Policy Note

Topic Focus:

Follow-up to the UN International Conference on Financing for Development

Implementing the Monterrey Consensus

29 Nov-2 Dec 2008 / Doha, Qatar





A Call for Doha: Make Development Financing Accountable to Citizens

Development financing has not lived up to its promise of achieving a new, inclusive partnership among developed and developing countries as pledged in 2002 at the United Nations Financing for Development Conference in Monterrey, Mexico.

Absent is the commitment of countries to increase aid and leverage global wealth for the benefit of all. Missing are the mechanisms for transparency, mutual accountability and participation that are required for development financing to be effective, equitable and corruption-free.

For too long corruption has excluded citizens in developing countries from decisions that affect their lives, undermined public trust, increased inequalities and compromised international initiatives such as the achievement of the Millennium Development Goals.



This TI Policy Note was developed in response to the *International Conference on Financing for Development* held in Doha, Qatar, from 29 November – 2 December 2008.

The Doha meeting has been organised as a follow-up to the pledges made at the last UN conference, often called the "Monterrey Consensus". Its six commitments are rooted in the principles of justice, equity, democracy, participation, transparency, accountability and inclusion.

To learn more about TI's work on poverty and development, please visit: http://www.transparency.org/global_priorities/poverty.

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The representatives from governments, businesses and civil society, convening in Doha to review progress since Monterrey, against the backdrop of the financial crisis, must set out achievable goals, with timetables for action, to ensure that development is not undercut by corruption and involves and benefits citizens. Transparency International (TI) calls for urgent, priority actions by:

Governments:

- The UN Convention against Corruption (UNCAC) must be supported as a framework to stop public and private sector corruption from siphoning off development funds. TI calls for remaining governments — including Germany, India, Japan, Saudi Arabia and Venezuela — to ratify and for all to commit to a strong monitoring mechanism.
- Mechanisms, including aid transparency, must be adopted to ensure that increased development assistance does not result in increased corruption. Incentives and institutions to prevent, detect, and mitigate corruption must be established or strengthened.

Businesses:

- Companies need to put in place effective systems to detect and deter corruption.
- Developed countries must break with business as usual and clamp down on illicit activity enabled by off-shore financial centres and tax havens. Current practices are unacceptable and criminal.
- Companies, particularly when operating in resource-rich countries, must ensure transparent reporting and information disclosure. This includes country-by-country reporting of operating results.

Civil Society:

- Citizens must have a voice in developing and implementing policies and proposed financing reforms. Citizens have a right to participate in development.
- Civil society must be provided with the space and resources to participate in development. Restrictive laws and lack of donor support continue to constrict civil society in many countries.

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Transparency International (TI) is the civil society organisation leading the global fight against corruption. Through more than 90 chapters worldwide and an international secretariat in Berlin, Germany, TI raises awareness of the damaging effects of corruption, and works with partners in government, business and civil society to develop and implement effective measures to tackle it. For more information go to: www.transparency.org