ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

DEVELOPMENT CO-OPERATION DIRECTORATE
DAC Working Party on Aid Effectiveness

2010 GOVERNMENT OF RWANDA AND DEVELOPMENT PARTNERS' MEETING

OPENING STATEMENT BY MR. KOOS RICHELLE, CO-CHAIR, OECD-DAC WORKING PARTY ON AID EFFECTIVENESS

KIGALI, THURSDAY 4 NOVEMBER 2010

Your Excellency, President of the Republic of Rwanda,
President of the Senate,
President of the Chamber of Deputies,
Right Honourable Prime Minister,
President of the Supreme Court,
Honourable Ministers,
Honourable Members of Parliament,
Excellencies, Members of the Diplomatic Corps and Heads of International Organizations,
Distinguished Guests, Ladies and Gentlemen.

I am honoured to have been invited by the Government of Rwanda to this meeting of development partners in my capacity as Co-Chair of the OECD-DAC Working Party on Aid Effectiveness.

Your Excellency, Mr President: In your statement at the Millennium Development Goals Summit in New York earlier this year, you asserted your belief that these Goals could be achieved with concerted efforts. I share this view, and am pleased to note that Rwanda's Development Partners do also. Although challenges remain, Rwanda has made significant efforts towards the Millennium Development Goals and I believe that through a continued emphasis on strong partnerships for development – as embodied by the eighth MDG – these Goals are within the reach of the Rwandan people. The Working Party on Aid Effectiveness is one such global partnership for development.

The United Nations Resident Coordinator has outlined the importance of the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action – I will not add to his comprehensive overview, but remind you that we now find ourselves in 2010 – the target year of the Paris Declaration – and that we must demonstrate the results of our efforts, and hold each other accountable for them.

The Working Party on Aid Effectiveness is a global partnership, but it has stressed the importance of ensuring that its work leads to action at the country level. This is why I am in Kigali today.

Excellencies, Ladies and Gentlemen,

As you know, the Working Party is now preparing for the Fourth High Level Forum on Aid Effectiveness, to be held in Busan, Korea in November 2011. At this key event, Ministers from both developed and developing countries and Heads of International Organisations will – along with civil society, parliamentarians and representatives of the private sector – look at whether the targets set for 2010 have been met. It comes at a particularly opportune moment: with only four years left until the 2015 target date for the MDGs, it provides us with a chance to consolidate our efforts and agree on a framework for high quality aid to help meet the MDGs.

The ownership and leadership of the Government of Rwanda in promoting aid effectiveness are recognised globally. It is my sincere hope that Rwanda will use its leadership and strong track record to date to help shape the political dialogue and outcomes in Korea next year. While we will look to Rwanda to showcase achievements at Busan, we must also be frank in recognising that despite concerted efforts, there are areas in which very limited progress is being made to implement our agreements on aid effectiveness. Although the mechanics of aid delivery are often highly technical, the solutions to effective aid are above all political. If, for example, country systems are strong, why are some donors still not using them?

I see my participation in your meeting as both an opportunity to learn about what has worked in Rwanda, but also to engage in an open and honest dialogue about what has not – and why.

Excellencies, Ladies and Gentlemen,

Discussions on development results are long overdue. The current climate accentuates this need – donors are increasingly talking about value for money, results, and reducing overheads. Our joint efforts on aid effectiveness should deliver this. We have not made enough progress – but where we have, we see results – for example, with the effective use of budget support towards the attainment of the MDGs in Rwanda.

Implementing our commitments on aid effectiveness requires sustained political commitment – and action – on the part of partner countries as well as from donors. The Government of Rwanda's efforts in the areas of sound public management and in combating corruption have received very positive attention both here and internationally. Ownership of development priorities and the aid that supports them should not lie only with executives, but history and contemporary experience show that ownership requires inclusiveness of all actors in society. Representatives of civil society, parliaments, the media and the private sector play an active role in efforts towards aid effectiveness at the international level, and their place in efforts within both donor and developing countries is also recognised.

Finally, we must not forget that "traditional" aid provides a small share of the resources needed to achieve the Millennium Development Goals. New actors and sources of development finance have grown in significance in recent years. As they engage with a broader range of development actors, developing countries should also seize the opportunity to ensure that this additional financing is matched with quality.

Your Excellency, Mr. President: you have often shared the view that aid is only a means to an end. Ultimately, Rwanda's long-term development will depend on ownership, and on economic growth driven by a vibrant private sector: a private sector that operates within an enabling environment, with the right legislation and enforcement of that legislation. Rwanda should be congratulated for its achievements to date in this area, as illustrated by its position as top reformer in the 2010 World Bank Doing Business report – I look forward to learning about more recent developments in this afternoon's presentation. Aid can play an important role in leveraging private sector development and, as such, the emphasis of this meeting on the linkages between aid and the private sector is timely.

Excellencies, Ladies and Gentlemen,

We must not walk away from commitments on aid effectiveness. The Paris Declaration and Accra commitments are the only agreements – *ever* – that focus on raising the quality of aid. The fashion is now to say that aid is small relative to other flows and its impact on development is limited relative to other policies such as trade. This is true. But it is still a business with a turnover of 120 billion Dollars a year. We must not be distracted from making sure that aid is as effective as possible – and this will be the most important contribution to development effectiveness in Rwanda that this meeting here can make.

I hope that this meeting will offer all participants the opportunity to engage in a frank dialogue around the costs of ineffective aid. I am honoured to have been invited to play a role in your discussions, and hope that these will lead to consensus on concrete actions which will ensure that aid has maximum impact on the wellbeing of the Rwandan people.

Thank you.