

ANNEX 2.

COUNTRY COMPACTS: COUNTRY-LEVEL EFFECTIVENESS COMPACTS

Draft Concept Note

Background

The continuing and evolving work on development effectiveness requires the efforts and commitment of all development stakeholders. Governments are the primary duty-bearers in ensuring the effective implementation of development initiatives and projects based on human rights standards and norms. Throughout the years, other development actors have also initiated and developed their own guidelines on effectiveness -- including civil society organizations (CSOs), who have been at the forefront of advocating for the highest standards of accountability.

The relationship of CSOs with development effectiveness is reciprocal. CSOs are subject to development effectiveness standards, while such accountability standards must themselves be in line with the principles espoused by the global CSO community. After years of extensive consultation with CSOs worldwide, the global CSO community in 2010 and 2011 agreed on a set of principles that guide their work – ensuring their own development effectiveness. We call these the *Istanbul Principles for CSO Development Effectiveness*.

Seven years since CSOs from around the world adopted the *Istanbul Principles*, there has been progress in turning these principles into practice. Since 2012, the work to promote and advocate for CSO development effectiveness has been taken up by the CSO Partnership for Development Effectiveness (CPDE), the successor of both the Open Forum (which initiated the process for the *Istanbul Principles*) and the BetterAid platforms. The work to develop capacities of CSOs, and monitor progress on the implementation of the *Istanbul Principles*, has been important. Nonetheless, challenges continue to hinder the full realization of the *Principles*, including at the national and local levels, both in the enabling environment for CSOs and in creating opportunities for CSOs to reflect on their own practices.

The issue of enabling environment is inextricably linked to the effectiveness of civil society organizations as independent development actors. CPDE has recorded slow, unremarkable progress, and even backtracking, in governments' commitment to provide an enabling environment for CSOs consistent with international human rights standards. Governments in different countries have introduced various forms of legal and regulatory policy restrictions, varying from anti-NGO laws to restrictions on accessing funds, CSO surveillance, threat, intimidation and harassment. But despite this growing global trend of closing democratic spaces for civil society, CSOs continue to step up and lay the ground for fulfilling their own effectiveness commitments. As documented by the CPDE through the *Journey from Istanbul*, there is a growing body of evidence reaffirming civil society's integral roles as independent development actors, working towards maximizing their impact for peoples' development, with the guidance of the *Istanbul Principles*.

The 2nd High Level Meeting of the Global Partnership for Effective Development Cooperation (HLM2), held this past November in Nairobi, served as an important reminder for governments and for all other development stakeholders to uphold long-standing commitments on effective development cooperation. CSOs worked hard throughout the negotiation process. In the Outcome of this HLM2, CPDE welcomed the upholding of previous commitments, the reaffirmation of the *Istanbul Principles*, and the commitment to “reverse the trend of shrinking civic space” and provide “an enabling environment for civil society” (§18).

These positive achievements of the HLM2 add urgency to a need to follow up on commitments at the country level. In this respect, CSOs are proposing the development Country-level effectiveness compacts, or Country Compacts, that aim to foster an agreement of political goodwill at country level to support commitments made at the GPEDC. Such Compacts should specifically recognize the roles of civil society, premised on the *Istanbul Principles*, and reiterate the commitment to reverse the trend of closing and shrinking democratic spaces. These Compacts will also indicate concretely how practical engagement with the Istanbul Principles by CSOs will be further implemented and enhanced at the country level. Finally, country-level effectiveness compacts should be aligned with the implementation of the Agenda 2030, keeping in mind that similar effectiveness compacts can also be developed at the sectoral level.

What is a Country-Level Effectiveness Compact? What are its objectives?

The Country Compact is a multi-stakeholder agreement that is negotiated among development stakeholders who pledge to implement all commitments made on the issue of development effectiveness. Specifically, the Compact is a time-bound multi-stakeholder agreement that aims to:

1. Create a mutually agreed framework of understanding for increased and more effective development efforts at the national level;
2. Address and follow up on challenges that continue to hamper the full realization of effective development cooperation;
3. Serve as a national level mechanism to follow up on development effectiveness commitments of all stakeholders.

Signatories may include government, civil society, private sector, development partners, country level non-state actors, media and other stakeholders. The Compact may build on existing initiatives and mechanisms whenever possible such as Memoranda of Understanding or Codes of Conduct, etc.

What's Inside the Country Compact?

The Country Compact may include the following key elements:

1. Guiding Principles;
2. Specific commitments and obligations agreed by signatories to the Compact premised on the following:
 - a. Recognition and commitment to reflect on CSO practice consistent with the *Istanbul Principles*;
 - b. Re-commitment to reverse the trend of shrinking spaces for civil society;
 - c. Alignment with the implementation of the Agenda 2030
 - d. Support of commitments made at the GPEDC
3. Agreed-upon arrangements for reporting and monitoring the implementation of the Country Compact and the commitments contained within it;
4. Expected outcomes and a definite timeframe to achieve these.

Developing the Country Compact

Developing the Country Compact requires:

1. Extensive consultations and CSO workshops at the country or regional/sub-regional level to determine key priority areas that should be included in the Country Compact based on the country context;
2. Development of a Country Compact toolkit based on the results of country or regional/sub-regional consultations;

3. A national Country Compact development team that initiates, manages, implements and monitors the Country Compact;
4. Sustained dialogue with the government and other relevant stakeholders;
5. Financial commitment from donors or independent fundraising efforts/plans to ensure efficient application of Country Compact and/or alignment with national strategies; and
6. A mechanism for monitoring that reports challenges and achievements in implementing the Country Compact.