



PACIFIC ISLANDS FORUM SECRETARIAT

“PACIFIC AID EFFECTIVENESS PRINCIPLES”¹

Preamble

These principles derive from the Paris Declaration on Aid Effectiveness (2005). They have been work-shopped and consulted upon widely across the Pacific region, and are designed to fit the Pacific context. The Pacific Aid Effectiveness Principles, like the original Paris declaration, include actions and approaches for both countries and development partners (donors). References to the relevant section in the Paris Declaration, and related monitoring indicators, have been included.

- Principle 1:** Country leadership and ownership of development through an accountable and transparent national development planning and financial management system/mechanism which is adequately resourced from the national budget - including longer term operation and maintenance of donor sponsored development
(Paris Declaration Section 14, 19; Indicator 1, 2)
- Principle 2:** Multi-year commitments by development partners and countries aligned nationally identified priorities as articulated in national sustainable development strategies, or the like, with agreement on performance indicators and monitoring and evaluation mechanisms
(Paris Declaration Section 16, 26; Indicators 3, 5, 7)
- Principle 3:** Greater Pacific ownership of regional development, Development Partners’ Pacific Regional Strategies designed and formulated with the Pacific Plan and other Regional Policies as their corner stone
(Paris Declaration 14, 15; Indicator 1)
- Principle 4:** Pacific Development Partners and Countries pursue a coordinated approach in the delivery of assistance. Encouraging harmonization will be a priority for both.
(Paris Declaration 32 – 42; Indicators 9, 10)
- Principle 5:** Strengthened institutional mechanisms and capacity in countries to enable increased use of local systems by development partners.
(Paris Declaration 17, 21, 22-24, 31; Indicator 4, 6, 8)
- Principle 6:** (i) Provision of technical assistance (TA), including in aid coordination/management, in such a way that ensures that capacity is built with tangible benefits to the country to support national ownership. Provision of an appropriate level of counterpart resources through established procedures and mechanisms.

¹ These principles are not legally binding. The Government of Japan and the European Union have expressed reservations to the principles.

(ii) Short term TA, that address local skills gaps to conduct studies, are culturally sensitive.
(*Paris Declaration 22-24; Indicator 4*)

Principle 7: Use of an agreed monitoring and evaluation framework that will ensure joint assessments of the implementation of agreed commitments on aid effectiveness.
(*Paris Declaration 43-46; Indicator 11*)

Supplementary Notes to Pacific Principles on Aid Effectiveness

Principle 1:

- Member Governments take the lead role in the establishment of priorities and the coordination of development assistance;
- Comprehensive processes for the management of development assistance with clear disbursement, acquittal and reporting procedures developed and used;
- Development projects incorporated in approved national budgets including commitment to ongoing operations and maintenance;
- Project appraisal and selection criteria developed and established, consistent with priorities outlined in National Sustainable Development Plan/Strategies;
- Members must build their capacity to manage and plan development assistance;
- Demonstrated commitment at the highest decisions making level to established processes and resolve to ensure that set processes/procedures are adhered to;
- Aid Management Agencies are adequately resourced to enable national capacity building on development assistance processes for recipients of development assistance in the wider community and undertake regular dialogue with development partners; and
- Transparent contracting and reporting arrangements with clear tender procedures developed and implemented

Principle 2:

- Partners need to support country strategies and have confidence in country mechanisms especially in terms of the prioritisation of development policies, programmes and projects. The lack of confidence weakens countries ownership of development assistance;
- Partner country programmes need to be formulated in close consultation with recipient countries to ensure that country programmes reflect Members priorities;
- Partners should programme their assistance over a multi-year timeframe that is consistent with FICs National Sustainable Development Strategies;
- FICs endeavour to implement the FEMM Principles of Accountability where multi-year budget frameworks are critical to national accountability and transparency ;
- Partners should as far as possible adopt the development performance indicators incorporated in the Members National Sustainable Development Strategies;
- Partners to be more open and provide full information on on the level of development assistance regularly and in a timely manner to enable these to be incorporated into national budgets;
- Partners to use FICs structures, systems and mechanisms [budget, management, monitoring and evaluation, reporting and organizational structures];
- Consultation meetings established with recipient countries annually/biannually; and
- Maximum use of existing systems to deliver aid with an acceptance of and confidence in established mechanisms at country level

Principle 3

- Partners consult with regional organizations and use them as a conduit in the delivery of regional programmes to ensure consistency with regional priorities, especially those identified under the Pacific Plan and other regional frameworks;

- The Pacific Plan provides a framework for partners to support demand driven priorities, locally owned policies and institutions for coordination with and complementary for all stakeholders;
- Partners to collaborate with CROP and the Pacific Plan Office on the implementation, monitoring and evaluation of Pacific Plan initiatives with the agreed framework

Principle 4

- Countries to take the lead in encouraging and supporting harmonized approaches to development assistance;
- Partners to be open and share proposed respective programmes and objectives with other regional donors regularly to ensure that they are not duplicating efforts;
- Partners to develop a common framework for development cooperation and establish multi-year programming of development assistance with common performance indicators;
- Partners to hold regular dialogue amongst themselves to determine how best they can deliver programs jointly both at the national and regional level;
- Joint country missions should be pursued in the first instance. Use and sharing of country analytic work is encouraged;
- Countries establish Multi-Donor round table - consultation meetings annually/biannually

Principle 5

- Untying aid and greater use of local and regional firms and consultants with an increased confidence in local and regional capacity;
- Reduce reliance on third party contractors; increase use of external technical advisers that encourage use of local consultants leading to a demonstrated development partnership between local and regional consultants;
- Partners to decentralize decision making to country based staff to avoid unnecessary delay in the implementation of project activities;
- The choice of aid delivery mechanism should be based on maximum cost effectiveness and efficiency; and
- Partners and countries work together to strengthen country mechanisms and capacity to allow for increased use of local systems as delivery mechanisms

Principle 6

- Countries to develop capacity and HRD policies and plans to address capacity constraints;
- Existing systems and procedures reviewed and updated at regular intervals to ensure that they are not out dated;
- Commitment to the utilisation of established mechanisms at all levels especially leadership;
- Planning and sequencing of initiatives must be in line with local needs and capabilities;
- Extensive needs analysis undertaken prior to commencement of capacity building exercises;
- Adequate resources made available to facilitate transfer of skills;
- Use a range of capacity building options through flexibility and responsiveness;
- Policies on the use of TA in aid programmes should be developed and largely accepted with capacity building as the first priority of TA; TA responsible to the counterpart organization for delivery and performance; TAs to have a counterpart(s) assigned to them; TAs together with counterparts develop

training manuals for counterparts and identify milestones to ensure that skills are adequately transferred and gaps addressed;

- To ensure TA occurs in an environment which is receptive to the building of capacity, the objective of public sector personnel management should be quality public service delivery rather than job security;
- Advisers are briefed on appropriate conduct and behaviour in the workplace and undertake orientation/briefing for TAs especially those in long term assignments; and
- Where possible, South/South technical cooperation and work exchanges among countries in the Pacific should be encouraged.

Principle 7

- Countries and partners work together to develop joint monitoring and evaluation frameworks for development activities; and
- Joint reviews and monitoring reports are used to assess development progress, and development effectiveness, regularly, against national development strategy indicators

Adopted on 13 July 2007, Koror, Palau