments like providing an enabling environment for civil society, untying aid, and using country systems, has been slow and in some instances, regressed.Despite this, we reiterate thecentral role that ODA plays in support of the financing the SDGs at the global and country levels. CPDE will continue to push for the reversal of this trend and to hold all development actors to account.

CPDE also supports calls for these principles to be extended beyond traditional ODA and to be applied to international financial flows, especially private finance, which benefits in some ways from ODA. There is a need to eliminate the risks for ODA to undermine the effectiveness principles to which it is supposed to adhere.

Development cooperation needs to be directed to where it is most needed, to help provide a sustainable future and livelihood for those furthest behind. This is indeed the case when it comes to meeting the climate related SDGs. The 2018 DCF report rightly notes that the effects of climate change are differentiated across countries and tend to more adversely impact those furthest behind.

Effective Climate financing

Climate finance makes up a significant portion of financing in the 2030 Agenda. With it, comes opportunities and challenges especially around how climate finance can be effectively governed, delivered and monitored. The delivery of climate funding however is still rife with issues especially when it comes to aligning with countries national development strategies. Donor harmonisation, aligning donor systems with national systems, managing for results, and mutual accountability between provider and recipient countries, remain important issues in climate financing.

Like development finance, effective climate finance should be underpinned by the principles of policy coherence, transparency, and predictability, especially in support of countries most vulnerable to climate change. Applying these principles and monitoring closely climate finance will allow better distinction between aid and climate finance, in order to ensure that climate finance is additional to development finance.

Accountability of the Private sector

Governments and international financial institutions believe that the private sector will be a key partner in implementing the SDGs and will step in to fill the gap in SDG financing. Whether it through the promotion of Public Private Partnerships (PPPs) or blended financing, CPDE expresses strong reservations about the role the private sector will play in the 2030 Agenda if the necessary systems of accountability are not in place.

CPDE continues to express reservations on efforts to divert already scarce ODA resources towards less tested and trusted types of instruments that do not have an express public interest character. The narrative around these types of instruments suggests only opportunities, but rarely takes into account opportunity costs and associated risks which have the potential to undermine the SDGs.

The increasing use of public resources such as ODA to catalyse additional finance from the private sector through modalities like blending and PPPs carries with it some deep and inherent risks which are not sufficiently acknowledged by those promoting these forms of finance. The risks go beyond simply not being as effective as ODA as a form of development finance and have the potential to drive the agenda backwards if not properly scrutinized and managed. For example, there is a real risk that using instruments like blended financing will lead to increases in tied aid, which is in direct contradiction with the effectiveness agenda.

To mitigate these risks accountability systems must be in place to make sure that both public and private actors are complying with existing frameworks, including ILO and UN protocols, UN guiding principles on Business and Human Rights, and the OECD guidelines for Multi National Enterprises. Systems must be in place to ensure that these financing modalities are aligned to democratically agreed national development strategies, are fully transparent and accountable, and in full compliance with international human rights and environmental standards. Here the role of trade unions and workers representatives in keeping enterprises accountable is critical. In the absence of these types of conditionalities there is little reason to favor public-private financing over purely public financing, which must withstand public scrutiny.