

European Parliament/DEVE - Hearing on 'Effectiveness, efficiency and results of EU aid for sustainable development'

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Since 2015, ODA provided by members of the Development Assistance Committee of the Organization remains below the United Nations target of 0.7 per cent. There has been a fall in the share of bilateral ODA disbursed as grants over the period, with an increase in loans.

This change coincides with a shift in ODA allocation from social needs towards productive investment, in line with the broader shift to private sector driven Sustainable Development Goals. At the same time there is an increase in ODA towards humanitarian assistance and in donor country spending on refugees. ***Such changes in allocation continue to compromise country ownership and leadership in development cooperation.***

European Union's context for financing sustainable development is continuously reshaped by ever more rapid shifts in geopolitics, technology, climate and other factors.

At the same time Africa's Domestic policies, institutional frameworks and economic governance continue to struggle to keep pace with the evolving nature of these global challenges.

Development effectiveness is about how we partner together for sustainable development. The basic ethic is that a principled dialogue around development cooperation helps us achieve better and more sustainable results for our collective investments.

The **Global Partnership has been our primary vehicle for this effort** and the effectiveness principles for nearly 15 years now. And its strength is in practising what it preaches – a truly multi-stakeholder Steering Committee, bringing together different development actors from civil society, the private sector, trade unions, parliamentarians and others, and a newly instituted fourth Co-Chair, to represent non-state actors at the highest level of decision-making. **Looking ahead to 2030, we know that progress on the SDGs is off track.** The quality and effectiveness of our partnerships can make critical difference. The Global Partnership is where all stakeholders can come together on an equal footing.

The 2019 Progress Report on the monitoring shows a mixed picture: progress in some areas but with more action needed, including on aid effectiveness commitments – the “unfinished business”. For example, partner countries have made significant progress in improving their national planning systems, yet development partners alignment of their interventions to partner country priorities has declined, undermining country ownership. Partner countries have made steady progress in strengthening their public financial management systems, but this has not been matched with increased use of these systems by development partners

EC remains an important actor and leader in advancing the effectiveness agenda. They are active in many African countries and have been key in setting up important structures and resources for the domestication of the effectiveness agenda. They continue to provide technical assistance and best practices on how to implement the effectiveness agenda.

It thus important that EU is taking time to review its approach towards its global obligations in the achievement of the SDGs as well as the quality and availability of financial resources for their achievements. Globally trends around key drivers for financing for development remain a major area of concern for Africa.

EU Development Co-operation should promote the attainment of the SDG agenda relevant to Africa's needs and promotes human rights as well as social and environmental justice in its strategy and activities. It must lead to behavioral change and investment necessary for Africa's transformative agenda

Development Impact of Development aid must be about Citizen; If the citizens of Africa are to see transformational and sustainable change in quality of life, the development aid must place Africa's priority for development including gender equality, youth and women's empowerment at the centre of its focus in the agenda. There must therefore be a political agreement on citizen participation and consultation with all stakeholders at the national level on EU's development agenda

Development aid Remains important but increasingly being undermined; The current state of the development aid has failed to contribute to addressing important issues including conflict and political instability, conditionality, debt crisis, illicit financial flows, migration, domestic accountability, citizen participation and shrinking civic space. Development aid is increasingly relegated to catalytic role and not as a key public resource that has a major role in shaping development.

Democratic ownership is key to Development effectiveness; There is lack of citizen ownership of the development agenda, and the shrinking space for civil society in Africa. Citizen voices in development priority, budgeting and implementation remain very limited. Governments continue to shrink spaces for CSO operations. We must urge and support governments to recognize and promote Civil Society Organizations (CSOs) as critical actors in achieving all aspects of Sustainable development goals

Address the difficult procedures which most implementers fail to comply with resulting into many ineligible expenditures contributing to low absorption capacity

Address the compliance with country procedures especially on programs that require government endorsement and are off budget – Non compliance has led to prolonged and delayed program implementations which affect the poor

Create Multi-stakeholder partnerships and Enabling Environment

Multistakeholder partnerships and creation of enabling environment for non-state actors particularly civil society remain important in the achievement of SDGs. Strong legal and institutional framework is needed to set requirements to ensure inclusive partnerships and democratic ownership in the development effectiveness agenda. In this regard it is important that we

- Creation of enabling environment for civil society a policy priority for development co-operation with Africa
- Ensure diverse representation from the civil society and in the design and implementation of national development strategies; They should include CSOs are included in the advisory or decision-making bodies of their governments
- Provide access to information for effective multi-stakeholder dialogue. Urge governments to remove practical road-blocks including through institutional processes, which undermine CSO access to the correct, requested information on a timely basis.
- Commit to addressing the shrinking civic space for civil society Organisations

Address the Illicit Financial Flows Within the EU

Illicit financial flows (IFFs) continue to pose development challenges for many countries of Africa. The continent currently loses over 50 billion dollars in illicit financial flows, resources that could contribute to the achievement of the SDGs when put into good use. Given the global nature of this menace, I call the EU to play its role in closing the loopholes contributing to the IFFs.

We specifically;

- Strengthen the capacity of Southern Countries including through setting up and running training facilities for tax administrators on trade mispricing; commodity tax evasion; secretive investment vehicles, drugs and arms transfers smugglings, money laundering, shell companies, tackling corruption.

- Strengthen and deepen Co-operation on information sharing system and enact appropriate legislation to fight Illicit Financial Flows (IFFs)
- Strengthen citizen and CSO capacities to demand accountability from duty bearers including the owners of the companies.
- Create and operate an observatory to monitor Illicit Financial flows within the framework of the EU - Africa Cooperation
- Implement the core outcome recommendations on the Thambo Mbeki High panel report on IFFs.

Address Youth Empowerment

Youth and Children make the majority of the population and hold the key to the future of sustainable development realization. I am calling upon the EU to develop development Co-operation policies that are responsive to youth entrepreneurs and create enabling environment for the youth and children as important development actors.

In this regard, It is important to note that

- Support young people as partners in development and establishing structures and resources that promote meaningful participation of youth. EU should put in place mechanisms for monitoring progress on measures taken to support youth in development.
- Investment in children has high economic and social returns, which will have future positive outcomes for women and youth and all segments of the human populations in the South.
- Ensure that aid budgets are child and youth sensitive, through the involvement of, youth, children and child focused organizations in the budgeting cycle.