

Chapter 1

Human Rights, Justice, Gender Equality and Sustainability

INTRODUCTION

Governments have signed international human rights and environmental treaties and in principle accept that development must be about enabling people to fulfill their rights. But in practice they too often overlook the rights agenda. The same is true of environmental sustainability which is frequently noted but too rarely prioritised. Donors must change their priorities and practices accordingly.

Sarah Winter examines how Australian development non-governmental organisations (NGOs) grapple with the question of integrating human rights into all aspects of their aid planning and delivery. There is a broad range of approaches, from informal arrangements based on trust to fuller rights analyses as part of a social accountability model.

Further studies are needed to demonstrate the impact of human rights-based approaches which can cover a broad agenda. Australian NGOs are committed to further sharing experiences among themselves and with official donors such as Australian Agency for International Development (AusAID).

The growing evidence base is supported by the work of donors, the Organisation for Economic Cooperation and Development (OECD) Development Assistance Committee (DAC) and the United Nations (UN) that explore the incorporation of human rights in different development sectors. This sectoral approach, focusing for example on what the rights to food and to water mean for an infrastructure project, is a practical way to respond to an organisation's existing and evolving expertise.

Alberto Croce looks at the relationship between the European Union (EU) and Latin America. He points out that the emergence of new powers is shifting international relations. The region is exploring how to introduce new regional institutions. Latin America is receiving less aid money than before despite significant poverty in middle-income countries.

Civil society organisations point out that it is difficult to hold governments to account for their spending especially for money received as budget support. Furthermore, tax evasion and avoidance – particularly by multinational companies – drains the budgets of Latin American governments.

The links between Latin American and European NGOs have weakened. The NGOs have replaced a relationship based on trust and a common political vision with one based on technical and professional interaction. Trade unions, municipal governments, universities and international consulting businesses compete with NGOs for development funding.

Croce concludes that development policies that damage or weaken recipient-country NGOs should not be pursued. New indicators will be needed to measure this and other elements of development quality to cover a human rights- and quality of life-based approach.

Nurgul Djanaeva summarises the impact of aid on the achievement of women's rights in Kyrgyzstan. Aid effectiveness agreements mention gender equality and women's rights as key targets yet donor and recipient governments are doing little to implement these. Some key aid documents reference women's rights but these are not well linked to the national action plan on gender equality. Neither donor programmes on gender nor the national plan have sufficient financial resources or staff to implement them. Recent revisions to donor plans have weakened the focus on gender, and the most recent joint donor progress report does not mention gender equality.

As of April 2010 there was still no action plan for implementing the Accra Agenda for Action (AAA) in Kyrgyzstan, and women's organisations have still not increased their influence on aid decisions. International and national gender-equality and human rights strategies should be part of aid effectiveness plans. Official bodies should publish gender-disaggregated information on the technical aspects of aid and on development results. Involving and empowering women will bring forward real development effectiveness.

James Goodman and Ellen Roberts outline the difficulties with climate aid, a fast-growing category. The programme on Reducing Emissions from Deforestation and Forest Degradation (REDD) has been introduced as a result of international talks on responding to climate change. Tackling forest issues is important but requires environmental and human rights safeguards. REDD also requires careful application as investors can speculate on the price of carbon.

A REDD pilot project funded by the Australian government demonstrates some of these problems. The Kalimantan Forests and Climate Partnership documents make no mention of the rights of affected indigenous or forest-

dependent communities who currently live in the project area, or of human rights in general. The project focuses on changing small-scale subsistence practices rather than the agricultural industries such as palm oil plantations that drive large-scale deforestation in the region. A local peoples' organisation has been opposing the project, concerned that the project will deny them access to resources they need.

There are alternatives, based on ecological justice, which should inform future climate aid.

Kevin J. Barr describes the way that donors have interacted with governments in Fiji. Many of them cut their aid to the country following a military coup in 2006. Yet the coup claimed to protect indigenous Fijian rights and may in fact have been necessary to create a stable democratic country in future.

The loss of aid from Australia, New Zealand and the EU has had a serious effect on Fiji's economy. Fiji has turned to the International Monetary Fund, Japan, China and India for support. The availability of this substitute funding has persuaded previous donors to begin to change their minds about using aid as a political tool to enforce specific democratic governance requirements.

Brian Tomlinson outlines the Canadian government's progress in implementing a law on aid accountability which was adopted in 2008. The law enjoins ministers to ensure that Canadian aid takes account of the perspectives of the poor, is consistent with human rights standards, and contributes to poverty reduction.

This seems to be a big step forward but implementation is weak. Indeed the Canadian government is making major decisions on aid, such as slashing the number of countries it supports, without reference to this Accountability Act.

Canada should systematically consider how its interventions will support marginalised people realising their rights. Canadian official development assistance (ODA) programs should create opportunities for popular participation and build the capacity of affected populations to participate in development. This includes promoting the rights to organise and to freedom of speech, as well as of access to information. Canadian ODA should also support mechanisms of accountability and redress.

The chapters show diverse experiences and approaches in addressing human rights and sustainability. International agreements, whether on human rights, aid effectiveness or climate, are being interpreted in a range of ways. Some implementation is purely token, some is partial, and some is more whole-hearted. But there is a clear reluctance by many donors to follow the letter of the agreements and to allocate finance according to how it will best support the rights and sustainability agenda. This must be changed to permit genuine development effectiveness.

Rights in Sight: Bringing Practical Meaning to Human Rights-Based Development in Australia

Sarah Winter, Australian Council for International Development

Introduction

In Reality of Aid's 2004 Report, the Australian Council for International Development (ACFID) explored the trend of donors incorporating human rights into good governance activities. It described "the Alice in Wonderland interpretation of governance and human rights by OECD donors – so that these terms mean whatever OECD countries want them to mean".¹ In the 2008 Report, ACFID reiterated the need for the Australian Government's aid program to increase its focus on helping the poorest people achieve their human rights.²

The Universal Declaration of Human Rights (UDHR) celebrated its 60th anniversary in 2008.³ This first binding human rights treaty came into force in 1969 and subsequently the 1993 Vienna Conference on Human Rights formally recognised the links between human rights and development.⁴ Under a human rights-based approach, the relationship of rights-holders and duty-bearers necessitates accountability of duty-bearers to rights-holders. Why then is the alignment of human rights with development assistance not old news?

The practice of human rights-based development did not really gain momentum until a 1997 instruction by the United Nations (UN) Secretary General that mandated the mainstreaming of human rights-based development across UN agencies.⁵ Since then, the UN, the OECD's Development Assistance Committee (DAC)⁶

and many European donors⁷ have explored and documented different ways of incorporating human rights. Many see that using the normative framework of international human rights law to guide aid and development activities can provide improved clarity and legitimacy.⁸ However, it is still not clear how the framework is meaningfully applied to improve people's lives in the plethora of aid and development activities.

Australian non-government development organisations (NGDOs) have always played a key role in encouraging better development practice by the Australian Agency for International Development (AusAID). AusAID does not have a human rights policy, despite its recognition of the importance of human rights⁹ and – unlike other OECD donors – there is no comprehensive capture of human rights-based learning across AusAID programs or sectors.¹⁰ ACFID and its members continue to encourage AusAID to formally adopt a human rights-based approach to development and Australian NGDOs are also working to produce their own evidence and practice on human rights-based development.¹¹

Defining human rights-based development

The Australian government has not been a leader in defining human rights-based development. A 2001 Parliamentary inquiry into the links between aid and human rights found that the Australian government

was resistant to adopting a human rights-based approach. This was because, among other things, there was no agreed understanding of the term¹² and the approach was not significantly different from its existing activities.¹³ Although a frustrating response to human rights-based development advocates, there is some integrity in not adopting a human rights-based approach if in name only.

Indeed, Australian NGDOs are increasingly acknowledging that defining and establishing a practical fusion of human rights and development objectives is not a simple process. There are significant challenges in the adoption of human rights-based development because human rights are inherently legal and sometimes politically sensitive, and because there will always be differences in interpretation for any new development approach.

Enhancing human rights-based development requires greater discussion about the various ways human rights can be incorporated into development and how meanings might differ for civil society and government donors. Without this it will remain difficult for either donors or NGDOs to capitalise on the potential offered by human rights-based development and for citizens to reap the benefits.

In 2009, ACFID conducted research and worked with some of its members to define rights-based development.¹⁴ In many ways, the results are unsurprising – many Australian aid and development organisations view human rights as integral to development and as adding significant value to development thinking, policy making, advocacy and programming. NGDOs identified the relationship between rights-holders and duty-bearers as key to respecting, protecting and fulfilling human rights-based development with four distinct elements:

1. Promoting accountability and transparency among duty-bearers, including non-government organisations (NGOs) themselves;
2. Fostering empowerment and capacity development of rights-holders to hold duty-bearers to account;
3. Working in partnership with rights-holders and, when relevant, with duty-bearers and other rights-focused alliances; and
4. Ensuring meaningful participation of rights-holders.

ACFID's research revealed that NGDOs pursue a broad variety of activities to implement human rights-based development. Activities include inserting human rights into the mission statement of the organisation, developing human rights policies, and working with local partners in establishing complaints mechanisms and prioritising advocacy-based activities over service delivery. However, there was little consensus about the essential activities to be undertaken by a human rights-based NGDO.

Several organisations highlight accountability as a key component of a human rights-based approach. Yet most organisations view accountability as providing opportunities for citizens to hold their governments to account for human rights. Very few NGDOs have developed operational mechanisms for their own accountability to stakeholders – perhaps because several organisations are still discussing exactly what its human rights-based approach will entail and therefore what standards they must be accountable to.

Australian NGDOs as a whole have yet to take the formal steps to acknowledge that they are accountable as secondary duty-bearers through their exercise of power and influence on the realisation of human rights in the community. ACFID's consultations revealed that a few

NGDOs relied on an instinctive sense of ‘things working well’ or ‘existing relationships’ as rationales for why formal mechanisms to enable feedback and input into NGDO processes were not required.

Individual ACFID members have similarly been engaged in discussions within their organisations about defining human rights-based development. For example, ActionAid Australia and the ActionAid network have articulated its human rights-based approach as “empowerment programs” aiming to support rights-holders (the power within), “solidarity programs” aiming to support partnerships (power with) and “advocacy programs” targeting duty-bearers (power over).¹⁵ ActionAid’s framework usefully describes how it aims to engage the rights-holder/duty-bearer relationship. Several other ACFID members are also engaged in internal deliberations about providing greater clarity on human rights-based development for their organisation.

There are clear differences between the general concepts identified by NGDOs as crucial to human rights-based development and those conceived by the OECD¹⁶ and the UN.¹⁷ For example, NGDO conceptions of human rights-based development tend to prioritise the experience of working with and fostering empowerment of community groups. The OECD’s conception focuses on enhancing the ability of governments to discharge their obligations as duty-bearer, while the UN common understanding focuses more on the nature of the international framework itself.

Incorporating human rights into development practice

ACFID also consulted its NGDO members on the practical incorporation of human rights

in their work. ACFID supported the sharing of learning within the sector about current practices, human rights complementarity with the Millennium Development Goals (MDGs)¹⁸ and how to improve the integration of human rights with development objectives.

The Australian NGDO sector is diverse – in terms of organisational size, secular or faith basis, and focus (with some specialist and some generalist groups). This diversity influences how an NGO incorporates human rights into its activities but also strengthens the Australian sector when organisations share experiences and establish informal mentoring networks. There are already several examples of this interaction. For example, NGDOs have supported each other in sharing child protection policies and in developing broader child-rights programming agendas.

Operational examples of human rights-based development by Australian NGDOs include the promotion of internal organisational expertise on human rights. World Vision Australia and Save the Children Australia employ dedicated human rights or child rights specialists. Baptist World Aid Australia has begun a process of reviewing internal practices with staff and its board to determine where greater human rights interventions can be made in their work. Oxfam Australia includes human rights training as part of its employee induction process. Plan Australia has developed comprehensive branding and communication guidelines which articulate how its language, imagery and marketing will align with its child rights-based approach.

Several Australian NGDOs undertake rights analyses in the programming or policy design phase. The Fred Hollows Foundation has adopted a substantial human rights policy which outlines how human rights will be addressed in

both programming and policy activities. Oxfam Australia and Caritas support human rights advocacy, for example on Sudan and Burma, and support the advocacy work of diaspora groups in Australia. Specialist organisations often focus on a particular class of rights. For example, WaterAid grounds their work in the right to water. Many Australian NGOs identify their focus on marginalised groups as a key way to bring meaning to human rights-based development. For example, IWDA works with women, CBM with people with a disability, Oxfam articulates its human rights-based approach by focusing on ‘the poorest of the poor’, and Act for Peace focuses on protecting the human rights of civilians, refugees and other displaced persons.

ACFID members identify exposing disadvantages and the need to challenge power dynamics based on a common universal framework as the key benefit of human rights-based development. However, there are significant challenges in making universal human rights relevant at the local community and program level.

Social accountability is one way that marginalised and poor people can be supported to advocate for and achieve their rights. This civic-engagement approach is complementary to the human rights-based focus on individuals as rights-bearers and citizens. Starting in the 1980s and 1990s, the social accountability agenda was founded in countries with strong pre-existing civil societies.¹⁹ Initiatives such as the ‘Right to Information’ movement in India promoted social auditing of government actions while participatory budgeting processes in Brazil led to enhanced scrutiny of government budgets and priorities.²⁰

Australian NGOs have identified some experiences in supporting local groups and civil society organisations (CSOs) in social accountability. The social accountability experiences of World Vision Australia have been documented.²¹ ChildFund Australia has also engaged with a social accountability agenda by developing a pilot ‘bottom-up human rights-based approach’ program in Cambodia to determine possible interventions to be made by communities. ChildFund Australia recognises that a major limitation to the realisation of human rights is the capacity of district level governments. ChildFund Australia’s program will document the human rights obligations the government has assumed, how those obligations have been incorporated into legislation, and the planning, consultation and implementation processes in place at district level. This research will be used to understand how citizens can engage to influence service provision and support district government capacity to fulfill human rights.

Looking to the future

Several ACFID members have noted that human rights work requires a long-term commitment with a community to build and support the necessary skills and capacities.²² More dialogue is needed among NGOs about creatively harnessing existing skills and piloting innovative ways of engaging with communities while supporting the development of new skills and capacities.

Most of ACFID’s members are literate in international human rights law and able to respond to building an organisational focus on the equal rights of vulnerable groups. However,

Australian NGOs could still more effectively use human rights monitoring processes to raise a broader range of local human rights issues. A few organisations have some experience in human rights monitoring – such as World Vision Australia’s work with a country team in Asia to provide input into the Universal Periodic Review process. Others support local partners’ participation in relevant international forums and advocacy efforts. These practices are however not widespread amongst ACFID members.

AusAID’s Office of Development Effectiveness is conducting a civil society engagement evaluation in 2010.²³ The review will help inform a strategy for engaging with CSOs as the Australian Government seeks to increase support to NGOs and a more people-centred approach. The evaluation is not grounded in a human rights framework although it acknowledges the growing recognition of the role of communities and of CSOs in development. ACFID hopes that the evaluation will produce some data on the varied ways of supporting communities to demand and realise their human rights.

World Vision Australia’s and ChildFund Australia’s social accountability experiences, and AusAID’s evaluation terms of reference, show that human rights-based development is often conceptualised as an approach that is only possible in countries with strong civil societies and not in humanitarian work. However, more analysis is needed to understand the breadth of human rights-based approaches across the Australian NGO sector and its challenges; there is currently little documentation about the design and impact of such work. In particular, whilst ACFID members do routinely collaborate on ‘protection’ issues related to humanitarian crises, more work must be done with Australian NGOs to consider how human rights can be

captured more broadly in humanitarian responses without jeopardising the safety of individuals or projects.

Demonstrating the effectiveness of human rights-based development

A lack of evidence regarding the impact of human rights-based development is one of the biggest hurdles for Australian NGOs to overcome. At a theoretical level, human rights add a legal legitimacy to development and cement the move away from needs-based and welfare models of development. However, very few studies explore the proven impacts of such an approach or highlight complementarities or differences with existing good development practice.²⁴

There is a European Resource Centre dedicated to furthering knowledge on human rights impact assessment.²⁵ However, there is still no comprehensive evidence base which assesses effectiveness, implementation of meaningful human rights indicators, and potential weaknesses of a human rights framework. This has led to some criticism of human rights-based development advocates as being too defensive.²⁶

Some recent studies have begun looking at the effectiveness of a human rights-based approach to development, especially along sectoral lines. The most comprehensive study was conducted in 2007 and supported by the United Kingdom Department for International Development (DFID).²⁷ It reviewed and compared selected human rights-based and non-human rights-based NGO sectoral projects. There were inherent limitations in the methodology – for example, simply because a program is not human rights-based does not make it charity-based or donor-driven. Nonetheless,

the study found that human rights projects demonstrated a greater range and depth of positive impacts in access to schooling and education, healthcare, money, water and sanitation, productive resources, and reduction of vulnerabilities. Human rights-based projects delivered considerably more sustained positive change.

There is a similar finding in the Overseas Development Institute's (ODI) April 2009 report on the *Australian Partnerships with African Communities* program between AusAID and Australian NGOs. The report reveals that a human rights-based approach is crucial in the achievement of long-term and sustainable empowerment of marginalised groups.²⁸ Oxfam and Care in the USA²⁹ and the UN³⁰ have all published fairly extensive learning assessments, but these have focused on elaborating the elements of a human rights-based approach and it is not clear if the positive results outlined are due to a rights framework or just examples of good development practice.

The growing evidence base is supported by recent work of donors, the OECD DAC³¹ and the UN³² that explore the incorporation of human rights in different development sectors, such as health, infrastructure and rural development. This sectoral approach was criticised in the past for supporting a hierarchy of human rights. However, many of the economic, social and cultural rights that are especially relevant to development allow "progressive realisation"³³ by states and other duty-bearers and focusing on sectors enables greater attention and detail on what is required to achieve human rights-based development as a particular program progresses. For example, there is significant detail on what the right to food³⁴ and water³⁵ might entail for an infrastructure, rural development or health project. In addition, one of the challenges noted

by ACFID members is the breadth of the human rights agenda. Therefore, the sectoral approach is a practical way to respond to an organisation's existing and evolving expertise.

There is a great need to expand this evidence base. ACFID is encouraging and supporting experimentation, sharing and learning from experiences across the Australian NGO sector. ACFID is keen to see rights-based evidence linked to other established elements of good development practice, such as gender mainstreaming, participation and NGO accountability. Research undertaken in 2009 by ACFID's Development Practice Committee on NGO Accountability elaborates on this issue.³⁶ This research articulated a desire from Australian NGOs for greater engagement with their community stakeholders but also found that most current accountability practices were limited. Accountability tended to exist at the 'single loop' stage in which opportunities for stakeholders are limited to activity feedback, monitoring and evaluation, rather than 'third loop' engagement with operational issues and decisions of development NGOs.

Although the research did not have a specific rights focus, its exploration of the different ways in which aid and development stakeholders can hold Australian NGOs to account both operationally and practically is complementary to the notion of accountability under a human rights-based approach. Improving NGO accountability also improves stakeholder participation in operational activities and provides groups with opportunities to realise rights. The ongoing collaboration by Australian NGOs on accountability will demonstrate commitment to principles, methodologies and approaches that are broadly consistent with human rights-based development.

Conclusions

Through continued innovation and a conscientious analysis of the links between rights-based practice and effectiveness, Australian NGDOs will contribute significantly to advancing the human rights-based development agenda in our region and influencing the actions of bilateral donors. Although there is still no agreed definition of human rights-based development for NGDOs or more broadly, many Australian development NGOs are committed to sharing experiences and collaborating to create better development practice aimed at the realisation of human rights.

It is clear that Australian NGDOs have rights in their sight.

These important NGDO processes represent concerted efforts to make the adoption of human rights-based development more than merely the latest “sexy new term”.³⁷ Such advances will ensure that human rights are not only within sight but also within reach for communities around the world. Further work on elaborating what a human rights-based approach means, the diversity of rights-based action and its consistencies with existing good development practice will allow NGDOs to draw on a broader pool of evidence to advocate for changes by bilateral donors such as AusAID.

Endnotes

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Challenges in EU-Latin America Development Cooperation

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Introduction: An era of changes or a change of era?

Following the financial crisis, world leaders spent enormous sums to save the financial system from the effects of a gigantic international fraud concocted in important financial centres. The leaders found funds that they claimed did not exist to eradicate poverty or combat hunger. In 2010 some people claim that the current crisis has passed. Others, however, consider 2008 a warning of what is to come because the system cannot sustain itself much longer.

The crisis is much broader and more complicated than a purely financial crisis. The world is facing large questions, the most difficult of which are related to the relationship of humankind with nature. The extractive perspective that looks at ‘Mother Earth – Pachamama’ only as a resource is making life impossible for humans and many other species.

The extraordinary capacity of human beings to develop technology has produced unprecedented and deepening inequality. Inequality puts coexistence, democracy and peace at risk. Social inequalities have always existed, but never to such an obscene extent.

There are several challenges for international development cooperation (IDC) between the

European Union (EU) and Latin America and the Caribbean (LAC). This article looks at some difficulties around measuring the quality of aid, supporting development in a middle-income country, the increasing emergence of non-state actors in a professionalised aid environment, and the weakening of cooperation with European non-government organisations (NGOs).

Latin America and the Caribbean in an unstable international context

People from diverse sectors are lobbying for a new international financial architecture. The global financial crisis has pushed the world to search for new alternatives, including important changes in the international financial institutions (IFIs), namely: the World Bank (WB), the International Monetary Fund (IMF) and regional development banks. Because the IFIs had in many ways helped generate the crisis, some predicted their disappearance when the financial crisis was at its height. Yet powerful countries decided to bet on them one more time, increasing their credit and capacity through recapitalisation. This disappointed those that hoped for a reduction in these institutions’ power, even if there were some changes in their governance and functions.

A new world equilibrium is emerging. Many emerging countries demand participation and decision-making power. The G20 has replaced

the G7 and the G8. The BRIC countries – Brazil, Russia, India and China – are among those pushing to become great powers. These four countries cover more than a quarter of the world's land area, are home to more than 40% of the world's current population, and are experiencing rapid economic growth.

The LAC area is generally not seen as a very important bloc in the world. Nevertheless, it holds unique potential. It is a reservoir of drinking water, its forests form the lungs of the planet, and it has substantial energy reserves. The region offers ancestral knowledge and the culture of a strong relationship with nature, especially in indigenous communities. The perspective of 'Sumaj Kausay' (Good Living) is of great interest in many international forums that seek sustainable solutions to the current crisis.

Latin America has been exploring its own alternative processes and paths taking into account its regional particularities. Recent positive experiences in the region include the construction of ALBA (the Bolivarian Alternative for the Americas proposed by Venezuelan President Hugo Chavez), and the processes of creating the Bank of the South (Banco del Sur) and a common currency. 'Good Living' has been included as a frame of reference for the constitutions of Bolivia and Ecuador. These processes have moved forward despite internal and external difficulties.

International development cooperation in Latin America

The majority of international development cooperation is provided via official development assistance (ODA). For Latin America, this is received mostly as bilateral credit with subsidised

interest rates and grace periods for repayment. Governments that are already indebted can access financing for new projects but at the cost of increasing the national debt.

ODA often seems to be aimed at promoting donor countries' geopolitical and commercial interests. In many cases, donor countries, via the conditionalities they attach to development cooperation, have forced recipient countries to adopt specific technologies in fields such as computing, medical science, hydroelectric power or even school books. The same applies to the technical assistance which they access using cooperation funds. In this sense, aid becomes debt for recipient countries and a sophisticated form of industrial promotion for donors.

ODA should help build a more just world, eradicating poverty, meeting the Millennium Development Goals (MDGs) and other objectives agreed at international summits. However, regions like LAC have experienced many levels of historic injustice with indigenous peoples and countries squashed, invaded and eliminated. ODA often appears to be a new mechanism of domination or control of the poorest peoples.

A key issue is the decision that many donor countries have made to deliver their cooperation in the form of national budget support. The intention of this approach is to strengthen national sovereignty and to allow public authorities to determine how cooperation resources will be spent.

However, many civil society organisations (CSOs) point out that in their countries it is difficult to hold governments to account for their spending. Funds received as budget support are not visible to the population and cannot be monitored.

ODA can get lost if it is just included in national budgets. It is increasingly difficult to identify any specific impact from aid expenditure particularly in bigger budgets.

Another issue of increasing importance to LAC countries is the question and impact of tax evasion and avoidance. While centres of power talk about “tax reform”, civil society has started to talk more about “tax justice” in a search for the next generation of policies and models that would allow the urgent redistribution of income to transform the scandalously inequitable situation that structurally affects the population in LAC countries.

Migration within and beyond Latin America is also an important phenomenon. Cultural, political, economic, racial, religious and other elements are all at play in migration patterns which makes this a very complex issue. The mass movement of people has had direct impact on countries’ economies, including through employment and remittances.

A study by Eurodad published in 2008 demonstrates that the global volume of remittances received from developed countries are double the funds for ODA. These remittances balance, to some degree, the negative flow of funds that year after year go from developing to developed countries via debt repayments, tax evasion and other processes. Illicit capital outflows from Southern countries via tax evasion and avoidance amount to US\$1,205 trillion dollars a year.¹ This occurs mainly via trade mis-pricing by multinational companies. This global data reflects what is happening in the LAC region, which is currently called middle-income and therefore has greater capacity for transfers than poor countries. To a certain extent, money is flowing perversely from poorer to richer countries: our countries

today finance the economies of more developed countries which mostly run large fiscal deficits.

Weakening relationships with European NGOs

Civil society organisations in LAC countries have felt a worrisome progressive weakening of their relationships with European NGOs. For diverse reasons and amid complex circumstances, European and Latin American NGOs seem to have lost something of their common vision and shared diagnosis on the political perspectives and reflections of actions in the cooperation framework.

An important factor has been that European cooperation organisations went through periods of deep internal transformations. At first they were a significant socially militant group. Then they professionalized their methods and integrated themselves slowly into the public system to access cooperation funds from different countries in the EU. The decisions and strategies of organisations that are not able to count on funds from individuals or churches have tended to be influenced by the need to look for public funds. Slowly but surely, many have become the implementers of the priorities established by international and national cooperation organisations.

The relationships that these agencies had with development organisations in Latin America have changed gradually, but substantially. They have moved from relationships fundamentally based on trust and an adherence to causes that organisations from the South propose to much more technical relationships. These new ties are established on the basis of public proposal bids, with accountability to other actors outside of this relationship.

Southern organisations ask those from the North to treat them differently and they demand reflection about the problems that they generate. But the response is weak, and often there are only personal responses instead of institutional ones.

All of a sudden, some of the organisations that Southern CSOs submitted project funding applications to in the past now appear as competitors for the same grants in the same country. Some international NGOs are setting up offices in aid-recipient countries to be able to respond to calls for proposals and grant submissions in these countries. This creates competition that is often unjust and unfair given that these organisations can often use their prior work and counterpart funds to present stronger applications than local organisations. This complicates the possibilities of accessing cooperation funds for organisations from the South that are more committed to continuing their work in this hostile and competitive environment.

The situation seems irreversible at this point. And it is of even greater concern that organisations from the North feel obliged to prioritise cooperation with other continents such as Africa or Asia. The cooperation from Europe to Latin America was previously based more on a political logic. Today, international cooperation is based on macroeconomic criteria. The human rights or social perspective is no longer a priority.

Non-state actors in an increasingly professionalised development cooperation

International development cooperation has achieved significant importance in the relationships between nations around the world. As more money has been spent, so has development cooperation professionalised.

Countries now have specific cooperation areas. International organisations try to regulate development cooperation, international treaties address this, universities train people on the topic, researchers produce literature on the issue, and many people make careers out of it. Many people personally benefit.

There are codes of conduct and rules in the development cooperation game that must be understood if one hopes to be successful. Solidarity and justice no longer occupy a central place. The words ‘efficiency’, ‘efficacy’ and ‘transparency’ fill the room at congresses and are written into cooperation agreements. In this context, Latin American social organisations need to reformulate their style, mission, and content as well as the composition and training of their staff. They are doing so, sometimes out of conviction and at other times because of obligation due to the tensions caused by fewer resources and greater institutional needs.

Another factor influencing modern development cooperation is the increasing importance and role of private foundations. They are not new but have notably increased their capacity and scope. Some donor foundations are investing more resources and playing a stronger, more decisive role in Latin America than many donor countries. For example, the Bill and Melinda Gates Foundation has a larger cooperation budget than several EU countries and was represented alongside representatives from donor and recipient countries at the Accra High Level Forum on Aid Effectiveness.

The private sector’s sense of autonomy could mean different kinds of problems. The relationship between what is public, as a field of action, and what is private, as a fund-raising modality, implies a tension that will always be present and not always adequately resolved. Tensions can also arise when these private bodies move from a role

of supporting local initiatives to one where they are directing those initiatives. How private funds respond to the criteria set by international bodies is important in this context.

The participation of NGOs from the South has also faced new challenges from other non-state actors. Everyone from trade unions to municipal governments, universities and even international consulting businesses and business foundations are now competing with NGOs for development funding. The openings for these other actors has happened without an increase in the available resources, meaning that competition for scarce opportunities has increased.

Competitive processes for projects have often been carried out without enough attention to potentially problematic situations for local organisations. One of the most notable difficulties has to do with the match funding that applicants are expected to provide. While NGOs can bring the value of their history, space, equipment or the work of volunteers, they cannot hope to match the capital and savings for social investment that some other actors have.

This type of situation has risky consequences for cooperation such as around the destination of funding. Often, when one of the non-state actors presents projects, they focus on actions that are not strictly 'public'. For example, a specific training or ongoing education programme may directly or indirectly end up using the cooperation resources for the training of personnel from the same business.

Amidst the thinning of cooperation funds, the increasing competition for resources and new criteria for matching funds weaken the position of NGOs which have been the principal actors thus far. This matters because the weakening of this sector impoverishes citizens' capacity

to participate. As part of the commitment to promote participation and democratic ownership, development policies that damage or weaken recipient-country NGOs should be seen as undesirable and hence seriously reviewed.

Development cooperation indicators for the LAC context

International development cooperation must confront modern challenges and respond to evolving requirements. The existing criteria for the delivery of development assistance need to be questioned as cooperation confronts new issues. There is a need to build new criteria that allows IDC to respond in a more effective manner to the specific needs of the area it is being applied to. The Latin American Network on Debt, Development and Human Rights (Latindadd) has started to work on these new criteria.² Two key issues for the LAC region are the quality of the resources and the eligibility for receiving international development assistance.

Measuring the quality of cooperation resources

Since the United Nations (UN) proposed that developed countries designate the equivalent of 0.7% of their national income to cooperation, the focus has been on whether or not countries are meeting this goal.³ As with so many other international goals, only a handful of countries have achieved or surpassed this.

However, there are several equally or even more important questions that should be looked at carefully. Governments inflate their actual contribution by funding diverse activities with cooperation funds. For this reason it is important that social organisations and other national and

international control mechanisms focus attention on the quality of the resources.

Funds for quasi-military actions should not be counted as cooperation funds. The same is true for operations that are completely commercial and aim to benefit local interests of the cooperating countries. Norway, for example, gave so-called aid in a cooperation deal to purchase Norwegian merchant ships. This turned out to be a clearly scandalous business exchange in favour of the donor and should not have been counted as aid.⁴ Norway eventually acknowledged its responsibility on the matter and, in 2008, forgave this debt by a number of developing countries.

Many governments also hide behind general information in technically and ethically unacceptable situations. Social organisations should think about quality indicators for cooperation resources. This is a vital process that demands attention and time.

Assessing the eligibility of middle-income countries for aid

Middle-income countries (MICs) are nations that have an annual per capita income between US\$3,856 and US\$11,905. These exist throughout the developing world although most are concentrated in two regions: Latin America (32% of MICs) and Europe and Central Asia (25%). The groupings contain a tremendously broad range of countries. In LAC alone, Bolivia is for example in the same group as Argentina or Chile even if the needs of these countries are quite different.

In the past few years the wealthiest countries have started to assert that middle-income countries do not need resources because they can redistribute among their own population. However this seems

to ignore the complex realities and challenges facing these countries, particularly around negative international resource flows and major domestic inequalities.

More resources leave Latin America for rich countries than go in the opposite direction. Even without considering the historical debt from the North to the South, Latin American countries are collaborating with development processes in rich countries. The capitalist dynamic means that redistribution mechanisms – nationally and internationally – are inadequate. Resources still focus on the wealthiest.

Furthermore, MICs can face quite substantial development challenges with much greater needs and inequalities than in wealthy countries. The designation of a nation as a MIC is determined by an average figure that is useless for determining cooperation needs and objectives. Indeed it seems that this is just being used as an excuse to send resources to certain other destinations. This question is especially sensitive in Latin America where almost all countries are considered MICs despite their significant development challenges.

A human-rights based approach

The current approach used and the limits applied to development aid restricts the cooperation that is possible between Europe and Latin American countries. This prevents the building of relations that do justice to the historical relationship between these two regions of the world. Civil society in Latin America is therefore demanding a revision of this type of criteria for the allocation of international development assistance.

A way to avoid the current contradictions is to examine human rights rather than average income

in countries, and asking who will benefit from cooperation and in what way. In numerous cases, cooperation resources prioritise low-income countries but the resources directly or indirectly end up in the hands of sectors that are not the neediest. At the same time, areas of great need in MICs are ignored.

Development is more than an economic or financial question and is connected to the quality of life. For this reason, we think that a human rights perspective can be developed in the framework of a new class of cooperation that more effectively and accurately meets development needs. This approach will enable inequalities and injustices

to be targeted, giving special attention to the environment, gender issues, respect for a plurality of cultures and diversity.

In calling for development cooperation eligibility to be considered in a more holistic and complex way and measured in terms of quality as much as of quantity, Latin American civil society recognises the need to contribute to developing monitoring indicators and methodologies. In this way, we will be in a better position to exchange ideas in upcoming discussion spaces on cooperation between Northern and Southern countries and to push for a reconsideration of the decision to limit cooperation to low-income countries.

Endnotes

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Women's Rights and Development Effectiveness in Kyrgyzstan

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Introduction

In Kyrgyzstan, a lack of prioritisation, synchronisation and proper allocation of resources to gender equality has led to a failure to reach key development goals. The aid effectiveness agenda and its implementation have not had a real impact on this situation so far. The Accra Agenda for Action (AAA) defines social justice concerns, including gender equality and women's rights, as key targets to measure the effectiveness of donor aid policies. However states and donors are falling short of their commitments and are missing opportunities provided by a changing aid environment to successfully achieve the Millennium Development Goals (MDGs) in countries such as Kyrgyzstan.

There have been limited actions to include women's needs and interests in development planning in Kyrgyzstan. The Asian Development Bank (ADB) – one of the country's biggest donors – has correctly stated that inclusive and sustainable growth is unachievable if half the population is left behind. However, declarations of inclusive social development have still not led to state and donor officials prioritising the needs of poor women, supporting or reducing the capacity-building of Parliament and women's organisations, or reduce social exclusion of women. References are made to women's rights and gender equality in the donors' Joint Country Support Strategy (JCSS) and the government's Country Development

Strategy (CDS). Yet the reality is that official development projects and programmes do not take a human rights-based approach incorporating women's rights or adequately involving civil society organisations (CSOs), including women's organisations.

Gender in the national development context

Women face great income insecurity and family care burdens. Women's unpaid social reproduction work is increasing in a situation of limited access to childcare facilities. One study found that only 17% of women have kindergartens in their villages and only 6.4% have pre-kindergartens.¹ Women's health is also badly funded.

Women contribute significantly to the private sector. In Kyrgyzstan, for example, women developed the textile industry and made it a serious income-generating activity with a huge contribution to the country's gross domestic product (GDP). They also bring new ideas on strengthening national light industry. However, their contribution is not fully taken into account in decision-making processes. Women entrepreneurs have fewer opportunities to access financial resources because real wealth is concentrated in men's hands. Planned investment in agricultural sectors will benefit landowners, who are mainly men. In rural Kyrgyzstan only 12% of farms are headed by women; 91% of arable land, up to 94% of cattle and poultry and 94% of agricultural and

processing machinery are in men's hands.² No increase of women's ownership is planned.

A United Nations (UN) review of the Beijing Platform for Action found that "obstacles to the achievement of gender equity business are lack of development financing mechanisms, credit and investment support to small and medium-sized businesses, including women's entrepreneurship".³

Kyrgyzstan has a National Action Plan on Gender Equality (NPAGE) to meet its international gender commitments. However, three editions already of the national plan have failed to deliver any staff or financial resources for implementation. The state budget is not gender-sensitive and does not include items for the improvement of women's lives.

Kyrgyzstan has also introduced laws to protect women's rights, such as a 2003 law which outlines state guarantees on gender equality. This clearly recommends that the government should "finance activities on realisation of the state policy in the area of gender equality" including: setting up a compensation mechanism for victims of violence against women; and obliging local governments to make allocations in their budgets for addressing violence against women. However, implementation is lacking.

The Forum of Women's NGOs of Kyrgyzstan (FWNGO) produced a Shadow Report to the Third Periodic Report of Kyrgyzstan to the Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW).⁴ Its monitoring of women's rights noted that the state budget allocated to tackle violence against women is not specified and has no clear objectives. This has contributed to a reality where the state does not provide police departments with enough papers for protective-order forms,

there are no state locations for women that have been subjected to violence, and the police have no funding for picking victims up.

Gender and Kyrgyzstan's development policy

The Kyrgyzstan government's CDS recognises the lack of coherence around gender-sensitive measures in sectoral policies and programmes and the need for the integration of gender-disaggregated indicators.⁵ However the NPAGE actions, dates, responsibilities and indicators were not integrated or synchronised with the CDS.

The CDS focuses on four themes: improved economic potential, reduced corruption, targeted social development and increased environmental security. Within this strategy, there is a section on 'Policy to achieve gender equality'. However, it is not actually an integral part of the strategy and there are no financial resources allocated to achieve gender equality. Gender-responsive priorities remain symbolic and tokenistic.

The CDS has not created a strong and effective planned partnership between the state, donors, Parliament, local authorities and women's groups that is aimed at realising development goals, reducing women's poverty and improving women's lives. The development of the CDS was not even open to the participation and consultation of women's NGOs. CDS implementation was supposed to deliver a review of the NPAGE by autumn 2009 with the aim of strengthening gender equality policies and establishing an effective institutional mechanism for achievement of gender equality by the end of 2009. Yet neither of these actions have been implemented as of early 2010. One reason is that official programs do not treat gender equality and improvement of women's status as equal to road

infrastructure, banking and health sectors in the country strategy.

Furthermore, a revision of the CDS in 2008 to cover the period 2009-2011 reduced the strength of the gender equality components even further. The department responsible for gender equality does not have experts on this topic, the Parliamentary Committee on gender equality has been disbanded, and there has not yet been any new draft or preparation for a successor to the current NPAGE which only runs from 2006-2010.

Donors and gender equality

The JCSS for Kyrgyzstan 2007-2010 was developed as a core strategy of the country's seven major donors.⁶ There are over 300 different interventions planned by JCSS partners for Kyrgyzstan over four years, with total planned loan and grant funding for country-specific projects worth US\$783 million. The JCSS mentions women's rights and gender equality as areas of assistance and concern. However, again, the creation of the strategy document was not linked to the NPAGE and was not open to women's NGOs; there is also no budget allocation for gender needs.⁷

The 2010 progress report on implementation of the JCSS for the Kyrgyz Republic does not even mention gender equality or CSO capacity.⁸ The report is wholly in the Paris Declaration (PD) framework rather than the AAA. The main official organisations working on gender equality issues are United Nations (UN) agencies through initiatives developed before the AAA.

Investments in gender equality by UN agencies – not through the state budget or CSOs' budgets – for 2009-2010 amount to US\$3.4 million out of US\$23.7 million. This represents an increase

from 3.3% to 14.3% of UN grants dedicated to gender equality compared to the period 2007-2008. Taking all the JCSS donors together, only 0.29% of total assistance went to gender equality in 2007-2008. This increased to 6.6% in 2009-2010 – to US\$54 million out of US\$787 million.

However there are caveats to these figures. Firstly, we need to subtract UN administrative expenses, costs of international experts, and others from the aid figures to understand the real investment made. Secondly, because UN grants are administered by UN programmes and gender equality funding has in general not been spent through the state budget, these have not strengthened the national gender-equality machinery or built up Kyrgyz official experience on gender issues.

The ADB's Strategy 2020 states that: "Inclusive and sustainable growth in Asia and the Pacific is unachievable if half of the population is left behind... many women still [suffer] from inequality in income and living standards.... Urgent and concerted actions are needed to invest in narrowing gender gaps and empowering women and girls."⁹ It claims to promote "gender equity through its operations" and that "at least 40% of all sovereign investment projects will have notable gender mainstreaming elements by 2012". Similarly, the German government in its assistance to Kyrgyzstan focuses on sustainable structural reforms aimed at poverty reduction, especially for women and youth.¹⁰

However, neither donor has gone so far as to financially support the Kyrgyzstan NPAGE. The ADB does not mention women or gender equality in the section on Impact of Assistance on its website. Germany allocates no funding to women's poverty reduction or gender equality in its "Planned financing Kyrgyzstan 2007-2010

goals".¹¹ Major government donors are not funding women's rights and gender equality.

Gender in the context of the aid effectiveness process

The AAA intended to strengthen management for results and the role of aid in leading to development results, achieving the MDGs and other internationally agreed development goals. However, it does not include a mechanism to implement these commitments. Managing for results is still focused on aid effectiveness and not development results. Aid is not sensitive to social justice targets and monitoring is consequently done without serious reflection of genuine development indicators.

In Kyrgyzstan, and Central Asia more generally, women's needs and women's human rights are not yet an essential and measurable part of aid effectiveness and development effectiveness. Even after signing the AAA, there have been no meaningful policy changes to address women as a disadvantaged group in Kyrgyzstan. There is no process for measuring – with concrete indicators and guidelines – the effectiveness of state and donor aid policies from a gender equality point of view.

Gender equality is not even mentioned in the second Kyrgyzstan periodic report on the MDGs. Nor were details such as unemployment amongst women and gender-disaggregated data in all sectors included in Kyrgyzstan's review of its strategy in response to the global economic crisis. This shows a structural neglect of women's economic role and their empowerment.

It is impossible to measure the impact of aid on maternal mortality, women's poverty, women in

rural areas or women's access to resources because the statistics collected are inadequate. Interviews with state officials and donors' representatives have demonstrated their inability to provide any analysis based on quantitative data of the impact of official development assistance (ODA) on women's lives, women's human rights and gender equality.

At the multi-stakeholder Open Forum in Bishkek on CSO development effectiveness in April 2010, neither the government nor donors were ready to share their AAA action plans. This is because no AAA action plan exists in Kyrgyzstan. Most progress in improving gender equality, social justice and human rights is still because of CSOs, not the state or foreign donor institutions.

Aid institutions and mechanisms need to follow international human rights norms and treaties such as the CEDAW. International and national gender-equality and human-rights programs and plans should be part of the framework for aid effectiveness alongside national development strategies.

Development aid, country ownership and participation

Women's organisations are essential contributors to reaching MDGs 3 (Promote Gender Equality) and 5 (Improve Maternal Health). Participation of women's organisations in country-level policy dialogue on development is therefore an essential part of strengthening aid management and governance. Ownership from the point of view of poor and marginalised women needs strict implementation of the commitments formulated in the AAA, more involvement of women's CSOs, and engagement of a wider number of stakeholders in the aid effectiveness process.

Women's ownership of the national development strategy has not increased since adoption of the AAA. The lack of institutional space for participation limits consideration of the needs of poor and vulnerable groups at all stages of aid processes. This is reflected in the lack of measurable human rights and gender equality targets and indicators in both national development strategies and joint ODA development commitments.

Nothing has been done by the Kyrgyzstan state or donors to implement their commitment to develop the capacity of women's organisations as development actors. They are not funded from the main ODA channels, relying mostly on women's funds and programs such as the Global Fund for Women, HIVOS, Mamacash and UNIFEM. The current dramatic underfunding of women's issues and women's groups has led them to join in calling for innovative approaches to CSO funding.¹²

Nor are women's organisations adequately involved in the development policy process. Only limited and isolated steps have been made. For example, in the beginning of the 2010 Joint Evaluation of the Paris Declaration, Phase 2 in Kyrgyzstan, two civil society representatives were invited to the reference team, among them the head of the Forum of Women's NGOs of Kyrgyzstan. Generally, women's organisations – as well as other CSOs – have not participated in shaping new policies and priorities such as the new Country Strategy.

The 2010 progress report on the JCSS noted some limited progress in the mutual accountability between the government and donors on the CDS and JCSS.¹³ The ADB states that "selection of ADB interventions is guided by the Government's priorities, performance of the portfolio, the institutional framework, and the activities of

other development partners in the country".¹⁴ This is designed to encourage harmonisation and ownership. However the progress report states that, on the issue of improvement of governance and effectiveness, the "role of the civil society is not clear," although a more representative and agreed voice of the civil society was planned.¹⁵ More accountability is needed to make ownership democratic as well as to improve aid transparency and management for results. Yet no institutionalised processes in Kyrgyzstan ensures transparency and accountability to Parliament, local authorities, women's groups, other CSOs or the general public.

Official bodies should publish information not just on the technical aspects of implementing the PD but also on the monitoring of development results. It must be in a publicly understandable form and language and follow defined development indicators. An annual report should set out the impact of aid on, for example, reducing the number of people living on US\$1 per day, strengthening local businesses, creating decent jobs for the poor in rural and urban areas, and decreasing violence against women and maternal mortality. All data should be disaggregated by gender. It is important to track concrete data on aid effectiveness, the achievement of the MDGs and national economic development plans, and also on the achievement of national development strategies on gender equality and human rights. A common data format should match the reality of aid delivery to official commitments.

Conclusions

Although women's rights are recognised in principle as a key development issue, they are not in practice among Kyrgyzstan's political priorities and are not part of national development plans and joint development cooperation strategies.

Despite signing the AAA, the state and donors have yet to change their policies to address gender equality in the more systematic and coherent way that had been promised.¹⁶

Finance is lacking because official aid to developing countries is currently blind to gender equality, human rights and social justice. The recognition of the need to provide adequate resources for women's groups and the protection of women's rights is not translated into practical funding mechanisms and access to resources.

The Forum of Women's NGOs of Kyrgyzstan has recommended improving the capacity of the Ministry of Internal Affairs in gender-responsive budgeting to ensure that adequate government funds are allocated to enforce legislation to end domestic violence.¹⁷ The CEDAW Committee also recommended that "an adequate state budget [be] allocated for the programmes to combat violence against women." In its concluding observations for Kyrgyzstan, the committee commented on the lack of a specialised state institution on gender issues, noting that "the Committee is concerned that such a mechanism has not yet been established with a clear mandate and adequate financial and human resources." It also urged the government "to provide adequate support and funding" to NGOs working on women's rights.¹⁸

Women's organisations need to be supported in holding their governments accountable for commitments related to gender equality and the gender dimension of development. Innovative approaches to funding women's organisations are needed. The Forum of Women's NGOs of Kyrgyzstan also calls for a special fund for women's rights nationally and internationally.

Gender equality should be part of aid goals and of the measurable indicators of aid delivery and

aid management. Women's empowerment, ensuring women rights and social justice are at the heart of poverty and human rights concerns. Data differentiated by gender is vital to enable effective monitoring that aid is achieving gender equality commitments.

Women's NGOs in Kyrgyzstan support a shift from aid effectiveness towards development effectiveness because such a shift will provide practical and procedural links between aid and its final and concrete development impacts; it will also guide the whole process of aid delivery and aid monitoring, leading to more effective development. Existing commitments in the PD and AAA need to be implemented and broadened. Results of aid should not just be limited to economic development but also include human rights and gender equality. For example the NPAGE – and international gender equality commitments – should become an integral part of the Kyrgyzstan Country Development Strategy with specific allocated funding. Country development supported by aid must meet basic requirements on promotion of women's human rights, gender equality, social justice, and ownership.

States and donors must remember their commitments to gender equality. They must also remember the findings of the *Global Monitoring Report of the World Bank* and the *Gender Gap Report of the World Economic Forum* that countries that score well on competitiveness also enjoy high levels of gender equality. Broadened ownership relations and the inclusion of women, women's NGOs and empowerment of local women as part of development effectiveness will create the foundation to achieve genuine aid effectiveness and authentic democratic ownership. It is desirable to increase women's representation in all aid and development decision making bodies and processes to at least 30%.

Endnotes

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Australian REDD Aid to Indonesia – Ineffective and Unjust

James Goodman, Aidwatch
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This article assesses Australian aid to Indonesia designed to reduce Greenhouse Gas (GHG) emissions from deforestation.¹ Climate aid of this sort is a new departure for the Australian aid program and is based on a new *quid pro quo* between Indonesian development needs and Australian national interests. Local organisations in Indonesia oppose this type of aid which they say favours corporate interests over their livelihoods.

AusAID, the agency mainly responsible for Australian official development assistance (ODA), has a long tradition of providing boomerang aid – or aid that always comes back.² Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (REDD) aid is no exception. Much of Australian aid is delivered through Australia-based companies, and is directed to shoring-up the trade and security priorities of AusAID’s host Department – the Department of Foreign Affairs and Trade. As AusAID itself puts it, the role of Australian ODA is to “assist developing countries reduce poverty and achieve sustainable development, in line with Australia’s national interest”.³

Climate ODA

Climate aid aimed at reducing GHG emissions in developing countries – as distinct from aid to help countries adapt to the impact of climate change – enables donor countries like Australia to use aid money to help meet their climate

responsibilities. ODA donors are all industrialised countries and who are principally responsible for the historic accumulation of GHG emissions in the atmosphere. As such, ODA donors owe a carbon debt to the rest of the planet as expressed in their ‘differentiated’ responsibilities for GHG emissions reductions under the Kyoto Convention. As “Annex 1” countries, charged with a responsibility to reduce their emissions, some ODA donors have looked to fund cheap emissions reductions in developing countries and then claim the credit to offset their carbon debt.

With the internationalisation of emissions trading, offsetting has enabled a process of bidding-down the cost of emissions reduction. For the architects of emissions trading, this is exactly what carbon markets are designed to achieve – the search for cheaper per-ton emissions reductions on a world scale.⁴ For a country like Australia the cost of emissions reduction under these international offset schemes may be considerably lower than the cost of emissions reductions at home. Cheaper still are offsets for reduced deforestation, as under the United Nations (UN) programme for REDD which simply seeks to maintain existing forests. REDD initiatives have spawned more than twenty programs through a variety of funding mechanisms.⁵

REDD offsets in the UN

Measures to reduce deforestation and degradation are an important aspect of any global response

to climate change. Deforestation and forest degradation increase global emissions by burning wood, by allowing soil carbon decomposition, and by reducing the planet's capacity to absorb CO₂. The Intergovernmental Panel on Climate Change estimates that the net effect of deforestation contributes about 17% of GHG emissions, with half of this centred on developing countries in the tropics, such as Indonesia, that retain substantial tracts of forest.⁶

The 2007 Bali Action Plan was designed to bring the United States (US) and developing countries into a post-Kyoto framework for binding emissions cuts. To achieve this, a negotiating track on Long Term Co-operative Action (LCA) was created to bring forward proposals, including on REDD, for agreement at Copenhagen in 2009. In the end, agreement was not reached at Copenhagen which merely produced a side agreement signed by the US and a number of 'emerging economies', termed the Copenhagen Accord, which bundled together a series of unilateral non-binding commitments. The Accord prioritises REDD, providing for "the immediate establishment of a [REDD] mechanism".⁷ The Accord put US\$10 billion annually of 'start-up' funds on the table over the next three years and, based on statements from the European Union (EU), one non-government organisation (NGO) anticipates that 20% will be spent on REDD.⁸ Until and unless there is a general UN climate agreement, the money will flow through existing institutions such as the World Bank (WB) or through bilateral channels such as Australian aid to Indonesia.⁹

REDD activities will be dramatically increased without the required environmental and human rights safeguards that many countries have been arguing for. The implications for indigenous rights and for forests at risk of conversion to plantations

could be disastrous. Moreover, with much of the 'readiness money' and capacity-building effort centred on measuring and monitoring forest carbon, the forthcoming REDD bonanza is unlikely to promote measures that actually reduce deforestation such as clarifying land tenure, enforcing forest protection under existing laws, and improving forest governance.

Australia's aid funding and its regional REDD pilots have enabled the Australian government to have a bet each way – helping gain recognition for REDD by providing 'evidence' as to its feasibility, while at the same time developing a source of credits that may well prove to be useful for Australia regardless of the fate of the international negotiations.

Problems with REDD

The principles behind REDD and other North-South carbon offset mechanisms are highly controversial.¹⁰ Offsets do not reduce net global emissions and therefore cannot solve the climate crisis. While Southern societies deliver cut-price credits, emissions-as-usual continue in the North.

REDD offsets have their own problems. REDD does not produce actual emissions reductions. REDD projects do not plant trees and rather simply prevent them from being felled. As such, governments must first plan to log their forests in order for them to be able to claim a credit for prevented deforestation.

The forest is also made vulnerable to the carbon market and to carbon speculators. REDD enables a new rentier class capable of drawing profit from speculative acquisition. A high carbon price will make cheap REDD credits hugely valuable to those who can control them. A low carbon price

will make logging the more attractive option. A volatile carbon price – the more likely scenario – will profit carbon speculators. The survival of forests, then, hinges on the global price of carbon.

REDD can apply to any significant forest outside rich Annex 1 countries. REDD empowers financial elites, jeopardising the sovereign rights of people who have historically conserved forests. REDD is increasingly seen as a charter for the dispossession of peoples who today have stewardship over forests.

Australia's REDD ODA

The Australian Government, one of the world's highest per capita GHG emitters, has been an enthusiastic advocate of REDD. From 2007 to 2012 the Australian Government committed AUS\$200 million of ODA for its International Forest Carbon Initiative (IFCI). The Initiative has been funding REDD pilots in partnership with the Indonesian and PNG governments and is explicitly geared to generating cheap offsets or, as the 2009 budget statement puts it, “cost effective abatement of global greenhouse emissions”.¹¹

The Forest Carbon Initiative breaches several Australian treaty obligations and policy commitments.

First is the question of supplementarity. Under the UN's Marrakesh Accords that established Kyoto targets in 2001, offsetting can only be “supplemental to domestic action”. The European Commission has interpreted this as meaning that only up to 10% of total required emissions reductions can be offset internationally.¹² By contrast, under Australia's proposed emissions trading scheme, all of Australia's required emissions could be offset internationally, directly

flouting the Marrakesh Accords. The government predicts that by 2050 imported permits will be used to offset about half of Australia's total emissions.¹³

Second, is the question of additionality. Funding for joint implementation of climate mitigation is supposed to be additional to “official development assistance flows”.¹⁴ Climate change imposes new problems for low-income societies and requires new funding. Yet the AUS\$200 million allocated to the Forest Carbon Initiative under the aid budget has clearly been diverted from other uses, and as such violates Kyoto obligations.

Third, is the issue of whether the Forest Carbon Initiative is in fact genuine ODA. The Initiative is funded through a controversial partnership between AusAID and the Department of Climate Change (DCC).¹⁵ For the DCC the Initiative is solely designed to enable Australia to take “a lead role in the negotiations under the United Nations Framework Convention on Climate Change (UNFCCC) and the Kyoto Protocol on how incentives for REDD can be built into a post-2012 global climate change agreement”.¹⁶ As such, the Initiative is not ODA as defined by the Organisation for Economic Cooperation and Development (OECD), namely that it be “administered with the promotion of the economic development and welfare of developing countries as its main objective”.¹⁷

Fourth, the Forest Carbon Initiative contravenes the UN Declaration on the Rights of Indigenous Peoples. The indigenous caucus at the UNFCCC negotiations have consistently challenged the REDD proposals, arguing for explicit recognition of indigenous rights in the UNFCCC treaty, and REDD agreements.¹⁸ Yet the June 2009 Indonesia-Australia Forest Carbon Partnership, was silent on the issue in striking contrast with

other inter-governmental agreements on REDD, such as the Memorandum of Understanding between Norway and Guyana which includes language that indigenous communities can “choose whether and how to opt in”.¹⁹

Australia's REDD aid in practice

One of the Australian government's key REDD initiatives is the Kalimantan Forests and Climate Partnership (KFCP), a REDD pilot project aiming to reforest and reflood approximately 100,000 hectares of degraded peatland swamp forest in Central Kalimantan. The project is described by the Australian and Indonesian governments as the “first, large-scale demonstration activity of its kind in the world”.²⁰ The project aims to conserve existing forest by providing alternative livelihoods for subsistence farmers and to rehabilitate degraded areas through tree planting and the blocking of drainage canals, while measuring carbon and introducing the “institutional arrangements” necessary for the project's inclusion in the offsets market.²¹

Peatland forest, such as in Kalimantan, grows on a carbon rich bog of wet, partly decomposed plant matter. The carbon storage capacity is immense as the peat bog stores twenty times more carbon than the above-ground vegetation. A third of the world's soil carbon is located in these peat bogs and it is estimated that the draining, logging and burning of Indonesia's peatlands accounts for 4% of the world's total annual greenhouse gas emissions.²² In 2007, research funded by the WB found that deforestation rates made Indonesia the third largest emitter in the world.²³

The site for the KFCP is a small section of the former Mega Rice Project, a failed attempt by President Suharto to regain rice self-sufficiency

for Indonesia by clearing over one million hectares of peat forest. Rehabilitating the peat swamp is environmentally and socially desirable, yet there are a number of problems with the KFCP. First, it is designed to create tradeable offsets, in support of the Australian agenda at the UNFCCC negotiations. Second, the KFCP's public documents make no mention of the rights of affected indigenous or forest-dependent communities who currently live in the project area. Third, the project focuses on changing small-scale subsistence practices rather than the agricultural industries such as palm oil plantations that are driving large-scale deforestation in the region.

Local opposition to REDD

The grassroots People's Peat Management Alliance (ARPAG) from Central Kalimantan calls for a general rejection of REDD peatland offset schemes. ARPAG claims 7,000 members in 52 villages who, prior to being displaced by the Mega Rice Project, were living sustainably within the peatland ecosystem. The Alliance is a “collective of peasant group, fisherfolks, rattan handcrafters and rubber collectors [aiming] to reclaim our rights to protect peatland ecology and our livelihood”. It calls on the UNFCCC to reject proposals that undermine resource rights and is strongly opposed to the concept of offsetting as it “keep[s] the practice of ‘business as usual’ and, even worse, sustain[s] dirty and destructive industries”.²⁴

In an open letter the group describes the rehabilitation work they have done since the Mega Rice Project:

“We have replanted 50,000 hectares of endemic trees, rehabilitated rattan forest (13,000 ha), rubber forest (5,000 ha), fish ponds, re-developed traditional paddy

fields, and revitalised the customary forest system. We have built a 'peatland' school for local communities and conducted strategic dialogue with local government, the central government, and NGOs in Indonesia and abroad".

The Ngaju people have tried to regain their way of life prior to the Mega Rice Project, dependent on both timber and non-timber resources such as rubber sap and rattan, cultivating rice, hunting, and maintaining fish ponds. They oppose REDD, oil palm expansion and the declaration of a local national park on the grounds that these will deny them access to livelihood resources.

ARPAG is specifically concerned that REDD will empower corporate interests to "control, patronise, and undermine the role of government to protect its people and peatland resources". In this context, ARPAG argues, REDD becomes "conservation colonialism".

"ARPAG rejects all forms of foreign aid to save peatland that generate from carbon trading or foreign loans under the scheme of REDD or any other scheme. The 'aid' will only bring severe impact to people and peatland resources and will undermine people's sovereignty over resources."

Failure to address large-scale deforestation

The KFCP aims to change the behaviour of subsistence farmers. In June 2009 Ben Tular of CARE Indonesia, one of the organisations involved in implementing KFCP, stated that the major challenge for the project was "to change the behaviour of the community. That's the main problem."²⁵ Clare Walsh from the Department of Climate Change likewise claims that local

subsistence agriculture practices are a key "driver of deforestation" in the area.²⁶ However, most deforestation in Indonesia is in fact caused by clearing land for commercial pulp and paper operations, and for palm oil plantations.

Industrial deforestation is a continuing problem in Central Kalimantan where the provincial and district governments plan to convert a further one million hectares of natural peat swamp for other uses.²⁷ In February 2009, the central government approved continuing peatland conversions.²⁸ Indonesian forest watchers Torry Kuswardono and Patrick Anderson have described it as a "failure of policy reform" if a 100,000 hectare rehabilitation project can sit alongside 1,000,000 hectares of forest conversion and still be considered a credible source of offsets.²⁹ The Australian and Indonesian governments are sensitive to this criticism, and in a joint submission to the UNFCCC Conference of Parties in Poznan in December 2008, discussed the need to restrict forest conversion at a province level. Yet there was no detail on how this might be achieved and there remains no linkage between the credits generated by the KFCP and any province-wide actions.³⁰

Lack of recognition of rights

Close to half of Indonesia's population of 216 million depend on forests and natural goods and services for their livelihoods, but many live without land tenure.³¹ Many forest-dependent people in Indonesia lack secure land tenure largely as a result of President Suharto's 1967 declaration that all forested land was owned by the State.³² This act of legal dispossession paved the way for the granting of logging and plantation licences that expedited the bulk of Indonesia's forest destruction. In the words of the Asian Development Bank (ADB): "[In] Indonesia, the government often treats the indigenous people or

forest villagers living in and close to the forests in the outer islands (like the Dayak of Kalimantan) as if they do not exist.”³³

The KFCP documentation focuses very heavily on incomes for local people but none of the documents mention the need to recognise rights, particularly the right to free, informed and prior consent of local people for REDD projects taking place on the lands where they live. Although an early report makes reference to the need for land tenure assessments for the local people who will potentially be affected by the KFCP,³⁴ there is no evidence of these assessments having been attempted. The joint submission of Australia and Indonesia to the Conference of Parties in Poznan in December 2008 on the KFCP simply stated the need to work within the context of “existing Indonesian forestry law”.³⁵ British NGO Down to Earth notes that “Australia’s funding for REDD means support for the continuation of an unjust forest management regime which has systematically marginalised forest communities and violated their rights to land and resources”.³⁶

The issue of indigenous rights under REDD in Indonesia has already reached the UN. After complaints from Indonesian NGOs and indigenous organisations, the UN Committee on the Elimination of Racial Discrimination has “expressed concern that indigenous peoples’ rights to their lands, territories and resources may not be sufficiently recognised and protected” in REDD processes.³⁷

Alternatives to REDD

Given the importance of deforestation and degradation in contributing to the climate crisis, and with the significance of forests to biodiversity, livelihood, and indigenous sovereignty, it is clearly important to consider what measures need to be taken to maintain and extend forests.

The world’s current reliance on the sink and carbon storage capacity of the world’s remaining forests reflects the logic of global ecological injustice. Whilst some elites have benefited from deforestation and degradation, subordinated people worldwide have been displaced from their livelihood and well-being and now bear the brunt of climate change. Ecological justice requires that such ecological debts be translated into wealth transfers.

The weight of these arguments now directly reflects the bargaining power of developing countries in international climate negotiations. There is a growing political revolt against carbon offsets for high-emitting high-income countries through REDD and other mechanisms. This reflects the rise of a worldwide climate justice movement and the growing political leverage of developing countries in UN negotiations. The principles of historical responsibility and ecological debt are vital and are gaining greater traction.

A number of proposals along these lines are already on the table and take the form of direct funding mechanisms, as part of a “new financial architecture for climate change”, under the UN. Friends of the Earth International, for instance, has defined a set of key principles for climate finance founded on international equity, human rights, people’s sovereignty and environmental integrity, for climate financing free of conditionalities and offsets, embedded in principles of free, prior and informed consent, and in the active participation of local and affected communities.³⁸ As to the scale of funds required, a global levy reflecting ecological debts as expressed in common but differentiated responsibilities could create a global fund to mitigate emissions in non-Annex 1 countries, including through reduced deforestation and degradation. Post-Copenhagen, the key debate is how to ensure these obligations are fulfilled so as to ensure emissions mitigation on a global scale.³⁹

Endnotes

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Aid in Fiji at a Time of Political Crisis

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Introduction

In December 2006, the democratically elected Fijian government of Laisenia Qarase was ousted in a military coup led by Commodore Frank Bainimarama. The coup is controversial but may not be against the long-term democratic interests of the people of Fiji. Fiji has never had true democracy and the extreme actions of 2006 may be needed to implement the structural reforms necessary for the creation of a stable democratic country in the future.

Nevertheless, several bilateral donors used the coup as a reason to cut their aid to Fiji with serious effects on the country's economy. One of the effects has been to push Fiji towards new emerging donors in Asia, particularly China.

Understanding the 2006 political coup

The 2006 military takeover in Fiji should be viewed in historical context. The 2006 coup was Fiji's fourth coup since independence in 1970. In 2000, the democratically elected People's Coalition Government of Mahendra Chaudhry was ousted by George Speight in a coup involving civilians and some elements of the army. The proclaimed aim of the coup was to protect indigenous Fijian rights. Political hostages were taken, parliament was trashed and chaos reigned for almost a month. Finally Commodore Frank Bainimarama, the newly appointed head of the army, put down the rebellion and released the hostages.

Bainimarama took over the reins of government temporarily until he was able to appoint a civilian interim government led by Laisenia Qarase – a banker. The deal he struck was that Qarase and his interim government were not to seek election but be a caretaker government until elections were held. However Qarase and his team used their position to form the SDL Party and contest the election.

The SDL Party won and proceeded to introduce very racist pro-Fijian legislation which discriminated against Indo-Fijians and other races. They took back into their government a number of people associated with the 2000 coup. Bainimarama objected and, by 2006, friction between Qarase and Bainimarama was high. Bainimarama threatened to take over the reins of government if Qarase did not back down on his pro-Fijian legislation but Qarase was very stubborn and refused. Finally, on December 6, Bainimarama took over in a bloodless coup.

The coups of 1987 and 2000 were carried out in the name of “indigenous Fijian rights” but in fact they supported Fijian ethno-nationalism and upheld the economic interests of certain strong business and traditional elites. The 2006 coup was different because it was in favour of a multi-racial Fiji and sought to root out corruption and mismanagement and see a better distribution of the wealth of the country to all of Fiji's people, 40% of whom live below the poverty line.

Furthermore, Bainimarama stated that he wanted to address the root causes which gave rise to previous coups and so pave the way for true democracy in the country. These root causes are ethno-nationalism (often mixed with religious fundamentalism), the position and authority of the Great Council of Chiefs, corruption and economic mismanagement. The most pressing problem of all was the biased electoral process enshrined in the Fijian Constitution.

While a political coup may seem undemocratic in principle, many would say that under Prime Ministers Rabuka (1990-1998) and Qarase, democracy manifested basic structural problems. Against this background a political coup might in fact assist the democratic development of the country.

The potential for a more nuanced view of the Bainimarama coup is reflected in recent writings of independent observers. Fiji-born but New Zealand-based Rajendra Prasad, author of *Tears in Paradise*, agrees with the views of Australian Fiji-born journalist Graham Davis and Professor Neilson of Waikato University New Zealand, both of whom supported Bainimarama's mission but not necessarily his means. Prasad writes:

“I hold that a great opportunity waits for all concerned nations and the people of Fiji to assist Commodore Bainimarama in reinventing democracy, which is just, fair, robust and resilient. ... Someone had to stick his neck out to save it [Fiji's democracy] ... If Commodore Bainimarama is able to accomplish his mission, he may go down in history as one of the greatest leaders in the history of Fiji. However I cannot vouch for his honesty, sincerity, integrity or commitment to accomplish his mission.”

Bainimarama's government has indeed taken positive initial steps to tackle racism, poverty, inequality and corruption.

Changing donor relationships

The political coup is a controversial means to tackle the multiple and complex challenges facing Fiji, but not necessarily the most inappropriate. Nevertheless, some donors have tended to take a rather simplistic view that the most important thing is for Fiji to have democratic elections and a return to democracy as soon as possible.

Australia, New Zealand, the United States (US), the European Union (EU), the Commonwealth and some of the countries of the Pacific Islands Forum have been insistent in pushing Fiji to have immediate elections so as to return Fiji to democratic rule as they interpret it. If this happened, however, Fiji would almost surely have another racist government followed by another coup. Elections alone will not ensure democracy.

All the above mentioned countries – especially Australia and New Zealand, which were major donors to Fiji – have taken a very strong stand on the 2006 coup. They have withdrawn almost all official development assistance (ODA) especially those dealing with governance-related issues; but they have continued to fund health and education programs already started and have provided some humanitarian aid and support through civil society organisations (CSOs). This limiting of ODA is seen as a punishment and a spur for Fiji to hold immediate elections. Although Fiji's reliance on ODA amounts to only roughly 1.2% of gross domestic product (GDP), the loss of normal aid flows from Australia and New Zealand has had a crippling effect on Fiji's economy, while the withdrawal of promised EU support for the ailing sugar industry has been a major blow.

Assistance from the World Bank (WB), the International Monetary Fund (IMF) and the Asian Development Bank (ADB) was also placed in the balance. In late 2009 and early 2010, the WB, IMF and ADB visited Fiji and held serious discussions with the government. The IMF carried out an assessment of Fiji's financial situation and offered a US\$1 billion loan. However the US opposed this on the grounds of Fiji's performance in the trafficking of people. The ADB is also offering assistance. The US, France and Britain continue to contribute funds to needy community projects – usually directly or through non-government organisations (NGOs) and not through government. However the EU is still withholding its very large promised support for the sugar industry.

For some time now, Fiji has had a “look North” policy whereby it has sought new partners for assistance in Japan, India and China. The stubborn refusal of Australia and New Zealand to recognise the Bainimarama regime and their subsequent cutting of aid has forced Fiji to look elsewhere for assistance and accelerate the switching of donors. These may well change political relations and the face of ODA for many years to come.

China has been especially interested to give aid and soft loans to a number of Pacific Island Countries. Following the 2006 coup, China – despite appeals from Australia – stepped in with millions of dollars in soft loans especially for infrastructure, such as roads and bridges, and US\$7 million for housing. Japan and India were already donors and have continued to offer assistance to the Bainimarama government. Development projects, especially in housing, are also under discussion with Malaysian and Korean companies.

The emergence of China as a dominant figure not only in Fiji but in the Pacific generally has sent shivers down the spines of some Australian

and New Zealand government officials. They are worried about losing their traditional political and economic influence in the Pacific and about the emergence of a new balance of power.

Cuba has also expressed interest in assisting Fiji, perhaps on education and health care. Russia has sent an ambassador to explore collaboration opportunities.

In March 2010 it seemed that relations with Australia and New Zealand were slowly thawing with talks being held with the foreign Ministers of both countries. However nothing substantial has been decided as of May 2010. The Australian-Fiji and New Zealand-Fiji Business Councils have been battling to preserve trade links so that their business interests are not compromised, but Fiji has been implementing a policy of import-substitution to cut down on the import of goods which can be produced in Fiji so as to improve its balance of payments position.

Cyclone Tomas in March 2010 attracted millions of dollars in humanitarian aid from both Australia and New Zealand. Some was given to government directly and some to the Red Cross or other NGOs. This humanitarian aid was gratefully acknowledged by the Fiji government and was seen by some as a step forward in improved relations. The EU has contributed over US\$2 million to the Ministry of Education for the reconstruction of schools seriously damaged by the cyclone.

Conclusion

The military takeover in Fiji in 2006 has had some important repercussions in terms of ODA and has raised interesting questions. Fiji's traditional aid partners – especially Australia, New Zealand, the EU and the Commonwealth – withdrew their support as leverage to force Fiji to hold early

elections and to, in their eyes, return the country to democratic rule.

However other partners, especially China, emerged to fill the gap. This situation not only effectively frustrated the threats of the traditional partners against Fiji but also caused them to start rethinking their position.

At times of political crisis – such as in Fiji over the past few years – ODA can become a very political

tool. The withdrawal of aid by Australia, New Zealand and other countries was very definitely being used as a strategy to force Fiji to have early elections and return to what the donors saw as democracy. Other countries continued their traditional partnerships and provided aid, thus showing their on-going friendship and solidarity. Some new partners, especially China, used the opportunity to deepen a friendship and extend their political and economic influence not only in Fiji but in other Pacific Island countries.

Canada's ODA Accountability Act: Legislating for Canadian ODA to Focus on International Human Rights Standards¹

Brian Tomlinson, Canadian Council for International Cooperation

Introduction

Canada now has a law for aid spending which is arguably unique in the priority it assigns human rights. However, questions remain as to whether the law is changing official practices and whether it is delivering more effective development in the South.

In 2008, the Canadian Parliament passed the official development assistance (ODA) Accountability Act.² This landmark piece of legislation sets three criteria for assessing Canada's foreign aid priorities. Ministers responsible for ODA must be "of the opinion" that each ODA disbursement simultaneously:

- a. Contributes to poverty reduction;
- b. Takes into account the perspectives of the poor; and
- c. Is consistent with international human rights standards.

The first two of these criteria are not defined in the Act. However, human rights standards are defined as those which are "based on the international human rights conventions to which Canada is a party and on international customary law". Human rights standards address both poverty reduction and the participation and empowerment of affected populations.

A summary of a legal overview of the Act, commissioned by the Canadian Council for

International Cooperation (CCIC), found that the Act's three criteria, and only those three criteria, should be the basis for aid decisions by Ministers. They should be weighted equally and be interdependent and cumulative.³ It also concluded that "a human rights approach to [the Act's] Section 4(1) opinions has the merit of addressing all relevant grounds of the ODA Accountability Act through a single analytical framework, which is anchored in rationality and reasonableness".

The Act therefore establishes a robust purpose for Canadian ODA to effectively address the human rights of people living in poverty. It also makes Canada's aid spending more accountable and transparent by setting out consultation and reporting requirements. So, it seems to be a big and genuine step forward for Canadian ODA. However, its relevance will depend on its implementation. As Canadian civil society organisations (CSOs) have argued: "only an explicit human rights approach to the implementation of Canadian ODA programming will be consistent with the three tests called for by the Act".⁴

Linking development effectiveness and human rights

In the lead-up to the 2011 High Level Forum (HLF) in Busan, South Korea, the global CSO platform BetterAid has called for fundamental reforms in current aid priorities and practices.

The aim is to deepen the commitments to development effectiveness made at the Accra HLF in 2008.

Development effectiveness focuses on the impact of resources and policies on the lives of poor and marginalised populations, and which address the root causes of poverty, inequality, marginalisation and injustice. Measures that promote development effectiveness, according to CSOs, focus on empowering the poor, and respecting, protecting and promoting human rights standards, including decent work, gender equality and women's rights, and inclusive democratic power sharing.⁵

At the Accra HLF on Aid Effectiveness, donors and developing country governments acknowledged that: "Gender equality, respect for human rights, and environmental sustainability are cornerstones for achieving enduring impact on the lives and potential of poor women, men and children. It is vital that all our policies address these issues in a more systematic and coherent way."⁶ The Accra Agenda for Action (AAA) established an important foundation for broadening democratic country ownership. This can be the building block for a Busan HLF outcome with specific commitments to aid effectiveness and development effectiveness.

Understanding and applying international human rights standards to the practical day-to-day practice of international assistance is challenging. But at the same time human rights approaches and development practice have been converging during the past 20 years. All 22 official donors, including Canada, agreed in 2007 to an Organisation for Economic Cooperation and Development (OECD) Development Assistance Committee (DAC) consensus for a *DAC Action-Oriented Policy Paper on Human Rights and Development*.⁷ This paper sets out ten principles for donors to promote and integrate human

rights in development. The ten principles point to directions for "scaling-up" human rights in policy dialogue and development programming. In addition, the United Kingdom (UK) Department for International Development (DfID) recently published a *How To Note on Assessing and Monitoring Human Rights in Country Programs*. The *How to Note* contains a detailed set of questions to guide DfID's country strategies and programs.

The Canadian ODA Accountability Act provides a legislated framework for exploring the implications of a human rights approach in Canadian ODA to development effectiveness. Alex Neve, General Secretary of Amnesty International Canada, says the significance of the Act is that concerted attention must be paid to the plight of marginalised and disenfranchised groups when assessing Canadian international assistance priorities. The Act implies a need to introduce explicit human rights assessments with a much more determined effort to gather data about the lived realities of marginalised groups in countries receiving or going to receive Canadian ODA. Development programs will need to be explicitly designed to meet those needs.

Implementation of the ODA Act

A robust implementation of the ODA Accountability Act could define a unique Canadian contribution to the urgently needed reform of international development architecture by donors and developing country governments in the coming years. The Act also provides an opportunity to draw Canadian lessons from the challenges of applying human rights to aid practice.

The Act comes at a critical moment in Canada, with increasing doubts about current policies and future directions for Canadian international cooperation, including aid, to respond effectively

to converging crises of finance, food security and climate change. Reforms will be needed to respond to the impact of these crises on increasing numbers of poor and marginalised populations.

Unfortunately the Canadian government has not to date adopted a proactive approach to implementing the Act. It has stated (without providing evidence) that all of its ODA activities are consistent with a “do no harm” approach to human rights. Aid activities should clearly not harm the human rights of people in recipient countries. Yet international human rights standards require governments to go beyond “do no harm” to actively protect and promote the capacities of poor and marginalised populations to claim their rights. For example, human rights standards require that people displaced by a large hydro dam be compensated (not be harmed), but also that governments and donors ensure that water and energy reach those who lack these resources and need it most.

Worryingly, the government signalled in early 2009 that it was focusing Canadian ODA on a new list of 20 developing countries which will receive 80% of its bilateral funding. In making this change, the government failed to carry out any consultations and made no reference to the Accountability Act. Contrary to the Act, statements by the government set out their own criteria for choosing the 20 countries, including “their real needs, their capacity to benefit from aid, and their alignment with Canadian foreign policy priorities”.

The new list cut in half the number of Canadian International Development Agency (CIDA) priority countries in Africa from 14 to seven, and increased the concentration of aid in several middle-income Latin American countries where Canada has commercial interests. The government made

no reference to the implications of these changes on reducing aid priorities for Africa in relation to the purposes set out in the Act. Much recent bilateral programming has been to Afghanistan/Pakistan and Haiti, which alone represented 34% of Canadian bilateral support in 2008/09. While there is clearly a poverty and human rights rationale for Canadian aid commitments to these countries, this scale of financing is driven by foreign policy interests for this government, not a comprehensive aid strategy based on the purposes in the ODA Accountability Act.

How should Canada implement a human rights approach to ODA?

The CCIC, which is the platform for Canadian CSOs involved in international cooperation, has outlined some key elements of a genuine human rights approach to ODA,⁸ including:

Non-discrimination: Canadian ODA programs should take account of and give priority to addressing the needs and circumstances of the most marginalised and to ensuring they are not discriminated against, for example, through the charging of user fees for basic health services.

Due diligence: Access of the most marginalised to their rights must be systematically considered in all processes for the allocation of Canadian ODA. Canadian commercial and foreign policy interests should not be the basis for allocating ODA. Canadian ODA initiatives must be designed to promote capacity and access to rights and certainly not to undermine them.

Participation of affected populations: Canadian ODA programs should create opportunities for participation, and build the capacity of affected populations to participate in all dimensions of development affecting their lives.

Support for rights which enable participation: Canadian ODA should promote the right to organise and to freedom of speech, and enable access to information and to development processes, institutions and mechanisms for redress where rights have been adversely affected.

Democratic ownership: Canadian ODA should support mechanisms of accountability and redress that are rooted in democratic ownership by citizens in developing countries over the policies and decisions affecting their lives. Public access to relevant and timely information on the purpose, priorities and terms of Canadian ODA allocations is essential.

Based on an analysis of international progress around linking human rights and development, on the above principles and on current practical issues in Canadian aid practices, CCIC sees the following as important elements for Canadian ODA to successfully adopt a human rights approach:

1. CIDA should be strengthened as a full government department with a departmental legislated mandate and the authority and human and financial resources to be the pre-eminent government institution responsible for managing and coordinating Canadian

ODA, whose purpose is set out in the ODA Accountability Act.⁹

2. Policy Guidelines are needed for integrating human rights standards into departmental programs. The three government departments responsible for most Canadian ODA (CIDA, Department of Foreign Affairs and International Trade, and Finance) should develop, under the direct leadership of CIDA, policy guidelines, including practical field “how-to guides” on understanding and fully integrating human rights standards into departmental programs for Canadian ODA. The development of these tools should be undertaken in close consultation with Canadian and international development stakeholders, including the international human rights community.
3. CIDA’s Business Process Roadmap should incorporate human rights practices. CIDA’s guiding operational policies must fully integrate revised CIDA practices for determining programming priorities and modalities for delivering aid, taking account of new requirements for due diligence and consultation arising from the application of human rights standards to all CIDA programs.
4. CIDA’s Country Strategies and Country Development Policy Frameworks must take account of human rights obligations. The strategies and frameworks for Canada’s 20 priority countries for bilateral ODA should be guided by specific country analysis

of conditions giving rise to social, economic and political exclusion, patterns of discrimination, and the capacities of poor and marginalised populations to realize their rights. These strategies should be based on transparent consultations with relevant and diverse country-level and Canadian development actors.

5. The Action Plan to implement CIDA's Gender Equality Policy should fully address the current weaknesses in its implementation.¹⁰ This Action Plan should: a) explicitly take account of international human rights standards for women's rights; b) assure the commitment of significant CIDA financial and human resources to strengthening capacities for gender equality and women's rights in all of CIDA's development priorities and programs; and c) set out transparent mechanisms, including public consultation with CSOs and women's rights organisations, to closely monitor and be accountable for gender equality and women's rights as a central policy goal in CIDA's mandate, programming and policy-promotion activities.
6. CIDA should develop and make public multi-year action plans for its three recently announced thematic areas – increasing food security, securing the future for children and youth, and stimulating sustainable economic growth. These action plans should set out priorities and implementation strategies for each thematic area. In setting these priorities and strategies, a human rights approach consistent with the ODA Accountability Act should be used.¹¹
7. The Department of Foreign Affairs (DFAIT) and CIDA should undertake context and conflict-specific analysis and human rights assessments in fragile states to guide appropriate selection of and balance between sectors for Canadian interventions and funding. For example, support for security sector reform, particularly the financing of training and salaries for police, should be informed by on-going human rights assessments. DFAIT, CIDA and the Department of National Defence should proactively emphasise the socio-economic determinants of peace and conflict reduction in the government's whole-of-government interventions and approaches to fragile states, consistent with the three criteria in the ODA Accountability Act.
8. The international financial institutions' (IFI) policies and financing to recipient governments should take account of Canada's human rights obligations. The Canadian government has a clear obligation to ensure that this happens and that the IFIs do not violate Canada's human rights obligations, nor undermine those of any beneficiary government. The Department of Finance should establish, within its international section responsible for Canadian representation at the World Bank (WB) and the International Monetary Fund (IMF), the capacity to assess the human rights implications of the policies and projects of these institutions.

9. Consultations should be conducted on the implementation of Canadian aid programs in a manner that encourages empowerment and participation of rights-holders in developing countries and/or their representatives. A human rights approach should also inform the implementation of the government's consultation policies, which must proactively include engagement with affected and excluded populations. Canadian CSOs have developed several principles that should guide donor consultations, consistent with human rights standards:
 - Timeliness – sufficient notice should be provided for key decisions by CIDA or other ODA-related Departments, which should be taken within relevant timeframes for consultations.
 - Openness – equal opportunity should be provided for stakeholders to both access relevant government information as well as have the diversity of their views heard, in a process that should include the exchange of views.
 - Transparency – the purpose of consultation and the process to be followed must be clear, with dialogue and feedback to those who are consulted.
 - Informed – preparatory and follow-up documentation should be provided in relevant languages and formats for those being consulted.
- Iterative – consultations must be part of an on-going process leading to better decisions, not one-off events undertaken as a box-ticking exercise.
10. Practical measures should be put in place to meet the highest standards for transparency in Canadian aid practices and full accountability in reporting on all aspects of implementation of the ODA. These measures should include:
 - A comprehensive approach to aid transparency – under the leadership of CIDA, the government must allocate the necessary departmental resources to enable the publishing, by all relevant departments, of timely, relevant information on policies and guidelines for ODA allocations, country and sectoral strategies and plans, and contributions to development outcomes, including lessons from its experience, comprehensive statistics, and indicative forward plans for predictable Canadian aid flows.
 - A commitment to the International Aid Transparency Initiative (IATI) – Canada should join the other donors (currently 18) in the IATI. This initiative aims to reach agreement on the scope of aid information to be put in the public realm, on common standards for this information to allow comparability, and on a Code of Conduct that addresses timeliness, allowing greater predictability for developing country partners,

and accountability to the agreed standards.¹²

- The annual statistical report to Parliament on ODA should include data consistent with accountability to a human rights framework. This should include clearly identified gender-specific and gender-integrated programming in relation to disbursements by multilateral organisations, country programs, and major branches of CIDA and other government departments. It should also include more comprehensive information on Canadian aid disbursements to fragile states and countries in conflict, to sub-sector priorities (e.g. security sector reform), on disbursements to technical assistance (distinguishing Canadian and developing country technical assistance), and disbursements on program-based approaches (by sector, countries, partners and other donors).

Conclusion

Canada's ODA Accountability Act is arguably unique among donors in the priority it assigns human rights. However, despite the apparent solidity of the Act in requiring ODA to tackle poverty, take into account the perspectives of the poor and address human rights, its implementation leaves a lot to be desired. Without substantial political will, the law in itself may not effect significant change in the short-term.

If the Act were more fully implemented, government policies to reform and improve

the effectiveness of Canadian aid would be better oriented in addressing the rights of poor and marginalised populations: in the choice of priority countries (emphasising the poorest low income countries), in the choice of projects and programs (determined by locally or regionally identified needs rather than Canadian foreign or commercial policy interests), and in putting in place stronger consultative practices (with both beneficiaries and other development actors).

However, Canada has already contravened the spirit and the letter of the Act. It has reduced the number of African countries it supports while increasing aid to countries of strategic foreign policy importance – all without consultation or any indication that the Act and its requirements impacted on its decision-making.

The best that can be said of the Act is that it has driven greater attention to human rights standards in Canada's development cooperation policies and practices over the past year. Canadian CSOs and other commentators have used the Act to continue to raise significant concerns about the efficacy of development policies in meeting human rights standards.

CSOs have pushed for many changes in Canadian ODA practice to meet the vision established in the Accountability Act. They have challenged the continued practice of counting the costs of supporting eligible refugees for their first year in Canada as reportable ODA. They have also criticised CIDA for its failings in implementation of its Gender Equality Policy. Canadian CSOs have called for CIDA's mandate over Canadian ODA to be strengthened, at the same time as giving it clearer priorities on food security, respect for labour rights, and Canada's role at the IFIs. It must integrate a rights-based approach in practice, based on consultations, empowerment and participation.

Endnotes

- 1 This article is based on a Report prepared by CCIC, *A Time to Act: Implementing the ODA Accountability Act, A Canadian CSO Agenda for Aid Reform*, accessible at www.ccic.ca. The Report sets out the case for a human rights approach for Canadian ODA based on the legislative framework in the Act and the implications of this approach for the directions and practices in implementing Canadian aid.
- 2 ODA Accountability Act: <http://laws.justice.gc.ca/en/showdm/cs/O-2.8//20081211/en>
- 3 CCIC: *A Time to Act, Chapter Two*.
- 4 Brian Tomlinson, *International Human Rights Standards and Canadian ODA: Implications and issues of the Canadian ODA Accountability Act*, Canadian Council for International Cooperation, 2008, page 4, accessible at http://ccic.ca/_files/en/what_we_do/002_aid_2008-12_oda_hr_standards.pdf
- 5 See BetterAid, "Development Cooperation: Not Just Aid, Key Issues: Accra, Seoul and beyond", January 2010, accessed March 2010 at www.betteraid.org.
- 6 Accra Agenda for Action, para 3
- 7 The DAC *Action Oriented Policy Paper* is accessible at <http://www.oecd.org/dataoecd/50/7/39350774.pdf>. The DFID *How to Guide* is not available on DFID's site, but is Appendix One in CCIC, *A Time to Act*, op. cit.
- 8 See an elaboration of these elements for Canadian international assistance in Tomlinson, op. cit. (footnote #4)
- 9 See an elaboration of this view in Brian Tomlinson, *Approaches to Strengthening CIDA: Creating an Effective Department for International Cooperation*, CCIC, June 2009, accessible at http://ccic.ca/_files/en/what_we_do/002_aid_2009-06_strengthening_cida.pdf and the presentation by Bill Morton, The North South Institute, at the September 2009 *Future of Canadian ODA* Conference, summarised as a chapter in *A Time to Act*, op. cit.
- 10 See a detailed Canadian CSO analysis of the weaknesses of CIDA's implementation of its Gender Equality Policy at CCIC et. al, "Strengthening Canada's International Leadership in the Promotion of Gender Equality: A Civil Society Response to the Evaluation of the Implementation of CIDA's 1999 Policy on Gender Equality", accessed March 2010 at http://www.ccic.ca/_files/en/what_we_do/002_gender_cida_analysis_cso_response.pdf
- 11 See CCIC, *A Time to Act*, op. cit. for examples of the application of a human rights approach to donor programming for basic education, food security, health and international financial institutions.
- 12 For more information on the goals and process of the DFID-led International Aid Transparency Initiative (IATI) see www.aidtransparency.net.