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**Development Cooperation Forum
Substantive Session of the Economic and Social Council**

Summary of the Parliamentary Meeting organized within the United
Nations Stakeholder Forum on Aid Quality and Effectiveness
in Rome, Italy, on 12-13 June 2008

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United Nations

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Distinguished delegates,

The meeting in Rome invited us to reflect on the role of a variety of stakeholders in contributing to aid quality and aid effectiveness. You will not be surprised to hear that members of parliament felt they had much to contribute.

A first step is by providing national ownership to the development policies and programs that aid is meant to finance. A parliament that is representative of the society in all its diversity is the natural and legitimate place where national consensus can be built around inclusive policies to develop the country.

Consideration of these policies, plans and programs in parliament offers a platform for public debate that allows for input from society at large be it civil society, local authorities, academia, opinion makers, and media. The procedures regularly applied in parliaments everywhere allow for them to provide for what you here at the United Nations in New York like to call multi stakeholder participation. The result, when managed well, is a national development plan that is properly owned by the people.

Building on that, parliament scrutinizes the public accounts and oversees the implementation of these plans. Ministers and other public officials are questioned in parliaments, parliamentary enquiry committees visit projects in the country, parliament receives reports, complaints and enquiries, all of which makes it possible for parliament to contribute in a very substantial way to making sure that people receive the services that the plans foresee.

The power of the purse is vested in parliament which adopts the national budget. Many parliaments are today seeking to boost their capacity to participate in the budget process in a much more substantial manner. In these parliaments budget offices are being set up and an effort is made to take a longer term view of the budget process and participate already at the early planning stages. This trend should be supported.

Unfortunately, much of the aid is not included in the budget and aid agreements are more often than not still today negotiated between donors and governments in recipient countries. Only where conditions are imposed by the donor which require legislative action are parliament advised that an agreement has been concluded and now it has to modify or adopt new laws.

So, one important conclusion that emerged from the meeting in Rome is clearly that this practice has to stop. Members of parliament do not generally approve of policy conditionality with one possible exception. No aid should be given by any donor without the condition that it first be considered in and approved by parliament.

To do otherwise undermines parliament's constitutional role of controlling the public purse. It also undermines accountability. Parliament cannot hold the government to account if it is not informed of governmental commitments. This practice is clearly not transparent either and it sets a very poor standard for how we want governments everywhere to behave, including our own. Lastly, it makes it impossible for parliament to have a meaningful role in ensuring that development plans and priorities are respected.

Of course, when aid is accompanied by conditions, parliament should be involved from the beginning. Again parliament can help us apply high standards of transparency. Conditions should be discussed openly and agreed. In fact, members of parliament suggested that through an inclusive process it may be possible to arrive at mutually agreed objectives of aid to replace today's concept of conditionality.

Another important point made in Rome is that parliamentarians clearly favour budget support. It is the aid modality that is the most open to parliamentary oversight and scrutiny. It also comes with the lowest transaction cost, is more likely to adhere to national development plans, cuts through red tape and minimizes the need for endless coordination among donors.

Much of my presentation so far has spoken of how parliaments can contribute to aid quality and aid effectiveness from the perspective of parliaments in countries receiving aid. It reflects the fact that most of the participants in Rome were members of parliaments in the south.

They made two further points.

The first is that aid is normally negotiated by governments or inter-governmental organizations with other governments and when they discuss issues of governance and institution building it is almost always to strengthen governments and public administration; not parliaments. I don't think it is a natural tendency for many governments to help build strong parliamentary institutions that can carry out oversight.

The result of this is that over the last twenty or so many years, vast amounts of aid have gone to strengthen the executive branch and comparatively scant attention has been paid to parliaments. This has affected the balance of power between the legislative and executive branches and undermines today many parliaments' ability to contribute to aid quality and effectiveness.

The meeting in Rome therefore also called for a fundamental shift in your thinking about aid. We need to factor in the responsibilities parliaments have to contribute to better aid and, quite frankly, it needs to be done in a considerably more fundamental manner than what is currently contained in the draft Accra outcome document.

We must also give parliaments the means to carry out that responsibility by providing them with requisite aid. The meeting in Rome was very clear; a part of the aid should also be allocated to strengthen the parliamentary institution and it should be provided directly to that institution; not through the government.

Let me add here that this type of support can go a long way also to strengthen parliament's interaction with society and particularly make sure that it can benefit from the information and policy analysis that civil society, local authorities and independent think tanks can provide.

The second point is that the parliaments in the countries belonging to the donor community are increasingly assuming their responsibilities as well. Aid policies, aid conditionality, aid effectiveness are part and parcel of the budget debate and the scrutiny of government that they are involved in. Parliamentarians can do a lot to build public support for aid policies if they speak from a position of knowledge, involvement and the type of commitment that can only come from having been consulted in the first place. Here again, therefore, it is important that aid policies are discussed openly and subjected to public scrutiny.

Let me end here by saying that from this rendering of the debate in Rome it would appear that the multilateral donors and the United Nations with them got off scot free. Was no one assigned the task of scrutinizing their policies and performance?

The answer to this question is that all of us in the parliamentary community are building an agenda to do just that. I think you will find that parliaments everywhere are already taking a more active interest in the aid policies and development activities of multilateral organizations. We in the IPU are promoting such action by parliament. We held a major debate on parliamentary oversight of foreign aid which calls for greater attention to this important forum, we are following up with activities in national parliaments along the lines of what the Rome meeting suggested, and we are starting to examine how the United Nations delivers aid and development at the country level.

All of this amounts to a large and ambitious agenda for parliaments in donor and recipient countries as well as for the IPU. Our role is to be supportive of parliaments and by extension to assist you in improving the quality and effectiveness of aid.

Thank you