

## Submission to Development Cooperation Ireland

# Public Consultation on the Future of Ireland's Official Development Assistance Programme

May 2005

### **1. Introduction**

This document contains comments by Dóchas<sup>1</sup> – the Irish Association of Non-Governmental Development Organisations - as part of the consultation process being conducted by Development Cooperation Ireland (DCI) in connection with the publication of a Government White Paper on Development Cooperation, and aims to complement the continuing dialogue between Dóchas and DCI.

Dóchas welcomes the consultation process, as it provides an opportunity for broad sections of the public to take part in reflections on the future of the Irish aid programme. This process, in combination with the on-going dialogue between Dóchas and Government Departments, builds on the in-depth reflection during the Ireland Aid Review and the OECD DAC Peer Review, and can lay the foundations for a new, effective and credible Irish effort to combat global poverty and inequality.

The White Paper will document the core principles of Government policy in the area of Development Cooperation, both in terms of the Official Development Assistance (ODA) programme in particular and broader Government policy in general. The White Paper will set out "coherent, effective and sustainable policy priorities for the Government's official programme of development assistance" and the consultation process will ensure that it "is informed by both public and expert opinion and meets with best practices in the field."<sup>2</sup>

**This paper is intended as a first presentation of Dóchas' views on how to ensure that the Irish aid programme can meet this dual challenge of sustainability and effectiveness. In this document, Dóchas raises the following key issues that are central to basing the programme both on good aid policy and practice and on a sound support from the public:**

- *The modalities needed for the Irish aid programme to be effective;*
- *The need for a clear poverty focus for the programme;*
- *The importance of engaging with civil society;*
- *The necessity to strengthen Ireland's policy coherence for development;*
- *The need to broaden Ireland's constituency for development.*

**Dóchas is looking forward to debating these and other issues more in depth in the course of the consultation process.**

### **2. An Effective Aid Programme**

Over the past decade, Ireland's Official Development Assistance has grown dramatically, both in terms of finances and in terms of quality. The recent "Peer Review" by members of the OECD's Development Assistance Committee<sup>3</sup> confirmed the high quality of the Irish aid programme, which the DAC ascribes to

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<sup>1</sup> GOAL, although a member of Dóchas, reserves the right not to be associated with this particular submission by Dóchas.

<sup>2</sup> DCI Press Statement, 16 February 2005

<sup>3</sup> OECD DAC Peer Review, Pre-print of the DAC Journal, 2003, Volume 4, No.4

key characteristics of the programme, such as its focus on Least Developed Countries, its strong support for social services such as Health and Education, its emphasis on partnership and the untied nature of the aid.

The DAC report also shows that the dramatic increases in the ODA budget has placed Ireland at the forefront of international efforts to reduce poverty and inequality. The Government decision to achieve 0.7% of GNP in ODA by 2007 should therefore be seen as one of the key determinants of the improvements in the Irish aid programme.

"In the wake of its decision to reach the United Nations' target, the government established the Ireland Aid Review Committee in 2001 to consider how DCI might best deploy the expected increase in resources."<sup>4</sup> The Review Committee's Report, adopted by the Government in 2002, lays out the modalities for implementing the planned growth towards the 0.7% target, including capacity issues.

Central elements of the Report included:

- a. A Development Co-operation Division in the Department of Foreign Affairs: The Review recommended that DCI (then Ireland Aid) remain a part of the Department of Foreign Affairs.
- b. Additional Programme Countries: The Review recommended some additional programme countries in Sub-Saharan Africa and Asia chosen from amongst Least Developed Countries in those regions.
- c. Strategic Investment in Multilateral Agencies: The Review recommended continuing investment in multilateral agencies including the United Nations Development Programme, the United Nations High Commission for Refugees, and the World Health Organisation and UN AIDS amongst others.
- d. Appropriate Levels of Staffing: The Review said 'It is of the utmost importance that staff numbers in Ireland Aid (now DCI) keep pace with the expanding budget and that, by the time the 0.7% target is achieved in 2007, the full complement required to administer a programme of this size is in place.'
- e. A focus on basic services: The review recommended that Education and Health continue to be given very high priority.
- f. HIV/AIDS: The committee recommended that the HIV/AIDS be made a leading priority of the programme.
- g. NGO funding: The review recommended a significant increase in the overall level of financial support made available to NGOs.

Many of these recommendations are repeated in the 2003 OECD DAC Peer Review. In Dóchas' view, these two reports constitute a serious body of "expert opinion" that should inform the White Paper.

### **Recommendations:**

- **The proposed relocation of DCI to Limerick, which de facto deviates from one of the core recommendations of the Ireland Aid Review, must be stopped. The proposed move will result in a reduction of the currently high standards of Ireland's aid programme, which is likely to be severely disrupted due to the projected loss of experienced staff and the likely marginalisation of the Development perspective in inter-Departmental discussions.**
- **The Development Cooperation Division in the Department of Foreign Affairs requires sufficient staffing levels to manage the programme effectively. Further investments in expert and professional staff are needed.**
- **For DCI to engage more strategically with the wide range of policy areas within its remit, it is imperative to continue to invest in the building of internal capacity, as well as the capacity of its core partners. Training policies are essential in this respect, but the loss of expertise through staff rotation and the low level of engagement in sector-wide learning processes need similarly to be addressed.**

It has been Government policy since 2000 to reach the UN target of spending 0.7% of GNP on Overseas Development Assistance (ODA) by 2007. This landmark policy decision was announced by An Taoiseach, Bertie Ahern, in September 2000 at the UN Millennium Summit in New York, following a cabinet decision, and is included in the current Programme for Government. Yet, in the past year, the Government has announced that it does not intend to keep to this commitment.

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<sup>4</sup> OECD DAC Peer Review, Pre-print of the DAC Journal, 2003, Volume 4, No.4, p. 20

The figures for the 2005 ODA budget announced on 18 November 2004 represent a major shift in policy, as the projected growth falls well short of any plan to reach 0.7%. With the Minister for Finance's announcement of €65 million additional funding for 2005 and further increases of €60 million for both 2006 and 2007, the Irish ODA budget is at a virtual stand-still in percentage terms. Using available ESRI figures for future GNP levels, it is hard to see how Ireland will reach 0.5% of GNP by 2007, let alone the promised 0.7%. Worse, in the absence of a clear growth strategy, it is extremely unlikely that the Government will reach 0.7% in the foreseeable future.

### **Recommendations:**

**If the Irish Development Cooperation programme is to attain its objectives, it needs to be effective, credible and well-resourced.**

- **A multi-annual growth plan is essential, with clear and credible benchmarks and a clear time-frame for reaching the 0.7% target. This plan should be underpinned by sizeable increases in the ODA budget in 2005 and 2006;**
- **A new target date should be set in view of the attainment of the Millennium Development Goals (MDG's), which the international community has set itself. By signing up to these Goals, Ireland has committed itself to doing its utmost to ensure their attainment. According to the UN and the OECD, urgent action is required *now* to ensure that funding is made available for the achievement of the MDG's by 2015.**
- **Legislation to copper fasten Ireland's commitment to the 0.7% target should be put in place immediately.**

### **3. Poverty Focus**

Dóchas recognises that, to date, one of the greatest strengths of Ireland's ODA programme has been its poverty focus and believes that this focus must remain a cornerstone of the programme.

The principles underpinning Ireland's foreign policy were spelled out in "Challenges and Opportunities Abroad", a Government White Paper on Foreign Policy, published in 1996. It states that Ireland's objective for its Development Cooperation programme is to reduce poverty and promote sustainable development in some of the poorest countries in the world. According to the White Paper, three key objectives for Irish Development Co-operation are:

1. fostering democracy, respect for human rights, gender and social equality and protection of the environment;
2. responding promptly to emergencies and humanitarian disasters; and
3. contributing to building civil society and social solidarity.

The Ireland Aid Review Committee in 2002 reconfirmed that the reduction of poverty in its various manifestations was and should remain DCI's overarching objective. All policies and activities should therefore be gauged with reference to their likely impact on reducing poverty and their ability to contribute towards achieving the Millennium Development Goals.

In the words of the OECD DAC Peer Review report<sup>5</sup>, "the Review Committee proposed a set of principles to guide the programme. These include effectiveness, value for money, transparency and accountability.... These guiding principles are consistent with the orientations espoused by the DAC and place Ireland at the cutting edge of international development policy."

### **Recommendations:**

- **Ireland's ODA programme, and indeed its Foreign Policies, should be aimed at ensuring the achievement of the Millennium Development Goals.**
- **The bilateral programme should continue its focus on the Least Developed Countries, and Sub-Sahara Africa in particular.**
- **The strong focus on HIV/AIDS, which is now an area of particular competence both within DCI and the broader development sector in Ireland, should be maintained.**

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<sup>5</sup> OECD DAC Peer Review, Pre-print of the DAC Journal, 2003, Volume 4, No.4, p. 24.

- **The principle that Ireland's aid is untied should be copperfastened in the White Paper.**

#### **4. Engaging with Civil Society**

Development Cooperation Ireland (DCI) has built up considerable expertise around the importance of civil society in developmental processes, and is currently in the process of formulating a civil society policy to frame that expertise for future use. Over the last number of years, DCI has brought its cooperation with civil society organisations to new, strategic levels, to the benefit of the impact, transparency and public awareness of DCI's programme.

The background for this development is the realisation that civil society plays a key role in any development process. In Dóchas view, "Development" is more than fighting poverty, as it encompasses the myriad of processes that relate to allowing people to live to their full potential. Without participation there can be no Development. And there can be no participation without a solid infrastructure of social services, economic opportunities, good governance and respect for Human Rights.

It follows that civil society organisations play a key role in developmental processes. In 2002, the Ireland Aid issues paper identified four important roles that civil society could play:

- Holding government accountable
- Influencing government policy and lobbying for change
- Demanding efficient public services
- Delivering essential services, where there is an added advantage or greater capacity

These roles capture the multifaceted character of NGOs and their inter-linked areas of engagement. Not only are civil society groups checking if exchequer resources are used for stated purposes, but they are also asking whether the stated purposes are the best options in terms of poverty reduction.

Irish NGOs on their part have over the last years continued to move away from the direct delivery of services, and strengthened their role as partners of Southern NGOs and community-based organisations (CBOs), so that these local civil society actors can pursue their own agenda in holding governments accountable, influencing policy, demanding efficient public services, and in providing essential and appropriate services. This supporting role of Irish NGOs is further complemented by advocacy work aimed at influencing the policies of home governments, international financial institutions, multilateral institutions, and bilateral donors on key issues, so that there is strong coherence and complementarity in the roles being played by civil society actors in the South and in the North.

When seeking to promote development in Programme Countries, donors such as DCI can therefore usefully support those civil society initiatives that aim to promote good governance, accountability and strong participation.

#### **Recommendations:**

- **Reinforce Ireland's aid programme by building on current dialogue and consultation mechanisms with civil society organisations, to work towards a coherent aid strategy in the Programme Countries. This strategy should be based on respective competencies and experience of Government and NGOs and should provide maximum complementarity between the approaches of the donors and NGOs.**
- **Encourage and support partner Governments in the South to develop good partnerships with civil society organisations in their respective countries, and support civil society by promoting links and partnerships between civil society in the North and the South through investment in programming and advocacy activities. DCI should also consider increasing its support for Human Rights activities and for citizens' education programmes in the Programme Countries.**
- **Establish a "Learning Relationship" with NGOs and other partners in Ireland, to ensure that the vast pool of knowledge and resources is being used effectively in the pursuit of Ireland's Development goals.**
- **Strengthen the emphasis on research and evaluation. The creation of the Advisory Board meant a welcome reinforcement of the Government's capacity to address the strategic direction for the Irish aid programme, and the Advisory Board has set in motion a number of important research programmes. DCI should, however, seek**

**additional ways to invest in evaluation-based approaches to its work. These can include the promotion of research more closely linked to DCI's policy agenda and DCI programmes. Dóchas also recommends the inclusion of a Dóchas representative on the Advisory Board.**

## **5. Policy Coherence for Development**

Over the past decade, not just the understanding of the role of civil society in the Development process has changed as described above; there is a similar recognition that it's not only a country's own policies that affect its potential to develop; both the foreign and domestic policies of donor countries, such as trade, agriculture and security policies, can impact on developing countries and on the prospects for achieving development objectives. In many cases the impact of these policies is such as to undermine progress towards development goals.

One of the main causes of policy incoherence is ignorance of the impacts, and particularly the contradictory impacts, of different policies on developing countries. NGOs have been instrumental in raising awareness of the contradictory impacts of donor policies, but they have been less successful in ensuring the creation of effective institutional mechanisms that can translate rhetoric into action.

Despite pressure from the OECD and the recent announcement of a Coherence Unit within DCI, Ireland continues to score badly in terms of policy coherence. Ireland ranks 18<sup>th</sup> in a list of 21 rich countries on the Commitment to Development Index of the Center for Global Development.<sup>6</sup> Dóchas believes that Ireland needs to complement its effective aid policies by a coherent set of pro-development policies in Ireland's other external policies.

### **Recommendations:**

- **The White Paper should formulate an integrated policy for Development Cooperation, setting out core principles and priorities.**  
The responsibilities derived from these principles need to apply to all relevant sections of Government, not just Development Cooperation Ireland (DCI).
- **Such an integrated policy would allow Ireland to commit at Departmental and Governmental level to achieving greater policy coherence for development:**  
This can be achieved by:
  - Promoting the use of coherence assessment instruments, and apply these to a number of substantial cases, in order to guarantee that decisions in the field of trade, agriculture and security do not have adverse effects on development and the realisation of the MDGs;
  - Putting in place functioning coherence mechanisms, as well as regular meetings between the Ministers for Trade, Development and Agriculture and the Department of the Taoiseach to ensure top level leadership;
  - Ensuring greater transparency on Ireland's policy stances in relation to international trade and development, for instance by strengthening debate in the Oireachtas on these matters;
  - Working within the WTO framework to stop all dumping of European produce on developing country markets and to allow developing countries the policy space to develop the same level of protection currently accorded to EU member states;
  - Encouraging new mechanisms to promote increased imports into the Ireland and the European Union of goods produced in poor countries, especially the 'least developed countries';
- **Adopt the Human Security concept, with the centrality of Human Rights, as its framework for policy-making in the area of Foreign Affairs and Security policy. Adopting the Human Security paradigm will mean a renewed focus on all threats, both those of a violent and those of a more structural nature. Respect and fulfilment of Human Rights are at the heart of the Human Security concept, and it prompts action on both the "traditional" security threats and the less publicised violations of people's rights to food, health and well-being.**

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<sup>6</sup> See: <http://www.cgdev.org/rankingtherich/home.html>

## **6. A constituency for Development**

As stated above, for the aid programme to be effective, it is not enough that it is based on sound policies and good practice - the programme also needs to be supported by the Irish public.

Research commissioned by DCI<sup>7</sup> shows that there is a lack of understanding among the Irish public about the causes of poverty, conflict and injustice and the global dimensions of much of Irish political, economic and social life. Whereas the public generally approaches Development issues from a "charity" perspective, there is little understanding of the fact that the Irish Official Development Assistance programme is based firmly in a policy aimed at addressing the root causes of poverty.

To address this issue, DCI has rightly identified the need to build public support for the programme as one of its main challenges.

However, it is important to draw a clear distinction between efforts to promote public understanding of, and commitment to, development cooperation and public information initiatives. Dóchas believes that public information is important as part of the responsibility of Government to account to citizens, but greater emphasis should be placed on initiatives to promote understanding of global development issues on the one hand, and the reasons underlying the specifics of the DCI programme on the other.

For the Irish aid programme to be understood and supported by the public, it is vital that this programme is based not on notions of "charity" but on the core values of Irish society and of Government policy. The Irish aid programme needs to reflect the core principles of Ireland and how it sees itself, and be based on the competencies and special experience and expertise of Ireland as a whole. The White Paper should lay the basis for an ODA strategy based on a clear analysis of Ireland's motives for engaging in Development Cooperation, and of Ireland's "added value" as an aid actor.

### **Recommendations:**

- **Clarify Ireland's role in Development Cooperation, by formulating a set of core values and key competencies, which can serve as the basis for all Government involvement in this policy area. The White Paper needs to reaffirm the values and principles expressed in the Ireland Aid Review, and build on them.**
- **Strengthen the role of Development Education in the Irish aid programme, by increasing the funding for Development Education and public information activities, and by reinforcing the Development Education Advisory Committee. The DEAC can be strengthened by basing it on a partnership model, where organisations and independent experts can assist DCI in strengthening policy and practice. Dóchas also recommends the inclusion of a Dóchas representative on the Advisory Committee.**

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<sup>7</sup> *Attitudes Towards Development Cooperation*, The Report of a National Survey of Irish Adults by MRBI, 2002