



## TOWARD ENHANCED AID EFFECTIVENESS

### *High-Level Forum: Harmonisation, Alignment and Results Paris, February 28 – March 2, 2005*

Hailed as “The Year of Development,” 2005 is gaining increasing significance in terms of global efforts to achieve the Millennium Development Goals (MDGs) – a set of eight internationally accepted priorities for making a real difference in the fight against world poverty.

To reach the MDGs, there must be more than increases in the volume of aid; of equal importance is the need to use aid resources more effectively to promote sustainable broad-based growth and poverty reduction. Toward that end, the Paris High-Level Forum, being held from February 28 to March 2, 2005, will bring together development practitioners from developing partner countries and donors, as well as ministers and heads of development finance institutions, to review progress on three interrelated topics that contribute to the more effective use of aid resources: harmonisation, alignment, and managing for results.

- **Harmonisation** refers to donors’ efforts to bring the policies and procedures that govern their support as much into accord as possible, so as not to impose dozens of varying and conflicting requirements on partner countries.
- **Alignment** means that donors are increasingly choosing to direct their support to priorities and strategies that partner countries set out, rather than imposing their own priorities, and are moving to build up and rely on countries’ own institutions to implement projects, rather than requiring parallel systems. For their part, partner countries are working to set out sound priorities and strategies, and to strengthen and improve their institutions so that donors can confidently rely on them.
- **Managing for results** refers to efforts to define desired results and then select development activities that will contribute to achieving them, as well as to develop and strengthen the statistical systems that are crucial to measuring progress toward results.

The Paris High-Level Forum is being hosted by the Government of France and sponsored by the African Development Bank, the Asian Development Bank, the Development Assistance Committee of the Organisation for Economic Co-operation and Development (OECD-DAC), the European Bank for Reconstruction and Development, the Inter-American Development Bank, the United Nations Development Programme, and the World Bank. Developing countries are collaborating closely in the planning of the Forum and its proceedings.

### Background

Since the Millennium Summit in 2000, the global community has worked through several international fora to spur progress toward the MDGs and address the challenges of this work.



- At *Monterrey* (2002), the global community called on developing countries to strengthen their commitment to policies and institutions that can stimulate growth and reduce poverty, and on developed countries to provide more and better aid linked to improved trade and debt policies.
- At the *Rome High-Level Forum on Harmonisation* (2003), the international development community committed to align development assistance with partners' strategies, harmonize donors' policies and procedures, and use good practice principles in delivering development assistance.
- At the *Marrakech Roundtable on Managing for Results*, (2004), the development community affirmed its commitment to align activity with desired development results, defining how support is expected to contribute to country outcomes and relying on—and strengthening—countries' monitoring and evaluation systems to track progress and assess outcomes.

Together, these international agreements define the goals and objectives for the aid effectiveness agenda—and countries and institutions have been working hard to carry them out.

Thus the year 2005 has been planned to focus international high-level attention on these issues in an interconnected way—what progress is being made on meeting explicit targets for MDGs; how much more aid is needed, how it should be delivered, and how it can be managed for better development results; and how the development enterprise can move forward in an environment of good governance and mutual accountability. While the Paris Forum discussions will now take place against the backdrop of the Asian Tsunami and the global effort to deal with its aftermath, the unprecedented scale of global humanitarian assistance being provided in the wake of the disaster has served to underline the critical importance of effective delivery and management of aid even under crisis conditions.

## Preparatory Events

As part of the preparation for the Paris Forum, regional workshops on harmonisation, alignment, and results were held in October and November 2004 in Asia (Bangkok, Thailand), Latin America (Tegucigalpa, Honduras), Central Asia (Bishkek, Kyrgyz Republic), and Africa (Dar es Salaam, Tanzania), and in February 2005 in the Middle East (Jeddah, Saudi Arabia). These workshops did on a regional level what the Paris Forum will do on a global level—convene representatives of the development community from partner countries, donors, and civil society, to exchange experiences and forge partnerships, and to take stock of overall progress and areas needing further work. A group of partner countries met in Managua, Nicaragua, in October 2004, to develop a common position on aid effectiveness; and a CSO Forum on Aid Effectiveness and Harmonisation was held in Paris, France, in February 2005 to assess aid effectiveness activities from the perspective of civil society organizations. All the workshops identified messages to send to the Paris Forum.

## Expected Outcome

The participants at the Paris High-Level Forum on Aid Effectiveness are expected to issue the “Paris Declaration,” in which they will commit their institutions and countries to continuing and increasing efforts in harmonisation, alignment, and managing for results, and will establish a set of concrete actions and clear indicators of progress.