

***Towards an Integrated Government Policy
for Development Cooperation***

Submission to the White Paper on Development Cooperation

May 2005

TROCAIRE

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Foreword

Trócaire welcomes the opportunity to participate in the consultation for the government's White Paper on Development Cooperation. The drafting of a White Paper marks an important step forward in formalising the Government's commitment to development through building a broad constituency in support of this work.

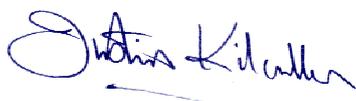
In our view, the core of the White Paper must relate to the findings of the 2002 Ireland Aid Review, which still hold strong. Many of the recommendations of that Review have yet to be implemented, though substantial progress has been made, as identified by the OECD Development Assistance Committee Report in 2003. This consultation process is a chance to assess the extent to which the findings of that Review have been implemented. In this submission, Trócaire focuses attention on those findings – and one in particular: policy coherence. We argue that whilst substantial advances have been made in the aid programme, much greater coherence across government departments is required in order to ensure that Ireland delivers on its commitment to development. Policy coherence requires clear values and principles, and a workable framework to deliver pro-development outcomes.¹

Such a policy would have a number of distinguishing features including:

- *Clear principles for aid spending based on poverty eradication and sustainable development;*
- *Pro-poor policies within multilateral institutions (especially within the IMF, World Bank, and UN) to ensure such institutions deliver for the poor;*
- *A commitment to ensuring that the global trade agenda is truly a 'development agenda';*
- *A world class development education programme, fully funded and professionally staffed;*
- *A strong emphasis on conflict prevention, building on Ireland's own experience;*
- *Strategies for ensuring best practice both in Ireland and in the countries we work in.*

Such an Integrated Policy can only work if there is commitment at the highest level. Firstly, it requires a financial commitment. The promise of 0.7% of Gross National Income going to ODA must be reinstated as soon as possible. Secondly, it means putting in place a strategy for increasing cooperation and coherence across all government departments – obliging them to ensure pro-development outcomes as part of their overall strategy. If implemented, such a policy would build on the experience of DCI and ensure that Ireland becomes a leader in development cooperation.

Implementing such an Integrated Policy is no small task. It is a bold move which requires a significant change in the way the Government approaches development cooperation. Far from being the sole responsibility of a division within Foreign Affairs, all departments become co-responsible for delivering development. It means that development cooperation becomes a governing principle of government strategy. It becomes part of what defines Ireland's role in the world.



¹ See p.31-35 for a full list of Trócaire's recommendations for the White Paper.

Director of Trócaire

Glossary

ABDCI	Advisory Board to Development Cooperation Ireland
ACP	African Pacific and Caribbean Group of Countries
CAP	Common Agricultural Policy of the European Union
CIDSE	International Cooperation for Development and Solidarity
CIMIC	Civil Military Cooperation
CSOs	Civil Society Organisations
DAC	Development cooperation directorate of the Organisation for Economic Cooperation and Development (OECD)
DCI	Development Cooperation Ireland
DEAC	Development Education Advisory Committee
DEU	Development Education Unit
DES	Department of Education and Science
DfID	Department for International Development (UK)
ECOSOC	Economic and Social Council of the United Nations
EPA	Economic Partnership Agreements
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
FfD	International Conference on Financing for Development
ICESR	International Covenant on Economic, Social and Cultural Rights
IFIs	International Financial Institutions (World Bank and IMF)
IIED	International Institute for Environment and Development
IMF	International Monetary Fund
INGOs	International Non-Governmental Organisations
LDC	Least Developed Countries
GNI	Gross National Income * <i>The UN goal is for rich countries to donate 0.7% of GNI in aid</i>
HIPC	Highly-Indebted Poor Countries initiative to ease debt
MAPS	Multi-Annual Programme Scheme
MDGs	Millennium Development Goals
NAMA	Non-Agricultural Market Access, a much-prized aim of developing countries in negotiations at the World Trade Organization
NCCA	National Council for Curriculum and Assessment
NGDOs	Non-governmental development organisations
NGOs	Non-governmental organisations
OCHA	UN Office for the Coordination of Humanitarian Affairs
ODA	Overseas Development Assistance
OECD	Organisation for Economic Cooperation and Development
PRS	Poverty Reduction Strategy
PRSP	Poverty Related Strategy Programme
UNDP	United Nations Development Programme
WTO	World Trade Organization

1. Why an Integrated Policy for Development Cooperation is Necessary

1.1 Introduction

We live in an increasingly interdependent world. Rapid advances in technology, communications and travel mean that national boundaries are being eroded at unprecedented speed. What happens in one country – for better or worse – has an impact on our own well-being and prospects for the future. Economic shocks in one part of the world have an impact on another. Problems that affect developing countries such as poverty, conflict, terrorism, pollution, climate change, and communicable diseases know no boundaries. In a world of gross inequalities – and rapid communications - their problems are also ours. The question of development, therefore, is no longer simply a question of charity or even justice: it is about shared responsibility for the future of us all.

1.2 Key challenges for global development

The Millennium Declaration, and the Millennium Development Goals (MDGs) contained within it, represent the international community's strategy for a more equitable and sustainable world. Although not perfect, the MDGs represent a major step forward in putting poverty onto the global agenda. In particular, MDG 8 stresses the importance of a global partnership that embraces a range of policies including finance and trade. Trócaire argues that Ireland's contribution to the delivery of this comprehensive agenda should form the focus of the government's White Paper on International Development. In the light of delivering on this agenda, a number of key global issues need to be taken into account.

Security and terrorism

The consensus around the Millennium Declaration has been somewhat weakened since 2001. The worsening of the international security situation has posed immediate and longer-term threats. The growing emphasis on military solutions to political and humanitarian problems has led to massive increases in defence spending across the EU and US.² This growing emphasis on security directly impacts on the poor.³ Over the past three years, there is evidence of a shifting axis between security and development, leading to development cooperation being seen increasingly within the context of combating terrorism. This is particularly the case within the EU as it seeks to define a Common Foreign and Security Policy.⁴

In addition, there has been a move to alter the definition of ODA to fit the new security concerns of the industrialised world. The OECD Development Assistance Committee is reviewing the definition of ODA in view of the counter-terrorism agenda.⁵ This is a worrying development, which, if successful, could lead to a dispersion of ODA to fund counter-terrorism measures rather than poverty reduction measures. It could also lead to the inflation of ODA

² The Institute of Policy Studies estimated that spending on the Iraq war in 2003-2004 amounted to \$151.1 billion (US). This is three times the projected increase in ODA needed to meet the obligations in the Millennium Declaration. <http://www.ips-dc.org/iraq/failedtransition/index.htm>

³ A good overview of the issues is provided by the BOND discussion paper *Global Security and Development, July 2004*. <http://www.bond.org.uk/pubs/advocacy/gsdpaper.pdf>

⁴ The EU Security Strategy, a core document in outlining the EU's overall approach to foreign policy including development cooperation, examines global threats emerging in the post-Cold War environment *A Secure Europe for a Better World*, European Security Strategy, 12 December 2003.

⁵ DAC Discussion Conclusions, April 2004: http://www.oecd.org/document/51/0,2340,en_2649_33721_31505523_1_1_1_1.00.html

figures, enabling governments to meet the 0.7% commitment without making any additional spending commitments for poverty reduction.

Another impact of the increasingly tense security situation, moreover, is the pressure it has placed on humanitarian agencies.⁶ Humanitarian principles have come under threat, especially as a consequence of the rising anti-Western feeling within the Islamic world. Humanitarian agencies have become deeply embroiled in these tensions, often being seen as complicit with the West and become the target of high profile attacks. This blurring of roles has challenged the humanitarian community to a more rigorous debate on the future of humanitarianism, and particularly their relationship with military intervention. This complex debate, moreover, is not a simple question of 'non-engagement'. Rather, it has to be built on a constructive dialogue with military actors in terms of promotion of awareness and respect for humanitarian roles and responsibilities. Perhaps more strategically, however, it must address the need for some degree of engagement with 'apolitical' military actors⁷ in promotion of adherence to humanitarian principles.

Reform of global governance structures

Despite the global agenda around the MDGs, underlying problems of global economic and political governance remain unresolved. It would be naïve to think that increases in ODA, without far reaching improvements in governance, could achieve lasting change. A critical issue remains the lack of voice and participation of poor countries in the global financial, commercial and political institutions.⁸ The Africa Commission appointed by Tony Blair concluded that addressing this fundamental imbalance in global governance is the principal path to achieving sustainable development in Africa.⁹

Trócaire welcomes the agenda for the reform of the UN set out by Kofi Annan in his report to the General Assembly.¹⁰ The proposals for reform of the UN Security Council and the Commission for Human Rights are central to creating a more equitable power balance within the international community. The creation of a Peace Commission, likewise, would mark an important step forward in building better coherence between the various agencies and commissions already involved in conflict zones.

The role of the WTO, IMF and World Bank in the governance of the global economy is not on the agenda however. Reforms to these powerful institutions to make them more accountable, transparent and democratic are overdue. Their power, as the institutions that signal a country's financial health, has granted them the unilateral right to reshape the economies of the poorest countries. They continue to do this through imposing wide-ranging policy reforms and unrealistic fiscal targets, regardless of the impact on social spending and political feasibility. National development strategies, or Poverty Reduction Strategies, are circumscribed by the parameters set by the IFIs. The pay-off for poor countries is access to ODA, debt relief and loan restructuring – with no end in sight in the cycle of debt and aid dependence. They have no recourse to independent arbitration and little control over setting the basic parameters of their economies. The task of reforming these institutions so as to bring them more fully into line with human rights obligations and poverty reduction goals will remain a critical task in the coming years.

⁶ The term "humanitarianism" is defined as an expression of positive humanity – i.e. non-reciprocal, impartial, and independent, life saving activities undertaken by, and on behalf of, civilians that serve to protect or restore the basic rights of individuals affected by circumstances over which they have lost the capacity to control.

⁷ Such as UN peacekeeping and peace-enforcing missions or the European Union's Rapid Reaction Force

⁸ See Gold, L (2005) *More than a Numbers Game: Ensuring the Millennium Development Goals address structural injustice*, CIDSE/CI Position Paper

<http://www.trocaire.org/policyandadvocacy/mdgs/More%20than%20a%20Numbers%20Game.pdf>

⁹ Africa Commission Report, Our Common Interest, 2005

¹⁰ ANNAN, K (2005) *In Larger Freedom: towards development, security and human rights for all* Report of the Secretary General A/59/2005

Within this context of strengthening multilateral processes and promoting governance reform, Ireland has a key role to play through the EU. The creation of a common foreign policy and the EU constitution, which is in the process of ratification, offer new possibilities for the EU to work as a block in important international forums. Within the context of development cooperation, this unity could offer possible avenues for addressing underlying incoherence in the international system. It is central, therefore, that Ireland continues to play a key role in ensuring that the EU agenda favours poverty eradication and sustainable development.

Reversing the spread of HIV/AIDS

Furthermore, addressing the impact of HIV/AIDS remains one of the most pressing development challenges of our time. The 2004 UNAIDS Report on the Global AIDS epidemic estimated that since the disease was first detected in 1981, more than 20 million people have died from AIDS. More than 38 million people globally are living with HIV. In 2003 alone, more than 3 million people became infected with the virus.¹¹ Whilst the majority of new cases in the AIDS epidemic are still in Africa, this report pointed to the sharp increase in prevalence rates in Eastern and Central Europe – a fact that raises profound challenges in the face of an enlarged European Union.¹²

The rapid spread of HIV/AIDS is no longer just a public health issue. It has led to a vicious spiral of poverty in many African countries, undermining years of development efforts.¹³ It is recognised that poverty and malnutrition leads to increased vulnerability to HIV/AIDS, but the reverse is also true: HIV aggravates poverty.¹⁴ The widespread social stigmatisation of people suffering from the disease, moreover, compounds these economic impacts.¹⁵ As a consequence, many vulnerable people, in order to survive, are often forced into high-risk behaviour, which can further exacerbate their exposure to the disease.

Mitigating against forced migration

Another key challenge, which is inextricably linked to the widening inequalities in the world, is growing migration between countries and regions. The number of people categorised as refugees increased through the 1990s to 17 million in 2004.¹⁶ In addition, a pattern of unequal globalisation has led to rapid increases in the number of economic migrants from developing countries. This challenge has led to a range of responses on the part of rich governments, from the imposition of restrictive policies against all forms of migration, to the toleration of limited channels for humanitarian protection. Increasingly, it is leading to attempts to suppress refugee and humanitarian movements through restrictive policies, whilst permitting the admission of economic migrants under highly controlled circumstances. In all of these cases, the international system of coordinating immigration largely precludes consideration of the specific needs of developing countries.

Facing up to the impact of climate change

Climate change could become the single biggest threat to long-term sustainable development in the next decade. The impact of it is already being felt in those countries least prepared to

¹¹ UNAIDS *Report on the Global Aids Epidemic, 2004*

http://www.unaids.org/bangkok2004/GAR2004_html/ExecSummary_en/Execsumm_en.pdf

¹² This issue was highlighted during the Conference *Breaking the Barriers- Partnership to fight HIV/AIDS in Europe and Central Asia* held in Dublin in 2004 during Irish Presidency of the EU. The final Declaration of the Conference can be found at: http://www.eu2004.ie/templates/meeting.asp?sNavlocator=5,13&list_id=25.

¹³ Barnett, T, and Whiteside, A, (2002) *Aids in the Twenty-First Century: Disease and Globalisation*, Palgrave Macmillan

¹⁴ See also Kelly, J M (2000) *Planning for Education in the Context of HIV/AIDS*. Fundamentals of Educational Planning Series, International Institute for Educational Planning, Paris.

¹⁵ Smith, A, E McDonagh and M Leen (2004) *The Reality of HIV/AIDS* Veritas, Dublin.

¹⁶ UNHCR (2004) *Refugees by Numbers* www.unhcr.ch

deal with it. The change of 0.6°C, which has taken place over the 20th century, is already having a severe impact on ecosystems.¹⁷ The kind of devastation caused by extreme weather events such as Hurricane Mitch that hit Central America in 1998 or the 2004 floods in Bangladesh and India shows that there is an acute danger that the gains of development can be swept away in a matter of hours. In vulnerable parts of the world, like the South Pacific, the number of people affected by such disasters in the past 30 years has increased 65-fold.¹⁸ More protracted impacts of global warming are seen in the droughts which have affected Central Asia and Africa.

Dealing with this global problem has become a challenge with two sides that are closely linked: that of coping with the change that is now inevitable, and preventing future unnecessary climate change from happening. Past and current emissions of greenhouse gases mean that an increase of 1°C to 1.5°C is inevitable. The impact of this change will present many risks, especially to vulnerable groups in the poorest countries. Other impacts of climate change, such as rising sea levels, are much more difficult to predict, but could have devastating consequences for rich and poor alike. Within such a dual challenge, addressing the needs of the poorest countries must become a priority.¹⁹

1.3 Delivering on poverty reduction and sustainable development

In order to address these critical interlinked problems and deliver on poverty reduction and sustainable development, much greater collaboration is required within and between states and international bodies. Many of the issues, outlined above, are dealt with by different parts of government in donor countries. Some of them require changes within donors' domestic policy in order to mitigate against negative external impacts. Many require change in policy-decision-making at a multilateral level. There is a need for much greater collaboration between state and non-state actors and the strengthening of the multilateral system.

The role of governments in regulating, directing and finding common solutions is becoming more critical than ever. Above all, poverty reduction and sustainable development cannot be delivered without major advances in inter-departmental collaboration *within* donor governments around policy issues affecting developing countries. Inconsistencies and incoherence between government policies, which directly or indirectly impact on developing countries, must be addressed. It means ensuring that *all* donor government policies are 'development-friendly' and not just those with immediate responsibility for development cooperation.

1.4 Steps taken to improve coherence

The Ireland Aid Review Report in 2002 concluded that: "The requirement of coherence is one of the starting points for effective development policy. It must be mainstreamed across government policy, with all the relevant government departments acknowledging the development dimension of their work." (p.16). The DAC Peer Review in 2003, moreover, stated that: "sustainably reducing poverty in developing countries and attaining the MDGs will require mutually supportive and coherent policies across a wide range of economic, social and environmental issues."²⁰

¹⁷ Intergovernmental Panel on Climate Change (2001) *Third Assessment Report: Climate Change 2001*
<http://www.ipcc.ch/pub/reports.htm>

¹⁸ International Federation of the Red Cross and the Red Crescent (2002) *World Disasters Report 2002*
<http://www.ifrc.org/publicat/wdr2002>.

¹⁹ UK Working Group on Climate Change and Development (2004) *Up in Smoke? Threats from and Responses to the Impact of Global Warming on Climate Change*
<http://www.neweconomics.org/gen/uploads/igeebque0l3nvy455whn42vs19102004202736.pdf>.

²⁰ OECD – DAC (2003), *DAC Peer Review – Ireland*, Paris. <http://www.oecd.org/dataoecd/25/43/21651179.pdf> p.47.

Some positive steps in this direction have been taken. The Review highlighted the need for development objectives to be 'mainstreamed' across government policy in order to ensure greater coherence between different government departments. Special emphasis was placed on Ireland's agricultural policy and the impact that is having on poor countries. Research is now under way to examine this question. The ABDCI/NGO Development Forum, moreover, has discussed this issue at length. The DAC Peer Review, praised Ireland for the establishment of a 'policy coherence unit'.

The experience of the past four years shows, however, that the measures put in place so far do not ensure that development concerns are systematically and fairly addressed across all relevant government departments. We understand that this 'unit' involves only part of one staff member's time. Competing policy and political objectives are inevitable, as the DAC Peer Review stated, but the mechanisms for resolving these need to be strengthened. The White Paper on international development should set out an *Integrated Policy for Development Cooperation*, outlining the core objectives and components of government policy. Such a policy would be based on the principle of shared responsibility of all government departments to play their part in delivering on poverty reduction and sustainable development. Trade, environment, agriculture, finance, migration and economic policy are examples of areas where policies can be designed to promote international development. Sweden was the first EU country to successfully implement such an integrated policy.²¹ Other EU countries are now seeking ways to strengthen policy coherence. We strongly believe that Ireland should also formally adopt such a policy in the forthcoming White Paper.

²¹ An Integrated Policy for Global Development <http://www.sweden.gov.se/content/1/c6/02/02/56/9a6ca06f.pdf>

2. Key features of an Integrated Policy

Trócaire argues that an Integrated Policy for Development Cooperation requires a new framework consisting of core principles that can be applied across government departments. Policy coherence must be implemented within an explicit framework of policy benchmarks, based on these principles. Development Cooperation Ireland will, naturally, continue to play the leading role in the implementation of Ireland's commitment to international development. But this positive contribution should be backed by pro-development policies across all departments such as finance, trade, justice and education.

2.1 Core principles

Such a policy has to be underpinned by a number of core principles that would help to shape development-friendly policies across government.

Shared motive: solidarity The motivation underpinning such an Integrated Policy must be solidarity with people in other countries in recognition of our shared humanity and human dignity. Ireland's history and tradition of human rights and development action, through state, NGOs and missionary work, calls on us to ensure that all our policies work together for the benefit of the poorest people in the least developed countries.

Shared responsibility Shared responsibility refers to the commitment by all Government departments and agencies to fulfil an Integrated Policy for sustainable, equitable poverty reduction in least developed countries. It expresses the view that such a policy is not simply about justice, it is also in our own interest.

Human Rights perspective As is already the case with the DCI programme, an Integrated Policy for Development Cooperation should be rooted in a rights perspective. This is based on the firm commitment that the Government has a duty to ensure that the Universal Declaration of Human Rights is upheld internationally. Particular emphasis should be placed on the rights of the child and women's rights.

Perspectives and priorities of poor people The policy should support the right of the poor to shape their own development. Supporting participative processes and approaches for poverty eradication within developing countries should be at the centre of the integrated policy. This means that poor people should not be regarded as passive recipients of ODA, but the primary actors in their own development.

Likewise, emphasis should be placed on ensuring that the voice of developing countries is heard at the international forums where decisions over their future are made. Prominence must be given to ensuring that institutions such as the Bretton Woods Institutions are reformed speedily to ensure greater participation of those who represent the interests of the poor.

2.2 Specific objectives within an Integrated Policy framework

As well as core principles, the Integrated Policy framework should set out a number of specific objectives that all government policies should seek to promote, regardless of their principle aim. The following objective should form the basis of the policy:

<i>Democracy and good governance</i>	The promotion of accountability, transparency, participation and more equitable power distribution.
<i>Pro-poor economic growth</i>	Growth in poor countries should be promoted through measures to create a sound macro-economic framework, credit financing on reasonable terms, manageable debt levels, and where appropriate, debt cancellation.
<i>International trade and investment</i>	Measures which seek to create a fair and equitable trading system: providing capacity-building support and addressing issues of most development importance, such as the commodities crisis and agricultural policies.
<i>Gender equality</i>	Ensuring that women's and girls' interests and participation is promoted within decision-making structures and policies.
<i>Sustainable use of natural resources and environmental protection</i>	The policy should promote a long-term approach to sustainable development.
<i>Social development</i>	The delivery of the MDGs as key social indicators should be a central component of the policy.
<i>Conflict prevention</i>	Improving Ireland's contribution to managing and resolving conflicts through greater collaboration.

2.3 Towards an operational framework

A framework for an Integrated Policy would need to include the following:

A common objective for all policy areas

The policy should set out a common objective for all policy areas, regardless of the primary interest or responsibility of the department: to eradicate poverty and contribute to equitable and sustainable development in the least developed countries. To this effect, individual departments would be asked to carry out an assessment of the impact of their policies on this common objective both positive and negative.

Better coordination and collaboration

Improving cross-departmental coordination and collaboration should be central to the policy. The policy should set out measures to build a culture of cooperation amongst departments around this common objective.

Resolving conflicts of interest

Similarly, mechanisms for resolving conflicts of interest between national policy interests and development commitments should be built into the policy framework.

The White Paper should:

- **Set out an Integrated Policy for Development Cooperation, including principles and shared objectives.**
- **Outline a framework for delivering such a policy across different government departments.**

3. Implementing an Integrated Policy: Key Policy Areas

The key feature of an integrated Policy for Development Cooperation is the creation of a coherent government strategy based on shared principles. In a similar way to the Climate Change Strategy, which is applicable to all departments, this Integrated Policy would have a cross-departmental dimension. The Department of Foreign Affairs, and DCI in particular, would retain a lead role in the implementation of the policy, as outlined below. All departments, however, would be asked to identify those policy areas that have a development impact and to implement strategies to ensure pro-development outcomes.

In this section we outline five areas of government policy not solely within the mandate of the Department of Foreign Affairs where greater policy coherence is essential to ensure pro-development outcomes: finance, defence, trade, education and immigration. We identify leading policy changes in those areas, which should be implemented within the context of an integrated policy.

3.1 Finance and development

Government policy on finance has an over-riding impact on development policy. The most immediate impact is, of course, the budget allocation given to development cooperation. But the impact extends far beyond this. Critical inter-linkages between finance and development policy also exist in relation to developing countries' external debt, positions on innovative sources of finance such as global taxes, and representation in international forums including the IMF and World Bank.

Definition of ODA

How ODA is defined is critical to delivering poverty eradication. As noted above, there is an increased tendency among some donors to widen the definition of ODA to include security-related measures (Section 1.6). Such moves undermine the integrity of ODA as a mechanism for poverty eradication and sustainable development, according to the principles outlined above. Development cooperation funds can play an important role in addressing the threat and reality of violent conflict, through the promotion of human rights and the enabling of sustainable livelihoods, as outlined below in relation to defence and development. However, as agreed by DAC members in March 2005, ODA should not be used to support military activities, including training and reform of military forces and peacekeeping. Regrettably, the DAC agreed that incremental costs of the deployment of military personnel from DAC member countries are reportable as ODA.²² This position has been scheduled for review by the DAC in 2007, but the issues are likely to remain current in development discussions among donors.

Similarly, ODA should not be used for refugee and asylum-related costs in Ireland. Trócaire recognises that such expenditure is essential, but should not be taken from ODA. Aid should not be linked to migration policies of developing countries (for example, as support for improving border control).

The White Paper should:

- **Include a clear definition of ODA**
- **Specifically preclude the use of Irish ODA for security or commercial policy objectives.**

²² OECD – DAC (2005) *Conflict prevention and peace-building: what counts as ODA?*
<http://www.oecd.org/dataoecd/32/32/34535173.pdf>

- **Outline a clear position on security and the criteria for reporting ODA expenditure used by the Development Assistance Committee (DAC) of the OECD, and the EU.**
- **Preclude the use of ODA for refugee and asylum-related costs in Ireland.**

ODA levels

The Government's decision not to meet the target of spending 0.7% of GNI on ODA by 2007 is deeply disappointing and threatens to significantly undermine Ireland's credibility as a donor and global player on international affairs. Re-instating a binding timetable at the earliest possible date is a matter of integrity for the Irish Government, and the Irish people in whose name the promise was made in 2000.

The White Paper should:

- **Set out a Government commitment to reaching the UN target of 0.7% of GNI to ODA no later than 2010;**
- **Publish a multi-annual time-frame for achieving this commitment based on an agreement between the Ministers for Finance and Foreign Affairs, as recommended by the DAC;**
- **Recommend legislation to guarantee that the ODA target of 0.7% is upheld.**

Debt policy

Ireland adopted a principled stance in its July 2001 'Policy on Developing Country Debt'. This policy recognised that 100% debt cancellation for the Heavily Indebted Poor Countries, on the basis of human development needs, is a legitimate political objective. Ireland's leadership on this issue has been important in influencing other countries (including G7 members) to adopt stronger stances on debt relief/cancellation. Some of these stances (notably the UK's) have already led to increased resources for poverty reduction in the poorest countries.

The White Paper should:

- **Reaffirm Irish policy of 100% debt cancellation.**
- **Propose that debt relief should deliver *additional* resources for development, over and above current ODA pledges.**

Innovative resources

Having been at the leading edge of official debt policy for several years, Ireland's policy work is now being eclipsed by other countries' proposals on innovative mechanisms for future ODA financing, including global taxes. Proposals put forward by the Quadripartite group on innovative resources for poverty reduction and the UK government's International Finance Facility are currently receiving substantial political attention

The White Paper should:

- **Provide for a joint Department of Finance/DCI policy into Ireland's ability to participate in innovative sources of finance for development, such as, the Currency Transaction Tax, global airline tax and International Finance Facility.**

The Minister for Finance represents Ireland at the Board of Governors of the IMF and World Bank.²³ Cooperation with DCI has substantially increased since the Ireland Aid Review, particularly between the Senior Advisor in the World Bank and DCI staff in headquarters and in programme countries. According to the Government's *Annual Report on Ireland's Participation in the IMF and World Bank*: "This coordinated approach is a very effective mechanism for providing much weightier inputs on issues of mutual concern to World Bank Executive Board discussions".²⁴ This coordination must be deepened in order to ensure greater policy coherence in the light of an Integrated Policy for Development Cooperation. In particular, we recommend that the position of Senior Advisor in the World Bank Executive Director's office be filled by a representative from DCI, either replacing or in addition to the Central Bank representative. We also propose placing an additional advisor in the IMF Executive Director's office and that this advisor be drawn from DCI.

Furthermore, the Government's Annual Report on Ireland's Participation in the IMF and World Bank is an under-utilised instrument of policy coherence.²⁵ At present the Annual Report provides a useful, though dispassionate, view of developments in the institutions with little or no reference to positions Ireland has taken on policy issues. Trócaire believes that the Annual Report should be re-oriented to provide a cogent analysis of Ireland's involvement at a policy level with the World Bank and IMF. This should include: a summary of positions taken by Ireland on key issues dealt within these institutions and an annual Dáil/Seanad debate on the Report. The Government should also make public its objectives for the Spring and Annual Meetings of the IMF and World Bank in advance of those meetings.

The White Paper should:

- **Contain a commitment to deepening coordination between DCI and Government representatives at the IMF and World Bank, including placing DCI staff in the Irish/Canadian/Caribbean offices in those institutions.**
- **Commit to re-orienting the Annual Report on Ireland's involvement in the IMF and World Bank to provide a cogent analysis of Ireland's policy positions taken within those institutions.**

3.2 Defence and development

Increasing security tensions in many parts of the world, highlighted in the first part of this submission, requires closer collaboration between humanitarian and military actors. Mechanisms to ensure coherence between the Department of Defence and the Department of Foreign Affairs / DCI on expenditure and activities related to developing countries need to be established.

The recent initiative taken by the Irish Defence Forces to explore with NGOs the challenges and potential of Civil Military Cooperation (CIMIC) is welcome. Such dialogue needs to be continuous if Ireland is to be at the forefront of effective, apolitical CIMIC. The Government should note that the potentially positive role of the military is dependent on their compliance with the "Guidelines on the Use of Military and Civil Defence Assets to Support United Nations Humanitarian Activities in Complex Emergencies" (MCDA Guidelines), issued by OCHA in March 2003.

²³ Staff from the Department of Finance and Central Bank represent Ireland in the Irish/Canada/Caribbean Executive Director (ED) offices at the IMF and World Bank, respectively.

²⁴ Department of Finance (2004) *Annual Report on Ireland's Participation in the IMF and World Bank*, p. 13.

²⁵ This report was introduced in 1999 under the Bretton Woods agreements (Amendment) Act 1999 (section 10) to report to the Oireachtas on: (a) particulars of any payments made under this Act; and (b) particulars of any policy positions taken by Ireland at the World Bank and IMF.

The Government is reported to be establishing a rapid response capacity and similar initiatives are being developed at European level. There is, as yet, no clear rationale for the development of such capacity in Ireland and there remain many unanswered questions about the EU mechanism

The White Paper should:

- **Propose that before developing a rapid response capacity there is thorough learning of lessons from previous humanitarian responses**
- **Ensure that such a capacity is not merely a duplication of EU mechanisms**
- **Provide for thorough consultation with Irish NGOs on this topic**
- **Ensure that any response capacity developed in Ireland or the EU is clearly situated in the context of UN OCHA as the main coordinating body.**

3.3 Trade and development

The relationship between trade policy and development cooperation was one area highlighted by the DAC Peer Review where greater coherence is essential. Ireland's recent economic history demonstrates the importance of trade in generating broader development. Successful participation in the global trading system is a necessary precondition for enabling, though not necessarily guaranteeing, growth and poverty reduction.

The report of the Ireland Aid Review in 2002 also drew specific attention to the issue of policy coherence, recommending that efforts should be made to ensure that the positions taken by Ireland in international trade negotiations are congruent with what the country is attempting to do with its ODA programme. The White Paper should therefore underscore the linkages between trade and development and highlight those areas where greater cross-departmental collaboration is essential.

One specific area that requires more attention is coherence between Ireland's ODA programme and EU agricultural policy. For Ireland's priority ODA countries in sub-Saharan Africa, the share of their labour force employed in agriculture ranges from 71 percent in the case of Zambia to 83 percent in the case of Ethiopia²⁶. Agriculture is the major productive activity and the sector's development is closely related to the achievement of the MDGs.²⁷ Coherence between the EU's agricultural policies and its development objectives is of the utmost importance and can only be delivered if there is coherence at national member state level. The EU is engaged in ongoing CAP reform and has provided duty and quota free access to LDCs under Everything But Arms (EBA). Unfortunately, the potential benefit to LDCs of the EBA initiative has been compromised as a result of both supply constraints and restrictive conditions, such as onerous 'rules of origin'. EU agricultural reforms all too often fail to address the concerns of developing countries and have yet to address key sectors of interest to them. Furthermore, there still remains no timeframe for ending export subsidies.

While retaining a highly protected agricultural regime, the EU continues to negotiate Economic Partnership Agreements (EPAs) as standard free trade agreements. Despite the ACP countries' rejection of the 'Singapore Issues' in the WTO and reiterating their wish not to negotiate these issues in EPAs, the EC has persisted. The UK has recently adopted an EPA policy which rejects the inclusion of the Singapore issues, unless a developing country group requests their inclusion while also arguing that countries should have the right to liberalise at

²⁶ UNCTAD (2002), *Least Developed Countries Report 2002 - Escaping the Poverty Trap*, New York and Geneva, United Nations.

²⁷ SACHS, J et al. (2005) *Investing in Development: A Practical Plan to Achieve the Millennium Development Goals*, Earthscan, London <http://unmp.forumone.com/>.

their own rate. Ireland should also seek to emphasise the right of developing countries to choose the rate of liberalisation pursued and affirm their right to protect their local markets and the livelihoods of their producers through tariff and other mechanisms, including Special Safeguard Mechanisms. Likewise, Ireland should be prepared to seek the inclusion in trade negotiations of issues of critical importance to developing countries. These would include, the need to regulate the price and supply of basic commodities produced by developing countries.

The White Paper should:

- **Consider a range of actions to build an Integrated Policy for Development Cooperation, including the creation of a dedicated unit within DCI responsible for assessing cross-departmental trade policy coherence.**
- **Assert in the strongest terms Ireland's support for the multilateral trade system. This requires our opposition to the pursuit of 'non trade' objectives in other trade agreements.**
- **Set out systems in government to ensure policy positions are congruent with the full delivery of the agricultural proposals in the Doha Work Programme.**

Trade capacity-building

A further issue requiring cross-departmental collaboration is trade capacity. Lack of trade policy capacity in LDCs, together with the demands of implementing new trade agreements has undermined their trade policy management, trade policy research and pursuit of strategic national interests in trade negotiations with developed countries. One of the capacity problems in developing countries is the scarcity of trade policy management professionals. While LDCs emphasise their need to have greater trade policy space and more policy options than the 'one size fits all' ideology, their capacity to develop and advance these alternatives internationally are exceedingly weak. Ireland has already engaged in trade capacity support. This has focused on assisting developing countries apply international trade law and in addressing the problems of those LDCs with little or no representation in Geneva.

The White Paper should:

- **Adopt a more complete approach to building trade capacity in our priority countries, which reflects those countries' need to pursue trade strategies and policies commensurate with their economic and social needs.**
- **Support in-country education programmes on trade policy management.**
- **Detail how Ireland will facilitate our priority aid countries' representatives e.g. Trade Ministers, to dialogue with their peers in Ireland and other EU states so that their concerns are reflected at the Commission.**

3.4 Education and development

Since its foundation in 1973 Trócaire has recognised the key role that development education plays in international development. Development education provides people with the opportunity, not only to understand the issues, but to become part of the solutions and to recognise their responsibility in this process. In the light of this, Trócaire firmly believes that an Integrated Policy on International Development must include a strong and well-resourced development education programme.

The DCI Development Education Strategy Plan 2003-2005 offers a welcome and comprehensive definition of development education as "an educational process aimed at increasing awareness and understanding of the rapidly changing, interdependent and unequal

world in which we live. It seeks to engage people in analysis, reflection and action for local and global citizenship and participation. It is about supporting people in understanding and in acting to transform the social, cultural, political and economic structures which affect their lives and the lives of others at personal, community, national and international levels."²⁸

In terms of the ODA programme, development education is fundamental to promoting active global citizenry with a critical understanding of and interest in Ireland's stance in international relations as this affects developing countries. It is for this reason that the commitment to development education should be continuously strengthened through quality programmes with funding from ODA.

Defining development education

A clear definition of development education and criteria for assessing its impact already exist within DCI, as evident above. However there still seems to remain, in practice, a confusion regarding the distinction between development education and public information or public relations. This is particularly reflected in the allocation of Development Education Grants and there is a clear need to address this issue. Unlike Public Relations, development education for global citizenship engages people in a more long-term process of learning for life. We fully recognise that PR, communications and sharing of information is valid in itself. However, the allocation of development education funds for this purpose only serves to reduce the status of development education. Both functions need to be properly and separately resourced.

The White Paper should:

- **Reiterate the Government's commitment to Development Education as defined by DCI in the development education strategy 2003-2005.**
- **Provide a clear definition of public information and public relations as distinct from development education.**

Resources and capacity issues

Trócaire is of the view that development education programmes are vitally important in both the formal and not-formal education sectors. There is a clear need for senior level staff, with a competence and expertise in education, and development education in particular, within the DEU to facilitate the implementation of such programmes. Support is required from their initial concept or application stage, through the implementation stage, to the monitoring and evaluation of projects to ensure that they fulfil the required criteria of a development education programme. Dialogue does exist between the DEU and the DES and NCCA. The challenge however is to ensure that this is clearly and consistently reflected in the growth of global issues within the curriculum at all levels.

Following the 2001 Ireland Aid Review the Development Education Advisory Committee was established. The challenge now is to ensure that it is representative and that members are given a clear mandate to facilitate the growth of Development Education in Ireland.

The White Paper should:

- **Recommend the provision of additional finance and experienced staff to the DEU in line with the increasing ODA budget.**
- **Recommend a review of the capacity of the DEU to implement the present strategies of the unit and to develop the next strategic plan beyond 2005**

²⁸ DCI (2002) *Deepening Public Understanding of International Development, Development Education Strategy Plan 2003-2005*, http://www.developmenteducation.ie/shop/DCI_DevEd_Strategy03-05.pdf.

- **Propose measures to strengthen the dialogue between DCI, the NCCA and the DES, to ensure that a global justice perspective is an integral part of the new curriculum at all levels.**
- **Review the functioning of the DEAC in order to ensure representation and to give a clear mandate to members that includes participation in decision-making processes relating to development education policies and practises in Ireland.**

Local capacity

There is a diversity of development education practitioners who are sincerely committed to development education in Ireland. However there is a widely recognised challenge to build the capacity at local levels to ensure that they develop a sustainable expertise in development education practises.

The White Paper should:

- **Set out concrete measures to ensure that relevant teachers within the formal education sector can deliver high quality development education programmes. This means addressing training at a pre-service level with compulsory courses offered by development education experts.**
- **Affirm the importance of the non-formal education sector in development education and call for a needs assessment to ascertain what exists and to propose the most effective way of building the capacity to deliver development education.**

3.4 Immigration and development

Trócaire believes that an Integrated Policy for Development Cooperation has particular relevance to Irish immigration policy, and to migration from DCI programme countries in particular. The Irish Government should consider the introduction of a 'Green Card' mechanism for immigrants from DCI programme countries, similar to that applied in the US for immigrants from Ireland and elsewhere, and based on a mixed range of skill and education levels.

This approach is justified for a number of reasons. Firstly, as the Irish economy continues to expand significantly, there is an increasing requirement for a substantial net inward migration over the coming years. Secondly, the expansion of the EU and greater movement of workers from the new member states, has reduced the opportunities for economic migrants from poorer countries in Africa and elsewhere. In terms of the contribution to development, moreover, it is widely accepted that remittances from economic migrants contribute significantly to the development of poor countries. A favourable immigration policy for DCI programme countries would make a significant contribution towards the economic development of those countries. Thirdly, such a 'Green Card' mechanism for these countries would significantly deepen the relationship between Ireland and the programme countries, so that this relationship becomes a two-way process, and is not just based on the transfer of resources from Ireland to developing countries. Finally, the development of a Green Card mechanism, if well managed and linked to development education programmes, could be used to promote a greater understanding of the programme countries and their citizens among the Irish public, thus contributing towards a reduction in racism towards foreigners in Ireland.

A major factor to be considered in applying a special mechanism is the possibility of creating a 'brain drain' in the partner countries. In order to avoid this, it would be important to allocate a high proportion of visas to lower skilled positions such as in construction, catering and

childcare. In relation to higher skilled workers, partnerships could be created within specific sectors (e.g. health, education) between Ireland and the priority countries so that sufficient funding and technical support is provided to the partner countries to ensure that they can also meet their own human resource requirements and develop their socio-economic infrastructure, particularly in the context of the increasing impact of HIV/AIDS. Over time, both countries would benefit from the regular exchange of staff, resources, ideas and the implementation of joint initiatives.

The White Paper should:

- **Highlight the potential to promote linkages between Irish immigration policy and development policy, and the potential for introducing special mechanisms to support economic migrants from DCI programme countries in particular as a means of creating a deeper and more equal relationship with the programme countries.**

4. The Future of DCI Programming and Aid Modalities

Strengthening coherence through an Integrated Policy for Development Cooperation across government should go hand in hand with a growing ODA programme and be designed to increase the overall effectiveness of this programme.

4.1 Current DCI Priorities

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

The principles underpinning Ireland's foreign policy were outlined in "Challenges and Opportunities Abroad", the Government White Paper on Foreign Policy, published in 1996. It states that Ireland's objective for its Development Cooperation Programme is to reduce poverty and promote sustainable development in some of the poorest countries in the world.

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

In the words of the OECD DAC Peer Review Report, "the Review Committee proposed a set of principles to guide the programme. These include effectiveness, value for money, transparency and accountability.... These guiding principles are consistent with the orientations espoused by the DAC and place Ireland at the cutting edge of international development policy."²⁹

The White Paper should:

- **Re-affirm the core principles of the DCI programme and acknowledge the important achievements of the programme in the past five years.**
- **Re-affirm the main conclusions of the Ireland Aid Review**

4.2 Future programming approaches

Selection of new programme countries

As the ODA budget expands, it is imperative that the selection of additional programme countries by DCI be based on poverty reduction objectives in poor countries rather than on Irish economic interests. To this end, the Government should develop and publish clear strategic guidelines to be used in the selection of new programme countries. The criteria should include:

- Poverty levels in the country;
- Potential to address human rights issues with partner governments;
- Opportunities to engage in post-conflict peace-building;
- Potential for linkages between existing and new programme countries;
- Potential to focus on specific rights that DCI prioritises in its strategy e.g. gender rights, rights of People Living with HIV & AIDS;
- Levels of financial accountability within the country.

²⁹ OECD – DAC (2003), *DAC Peer Review – Ireland*, Paris. <http://www.oecd.org/dataoecd/25/43/21651179.pdf> p. 24.

While it is easier for DCI to focus on anglophone countries, this should not be a deciding factor in the selection process when there are otherwise clear reasons or opportunities to develop a country programme. For example, given the scale of suffering in DRC since 1997, the need to support the current fragile peace process, and DCI's existing support for neighbouring countries in the Great Lakes region, the development of a country programme in DRC should be considered as a priority. For similar reasons, the recent peace agreement in Sudan may also generate an opportunity for DCI to re-establish a programme in that country.

Many donor governments insist on tying the delivery of their ODA programmes to economic benefits for their own countries e.g. by insisting on the purchase of goods from the donor country. The Government should continue its policy of providing completely un-tied grant ODA, and should call on other donors to meet the commitments that they have made in international fora (e.g. at OECD level in 2002) on the elimination of tied ODA.

The White Paper should:

- **Set out clear criteria for the selection of new programme countries**
- **Re-affirm the current position that ODA should be completely untied and underscore the importance of influencing other donors to meet and exceed international commitments in this regard.**

4.3 HIV/AIDS

DCI should continue to place a strong emphasis on addressing HIV/AIDS in all of its programme work, and to maintain its current emphasis on the promotion of education for girls as a long-term HIV prevention strategy. Given the massive impact of HIV/AIDS on poor families and communities, particularly in Africa, and the lack of social welfare measures in that part of the world, DCI should make special provision in its priority country budgets for support to social protection programmes for the poorest and most vulnerable families, as other donors are now doing.

The White Paper should:

- **Recommend a continuing strong emphasis on HIV/AIDS in all DCI programme work and policies.**
- **Recommend that DCI makes special budgetary provision for support to social protection programmes for the poorest and most vulnerable families in order to counteract the impact of HIV and AIDS**

4.4 Mainstreaming Conflict Prevention

The link between violent conflict and poverty is indisputable. Violent conflict often leads to displacement, disruption to livelihoods, destruction of infrastructure and the disruption of services most needed by the poor such as health and education systems. Violent conflict is a serious barrier to development in many of the world's poorest countries.

In the past decade the nexus between development and peace has become an issue of growing importance in development thinking. The delivery of aid in the context of conflict presents serious problems, as the 'Do No Harm' body of work has shown. It is now acknowledged good practice for development agencies to consider the impact of their humanitarian and development programmes on conflict dynamics especially in complex humanitarian situations. Moreover actually directing development assistance towards conflict transformation and peace-building is today an issue to the fore of the aid agenda. Trócaire firmly believes that development programmes and policies must take conflict dynamics into

consideration at all times, through adopting a conflict sensitive approach. Conflict sensitivity entails understanding the conflict context, the interaction between an aid intervention and this context and acting upon this understanding³⁰. The White Paper provides an opportunity for DCI to outline its approach to conflict, especially in the area of how it will incorporate a conflict sensitive approach to relief and development programming and policy development.

The White Paper should:

- **Outline DCI's position in relation to support for peace-building, conflict prevention and conflict transformation in its policy and programmes.**
- **Ensure that DCI's country and regional plans include peace-building and conflict concerns as key parts of the contextual analysis.**
- **Underscore the importance of staff training in conflict mainstreaming and conflict assessments.**
- **Encourage the role and participation of civil society in the development and implementation of conflict prevention policies and programmes**

4.5 Humanitarian aid

Poor coordination is one of the most avoidable and harmful failures of humanitarian response. The role of the UN Office for the Coordination of Humanitarian Affairs (OCHA) is critical in promoting and achieving effective coordination. DCI should nurture strong relationships with a small number of UN and international organisations with whom it then collaborates in humanitarian crises. This will enable more effective monitoring and impact of resources. Supporting the humanitarian work of Irish NGOs is an important response mechanism for the Government both in terms of effectiveness, legitimacy and visibility.

Trócaire welcomes the fact that Ireland is a signatory to the International 'Good Humanitarian Donorship' principles agreed in Stockholm in June 2003.³¹ These principles state that "*donors should strive to ensure that funding of humanitarian action in new crises does not adversely affect the meeting of needs in ongoing crises*" and "*strive to ensure predictability and flexibility in funding to United Nations agencies, funds and programmes and other key humanitarian programmes.*"³² However, donors frequently divert ODA from existing ODA budgets for emergencies or fail to deliver on pledges for emergency assistance.

The White Paper should:

- **Stress the importance of nurturing strong relationships with selected UN humanitarian agencies, such as OCHA and underline the importance that all NGOs and International Organisations funded by DCI are actively collaborating with them.**
- **Outline internal mechanisms for transparently and verifiably ensuring that Government pledges are fulfilled in a timely manner.**

4.6 Channelling aid: role of civil society

Trócaire welcomes DCI's increasingly sophisticated approach to its engagement with civil society actors in recent years. The Multi-Annual Programme Scheme (MAPS) has given space to five Irish NGOs to adopt a more strategic and programmatic approach to our work

³⁰ International Alert, Saferworld, Fewer; 2004. Conflict Sensitive Approaches to Development, Humanitarian Assistance and Peace-building: A resource Pack.

³¹ Full list of principles outlined on ReliefWeb: <http://www.reliefweb.int/ghd/Stockholm%20-%20GHD%20Principles%20and%20IP.doc>

³² *Ibid*

and to develop deeper relationships with our Southern civil society partners. Another welcome aspect of the scheme is the focus on lesson learning and the consideration of the impact of development programmes, all of which has enriched the quality of dialogue between DCI and the participating NGOs.

In common with the approach of many other multilateral and bilateral agencies, DCI is currently increasing its direct support for Southern Civil Society Organisations (CSOs). While there are good reasons and opportunities for DCI to support local CSOs, particularly in the programme countries, DCI should continue to prioritise the vital role that it plays as a bilateral donor in both supporting and challenging partner governments on issues such as good governance, public accountability, and better delivery of basic services to their populations. An increasing level of support for civil society actors in DCI programme countries should not be seen as a satisfactory alternative to direct engagement with government. DCI should use its influence with other bilateral and multilateral donors to ensure that these donors also continue to prioritise their relationships with partner governments, and will support rather than undermine linkages between local and international civil society organisations.

Northern civil society actors such as Trócaire have a long history and expertise in supporting Southern CSOs as their natural allies at local, national and increasingly at global levels. It is possible that a synergy could be achieved between the work of an NGO such as Trócaire and that of DCI, while each party works in its area of greatest strength. For example, Trócaire and its partners frequently build civil society capacity to get involved in local planning and hold government to account at a sub-national level. In its programme countries DCI is also working to strengthen decentralised processes of government. This is one example of where DCI and international NGOs such as Trócaire could work in tandem to achieve change in the Government / Civil Society interface at both local and national level.

The White Paper should:

- **Recommend that DCI continues to prioritise its relationships with partner Governments in its programme countries;**
- **Recommend that where DCI is providing support to local CSOs, it should also support linkages with international CSOs;**

4.7 Increasing aid effectiveness

In the White Paper, Ireland should reaffirm its commitment to effective aid as enshrined in the OECD Development Assistance Committee's (DAC) good practice guidelines on Poverty Reduction, Harmonising Donor Practices for Effective ODA Delivery, and in the Rome (2003) and Paris (2005) Declarations on ODA Effectiveness.

The White Paper should outline where Ireland will go beyond those internationally-agreed principles and targets, to reflect best practice. Additional principles should include: maintaining 100% untied ODA (including food aid and technical cooperation / assistance)³³; building in flexibility (to allow recipients respond to emerging needs); and ensuring additionality of increases in development finance, above existing flows and commitments.

Ireland should set itself clear and progressive targets in areas under its direct control, (such as ODA predictability, timeliness of disbursement and per cent of total ODA spent in Least Developed Countries), clear and verifiable alignment to national development strategies and use of country systems for financial reporting and management. Ireland should also set out its

³³ OECD – DAC (2001) *DAC Recommendation on Untying Official Development Assistance to the Least Developed Countries* <http://www.oecd.org/dataoecd/14/56/1885476.pdf>. This recommendation makes exception for food aid and technical cooperation.

position on areas which are based on cooperation with other donors and partner governments, including the development of a coherent multi-donor assistance strategy in its programme countries, a single and limited framework of donor conditions (including IMF conditions) and design and implementation of effective mutual accountability frameworks.

The White Paper should:

- **Outline how Ireland will implement best practice in aid effectiveness including alignment, harmonisation and mutual accountability;**

ODA modalities

Programme assistance, including multi-donor budget support, is achieving increased prominence as an ODA modality. The principal reason for this is the recognition that country ownership is a prerogative for policy reform and development. Of course, budget support raises serious issues for both donor and recipient government. For donors, issues of governance, financial accountability and impact on poverty reduction are key.³⁴

Since the mid-90s, Ireland has developed a practice of having a 'triple lock' of budget support, SWAPs and area-based programmes in place, where country structures allow. The logic is that continued engagement at a local and sectoral level allows verification of policy implementation and enriches the quality of dialogue which Ireland can hold with authorities at central and regional level. There is a lot of merit in this approach.

DCI should regularly conduct a critical assessment of its mix of modalities on the basis of effectiveness in achieving poverty reduction. Criteria for measuring and tracking impact should be developed which take into account the fact that long-term poverty reduction is not limited to achievement of targets (for example, increased vaccinations, improved child and maternal health etc.), but also to increasing civil society participation in democratic decision-making.

Ireland does not have a formal budget support policy. This is a key weakness, as illustrated by the fact that a media row – rather than a policy position and clear criteria and conditions – led to a significant shift in how ODA was disbursed to a programme country. Ireland should reaffirm its commitment to the use of this instrument where appropriate and elaborate its position in a policy paper on direct budget support.

The White Paper should:

- **Underscore the importance of supporting practical efforts by programme country governments to develop national finance strategies and to increase partner government accountability to domestic stakeholders;**
- **Stress the need for conducting periodic assessments of its mix of modalities on the basis of effectiveness in achieving poverty reduction, building strong institutions and increasing civil society participation;**
- **Reaffirm the Government's commitment to the use of direct budget support where appropriate and elaborate its position in a policy paper on direct budget support;**

³⁴ See de Barra, C (2005) 'Addressing Aid Effectiveness – A Key Challenge in Meeting the MDGs' *Trócaire Development Review 2005*, for details on the challenges, advantages and disadvantages of budget support in general and of multi-donor budget support in particular.
<http://www.trocaire.org/policyandadvocacy/trocairedevelopmentreview/2005/TDR%20addressing%20aid.pdf>

Conditionality

A formalised approach to budget support will automatically require a policy position on conditionality. Trócaire believes that Ireland should commit to principles around conditionality which reaffirm the primacy of partnership, country ownership, poverty reduction, respect for human rights and sound financial management and accountability (notably accountability of partner country governments towards domestic stakeholders).

Ireland insists on an 'on-track' programme agreement with the IMF as a pre-condition for budget support. This is highly questionable as a policy position. IMF analysis is based on a model of stability which is widely disputed.³⁵ Donor adherence to the IMF 'signal' can lead to both counter-productive limits on levels of ODA flows and to ODA volatility.

The UK Government has decided that, while it will use IMF assessments of the macro-economic environment for information, it will not necessarily require a financed IMF programme to indicate that a stable macro-economic programme is in place. An IMF or World Bank programme going off-track will not lead to an automatic suspension of assistance from DFID. This policy is based on principles which would appear to be shared with the Government, though lack of an explicit policy on development finance, ODA modalities and conditionality makes this hard to discern with certainty.³⁶ Trócaire recommends therefore that Ireland should cease using compliance with IMF / World Bank programmes as a condition for direct budget support.

The White Paper should:

- **Commit to a policy on conditionality that reaffirms the primacy of partnership, country ownership, poverty reduction, respect for human rights and sound financial management and accountability (notably towards domestic stakeholders).**
- **Cease the requirement for an on-track IMF programme in decisions around budget support delivery;**
- **Challenge the IFIs and other donors on the use of systems and conditionality which systematically disempower partner governments and skew partner government accountability away from citizens at country level and towards donors.**

4.8 Irish Development Policy in the Context of the EU

Ireland's Presidency of the EU in 2004 demonstrated the positive impact that Ireland can have on the EU development agenda. It is crucial that in the coming years, DCI should strengthen and deepen the links between national ODA programming and the EU. Trócaire believes that a strong EU role in development cooperation is essential.

In 2005, a number of critical decisions will be taken at EU level which will have an impact on the future of development cooperation. These include the revision of the EU Development Policy Statement and the rationalisation of the EU development budget, particularly in relation to the Financial Perspectives 2007-2013.

³⁵ See: CIDSE (2005) *Submission to 2005 PRS Review* <http://www.trocaire.org/policyandadvocacy/prsp/cci.htm>

³⁶ 'Partnerships for Poverty reduction: rethinking conditionality', DFID / Foreign and Commonwealth Office / HM Treasury, March 2005.

Revision of EU Development Policy Statement

The Development Policy Statement published in 2000 effectively governs EU development cooperation policy. It outlines four core principles underpinning EU development cooperation as a shared competency:

- *Poverty Eradication.* Eradicating poverty, in line with the UN conferences, and in particular, the MDGs, is the stated aim of EU development policy.
- *Coherence.* The Maastricht Treaty defined coherence as the need for Community policies to take development objectives into account if they had an impact on developing countries (Article 130v). The Communication on Development Policy underscores this by calling for a systematic analysis of the impacts of Community policies on developing countries.
- *Complimentarity.* Policies and programmes should be based on an appropriate division of labour between EU and member states.
- *Co-ordination.* The Treaty establishing the EU calls on all member states to coordinate, communicate and consult on their development cooperation programmes. In addition, it calls on the Union to be consistent in its statements and, where possible, to speak with one voice in international forums.

Of these core principles, one stands out as critical in defining the EU's development policy: poverty eradication. Much progress has been made on understanding the steps needed to work towards this goal: "*Commitments entered into by developing countries and industrialised countries at major United Nations conferences form a common frame of reference for a mode of development centred on social and human aspects and on the sustainable management of natural resources and the environment.*"³⁷ In other words, working towards poverty eradication is not only about increasing the quantity of resources to the poor, but involves the application of a whole series of pro-poor policies working across a wide range of sectors.

In 2000, this statement was regarded as an acceptance of a moral framework for redirecting globalisation towards more sustainable and equitable ends. It consists of a firm commitment to the principles of the UN Charter, to the rule of international law and to the implementation of the commitments made by member states at consecutive UN conferences, especially the MDGs. In particular, it confirms a poverty eradication focus as the principal objective in the EU's external policy with the developing world.

In practice, however, these principles are far from the reality of the EU's development cooperation. In terms of ODA, some progress has been made in reforming the programmes towards the stated poverty eradication focus, but the proportion of EU aid going to the poorest countries has been falling consistently throughout the 1990s and beyond. The proportion of EU aid going to the Least Developed Countries (LDCs) fell from 70% in 1990 to just 28.7% in 2001.

It is critical that the revised Development Policy Statement, whilst filling in some gaps in the policy, should re-affirm and strengthen the core principles outlined in the 2000 statement. The revision of the Development Policy Statement should not be used to introduce new objectives, such as counter-terrorism, nor to retrospectively justify the use of funds for non-poverty eradication purposes.

Financial Perspectives 2007-2013

According to the proposals put forward by the Commission, the share allocated to development cooperation and humanitarian aid will gradually decrease over the lifetime of the

³⁷ Statement by the Council and Commission on the European Community's Development Policy, November 2000.

next Financial Perspective while the share allocated to accession countries and the neighbourhood partnership and stability instruments will increase. This is entirely inconsistent with the EU's international commitments to achieving the MDGs. Resource allocation levels must take account of the EU's international commitments to eradicating global poverty.

Furthermore, the Development Cooperation and Economic Cooperation Instrument being proposed by the Commission fails to give visibility and coherence to the EU's stated development ambitions. The instrument intended to govern development cooperation is neither focused on development activities, nor on developing countries, but instead suggests a wide range of measures that fall within the scope of the instrument and applies them in all countries which are not pre-accession or immediate neighbours. The proposal represents a retrograde step for development and will not enhance the EU's ability to act coherently or efficiently in the fight against poverty.

If implemented, this would be a retrograde step in terms of the EU's role in development cooperation. It is therefore important that the White Paper includes a clear strategy towards the EU and its role in development cooperation. The Government should call on the Commission to draft two separate instruments – one for development cooperation with developing countries and one for economic cooperation with industrialised countries. The creation of a single instrument for development cooperation would include all developing countries as defined by the Development Assistance Committee of the OECD.

The White Paper should:

- **Re-affirm the role of the EU as a global player in development cooperation and commit Ireland to working within the EU institutions to ensure it fulfils this role;**
- **Call for the revised EU Development Policy Statement to retain a strong poverty eradication focus;**
- **Call for the Financial Perspectives 2007-2013 to be coherent with the Development Policy Statement, ensuring increased allocations of funds to low income countries.**

5. Improving Policy Management, Administration and Learning

5.1 Management and monitoring of an Integrated Policy

A key message of the White Paper should be the shared responsibility of all government departments to ensure their policies support poverty eradication and sustainable development in the developing world. As discussed above, the White Paper should set out an integrated policy, which would set clear benchmarks for assessing the impact of policies. This policy should build on the informal contacts and collaboration that exists between departments, seeking to identify coherence gaps. Trócaire shares the view expressed in the DAC Review in 2003, that cross-departmental collaboration should be strengthened and formalised. Innovative measures should also be considered in order to promote a strengthened culture of global responsibility across all government departments.

The White Paper should:

- **Set out an Integrated Policy for Development Cooperation, which includes a common objective for all Government Departments: to contribute to the eradication of poverty and sustainable development in least developed countries.**
- **Outline the overall management and monitoring of this integrated policy, which should rest with the Minister of Foreign Affairs, in collaboration with other cabinet level ministers; the Minister of State for Development Cooperation should, however, retain responsibility for the day-to-day monitoring of policy coherence;**
- **Establish formal cross-departmental consultation mechanisms to ensure greater sharing of information and collaboration between departments;**
- **Give a mandate to the Policy Coherence Unit within DCI to assess the level of pro-development policy coherence across government departments, with particular emphasis on trade coherence;**
- **Propose that all government departments assess the potential impact of their policies on developing countries;**
- **Establish mechanisms for resolving potential conflicts of interest between national policy interests and development commitments;**
- **Establish an annual cross-departmental report on the implementation of the policy which should be presented to the Oireachtas and debated in the Dáil and Seanad.**

5.2 Management and Administration of DCI

There are several critical management issues facing DCI in implementing an effective and growing ODA budget within a coherent policy framework. These include staffing levels and relocation.

Staffing levels

As the DAC Peer Review report points out, Ireland suffers from a 'barely adequate' level of staffing. Indeed, the DAC has recommended staff increases in both of its most recent peer reviews (1999 & 2003). Shortages of staff are acute in the areas of Evaluation and Audit and at field office level.

A growing ODA budget and an increased commitment to partnership, alignment and donor harmonisation will require a change in the capacity and focus of country offices, making them

more autonomous and increasing capacity for policy dialogue. It is therefore important to ensure a sustainable level of adequately qualified staff at field office level to carry the burden of monitoring and policy dialogue.

Recently, Ireland has increased its technical capacity at headquarters, but this has involved relocating experienced specialist staff such as regional economists from country offices to headquarters. Whilst it is commendable that posts have been filled by nationals at country level, it appears that there is still a lack of capacity in key policy areas, particularly where budget support is moving ahead fast.

The White Paper should:

- **Outline a strategy to ensure adequate numbers of staff at head office and field office level, with appropriate skills and relevant experience.**

Decentralisation to Limerick

Trócaire believes that the proposed relocation of DCI to Limerick would be a serious setback to the achievement of Ireland's objectives in development cooperation for a number of reasons associated with the specific nature of the department:

- DCI is a policy-making agency and needs to work closely with other Departments, including Trade, Finance and Agriculture, in order to fulfil the mandate given to it by the Government on its approval of the Ireland Aid Review. The Review recommended that 'Ireland Aid' as it was then known, remain a Directorate within the Department of Foreign Affairs precisely so as to ensure inter-departmental and cross-Departmental policy coherence.
- The Ireland Aid Review recommended greater interchange of staff between DCI and other divisions of DFA to widen the base of development expertise in the Department. If the relocation goes ahead, integrating development expertise across the Department will not be achievable.
- A significant loss of expertise and institutional memory is anticipated, as many experienced and specialist staff have indicated that they do not want to move to Limerick. The impact on programme quality in DCI will be severe, particularly given the planned expansion in the ODA budget which will require a commensurate expansion in experienced technical and managerial staff.

The Government should:

- **Reverse the decision to relocate DCI out of Dublin.**

The role of the Advisory Board to DCI

The Advisory Board has an important role to play as an independent body, concerned only with the delivery of DCI's objectives and immune from political influence. The Advisory Board has carried out many important pieces of work, including putting in place a substantial research agenda on areas of critical relevance to DCI and development partners. However, the Advisory Board needs to be given a more effective mandate. Board advice to the Minister should be made public in order to give greater weight to the Board's role. This is a prerequisite for public accountability.

The White Paper should:

- **Establish the practice of publishing the Board's advice to Government.**

6. Table of Trócaire's Recommendations

In each of the following areas, the White Paper should:

Features of an Integrated Policy		<ul style="list-style-type: none"> • Set out an Integrated Policy for Development Cooperation, including principles and shared objectives. • Outline a framework for delivering such a policy across different government departments.
Applying an Integrated Policy across key policy areas	<i>Finance and Development</i>	<p>ODA</p> <ul style="list-style-type: none"> • Include a clear definition of ODA • Specifically preclude the use of Irish ODA for security or commercial policy objectives. • Outline a clear position on security and the criteria for reporting ODA expenditure used by the Development Assistance Committee (DAC) of the OECD, and the EU. • Preclude the use of ODA for refugee and asylum-related costs in Ireland. • Set out a Government commitment to reaching the UN target of 0.7% of GNI to ODA no later than 2010; • Publish a multi-annual time-frame for achieving this commitment based on an agreement between the Ministers for Finance and Foreign Affairs, as recommended by the DAC; • Recommend legislation to guarantee that the ODA target of 0.7% is upheld. <p>Debt</p> <ul style="list-style-type: none"> • Reaffirm Irish policy of 100% debt cancellation. • Propose that debt relief should deliver <i>additional</i> resources for development, over and above current ODA pledges. <p>Innovative resources</p> <ul style="list-style-type: none"> • Provide for a joint Department of Finance/DCI policy into Ireland's ability to participate in innovative sources of finance for development, such as, the Currency Transaction Tax, global airline tax and International Finance Facility <p>World Bank and IMF</p> <ul style="list-style-type: none"> • Contain a commitment to deepening coordination between DCI and Government representatives at the IMF and World Bank, including placing DCI staff in the Irish/Canadian/Caribbean offices in those institutions. • Commit to re-orienting the Annual Report on Ireland's involvement in the IMF and World Bank to provide a cogent analysis of Ireland's policy positions taken within those institutions.
	<i>Defence and Development</i>	<ul style="list-style-type: none"> • Propose that before developing a rapid response capacity there is thorough learning of lessons from previous humanitarian responses • Ensure that such a capacity is not merely a duplication of EU mechanisms

		<ul style="list-style-type: none"> • Provide for thorough consultation with Irish NGOs on this topic • Ensure that any response capacity developed in Ireland or the EU is clearly situated in the context of UN OCHA as the main coordinating body.
	<i>Trade and Development</i>	<ul style="list-style-type: none"> • Consider a range of actions to build an integrated government policy for international cooperation, including the creation of a dedicated unit within DCI responsible for assessing trade policy coherence. • Assert in the strongest terms Ireland's support for the multilateral trade system. This requires our opposition to the pursuit of 'non trade' objectives in other trade agreements. • Set out systems in government to ensure policy positions are congruent with the full delivery of the agricultural proposals in the Doha Work Programme. • Adopt a more complete approach to building trade capacity in our priority countries, which reflects those countries' need to pursue trade strategies and policies commensurate with their economic and social needs. • Support in-country education programmes on trade policy management. • Detail how Ireland will facilitate our priority aid countries' representatives e.g. Trade Ministers, to dialogue with their peers in Ireland and other EU states so that their concerns are reflected at the Commission.
	<i>Education and Development</i>	<ul style="list-style-type: none"> • Reiterate the Government's commitment to Development Education as defined by DCI in the development education strategy 2003-2005. • Provide a clear definition of public information and public relations as distinct from development education. • Recommend the provision of additional finance and experienced staff to the DEU in line with the increasing ODA budget. • Recommend a review of the capacity of the DEU to implement the present strategies of the unit and to develop the next strategic plan beyond 2005. • Propose measures to strengthen the dialogue between DCI, the NCCA and the DES, to ensure that a global justice perspective is an integral part of the new curriculum at all levels. • Review the functioning of the DEAC in order to ensure representation and to give a clear mandate to members that includes participation in decision-making processes relating to development education policies and practises in Ireland. • Set out concrete measures to ensure that relevant teachers within the formal education sector can deliver high quality development education programmes. This means addressing training at a pre-service level with compulsory courses offered by development education experts. • Affirm the importance of the non-formal sector in development education and call for a needs assessment to ascertain what exists and to propose the most effective way of building the capacity to deliver development education.
	<i>Immigration and Development</i>	<ul style="list-style-type: none"> • Highlight the potential to promote linkages between Irish immigration policy and development policy, and the potential for introducing special mechanisms to support economic migrants from DCI programme

	<i>Development</i>	countries in particular as a means of creating a deeper and more equal relationship with the programme countries.
The future of DCI programming and ODA modalities	<i>Current DCI Priorities</i>	<ul style="list-style-type: none"> • Re-affirm the core principles of the DCI programme and acknowledge the important achievements of the programme in the past five years. • Re-affirm the main conclusions of the Ireland Aid Review
	<i>Future programming approaches</i>	<ul style="list-style-type: none"> • Set out clear criteria for the selection of new programme countries • Re-affirm the current position that ODA should be completely untied and underscore the importance of influencing other donors to meet and exceed international commitments in this regard. • Recommend a continuing strong emphasis on HIV/AIDS in all DCI programme work and policies. • Recommend that DCI makes special budgetary provision for support to social protection programmes for the poorest and most vulnerable families in order to counteract the impact of HIV and AIDS • Outline DCI's position in relation to support for peace-building, conflict prevention and conflict transformation in its policy and programmes. • Ensure that DCI's country and regional plans include peace-building and conflict concerns as key parts of the contextual analysis. • Underscore the importance of training for Head office and field staff being skilled in the area of conflict mainstreaming and conflict assessments. • Encourage the role and participation of civil society in the development and implementation of conflict prevention policies and programmes
	<i>HIV/AIDS</i>	<ul style="list-style-type: none"> • Recommend a continuing strong emphasis on HIV/AIDS in all DCI programme work and policies. • Recommend that DCI makes special budgetary provision for support to social protection programmes for the poorest and most vulnerable families in order to counteract the impact of HIV and AIDS
	<i>Mainstreaming conflict prevention</i>	<ul style="list-style-type: none"> • Outline DCI's position in relation to support for peace-building, conflict prevention and conflict transformation in its policy and programmes. • Ensure that DCI's country and regional plans include peace-building and conflict concerns as key parts of the contextual analysis. • Underscore the importance of training for Head office and field staff being skilled in the area of conflict mainstreaming and conflict assessments. • Encourage the role and participation of civil society in the development and implementation of conflict prevention policies and programmes
	<i>Humanitarian Aid</i>	<ul style="list-style-type: none"> • Stress the importance of nurturing strong relationships with selected UN humanitarian agencies, such as OCHA and underline the importance that all NGOs and International Organisations funded by DCI are actively collaborating with them. • Outline internal mechanisms for transparently and verifiably ensuring that Government pledges are fulfilled in a timely manner.

	<i>Channelling Aid: role of civil society</i>	<ul style="list-style-type: none"> • Recommend that DCI continues to prioritise its relationships with partner Governments in its programme countries; • Recommend that where DCI is providing support to local CSOs, it should also support linkages with international CSOs;
	<i>Increasing Aid effectiveness</i>	<ul style="list-style-type: none"> • Outline how Ireland will implement best practice in aid effectiveness including alignment, harmonisation and mutual accountability; • Underscore the importance of supporting practical efforts by programme country governments to develop national finance strategies and to increase partner government accountability to domestic stakeholders; • Stress the need for conducting periodic assessments of its mix of modalities on the basis of effectiveness in achieving poverty reduction, building strong institutions and increasing civil society participation; • Reaffirm the Government's commitment to the use of direct budget support where appropriate and elaborate its position in a policy paper on direct budget support; • Commit to a policy on conditionality that reaffirms the primacy of partnership, country ownership, poverty reduction, respect for human rights and sound financial management and accountability (notably towards domestic stakeholders). • Cease the requirement for an on-track IMF programme in decisions around budget support delivery; • Challenge the IFIs and other donors on the use of systems and conditionality which systematically disempower partner governments and skew partner government accountability away from citizens at country level and towards donors.
	Irish Development Policy in the context of the EU	<ul style="list-style-type: none"> • Re-affirm the role of the EU as a global player in development cooperation and commit Ireland to working within the EU institutions to ensure it fulfils this role; • Call for the revised EU Development Policy Statement to retain a strong poverty eradication focus; • Call for the Financial Perspectives 2007-2013 to be coherent with the Development Policy Statement, ensuring increased allocations of funds to low income countries;
Policy management, administration and learning	<i>Management and monitoring of an integrated policy</i>	<ul style="list-style-type: none"> • Set out an Integrated Policy for Development Cooperation, which includes a common objective for all Government Departments: to contribute to the eradication of poverty and sustainable development in least developed countries. • Outline the overall management and monitoring of this integrated policy, which should rest with the Minister of Foreign Affairs, in collaboration with other cabinet level ministers; the Minister of State for Development Cooperation should, however, retain responsibility for the day-to-day monitoring of policy coherence; • Establish formal cross-departmental consultation mechanisms to ensure greater sharing of information and collaboration between departments; • Give a mandate to the Policy Coherence Unit within DCI to assess the level of pro-development policy coherence across government departments, with particular emphasis on trade coherence;

		<ul style="list-style-type: none"> • Propose that all government departments assess the potential impact of their policies on developing countries; • Establish mechanisms for resolving potential conflicts of interest between national policy interests and development commitments ; • Establish an annual cross-departmental report on the implementation of the policy which should be presented to the Oireachtas and debated in the Dáil and Seanad.
	<i>Management and administration of DCI</i>	<ul style="list-style-type: none"> • Outline a strategy to ensure adequate numbers of staff at head office and field office level, with appropriate skills and relevant experience. • Reverse the decision to relocate DCI out of Dublin. • Establish the practice of publishing the Board's advice to Government.