

Terms of Reference

LCG Aid Effectiveness Working Group

1. Background

The Government of Bangladesh (GOB) and its development partners (DPs) meet regularly to discuss development issues in Bangladesh through the Local Consultative Group (LCG) mechanism. The basis for the discussions is the national strategy for poverty reduction and other sectoral strategies and policies. In June 2010, GoB and its DPs agreed to implement the Joint Cooperation Strategy (JCS). The overall objective of the JCS is to improve the way GoB, DPs and other stakeholders work together in order to make aid more effective in Bangladesh. Under the JCS, it was decided to establish a new LCG Aid Effectiveness Working Group (AE WG) to provide support to and monitor the implementation of the JCS Action Plan and other related aid effectiveness tasks.

2. Objectives and Mandate

The main objective of the AE WG is to contribute towards more effective and coordinated implementation of national policies, strategies and plans. To this end, GoB and DPs have agreed to implement the JCS, the principles and actions of which are drawn from the Paris Declaration 2005 and the Accra Agenda for Action 2008.

The LCG AE WG's activities are steered by the JCS Action Plan. The key elements in the plan are based on Paris and Accra commitments and are framed with "expected outcomes/results, targets/indicators, milestones and planned actions". The JCS Action Plan will be monitored regularly by the AE WG, and progress will be reported to ERD Secretary and LCG Excomm.

3. Organisational Set-Up

The organisational and operational arrangements for the LCG AE WG are as follows:

- a) The AE WG is chaired by the Joint Secretary (Coord), ERD and National Coordinator, Paris Declaration Implementation.
- b) A Co-Chair from the DPs will support the Chair in organising meetings and ensuring effective communication with all stakeholders.
- c) The Co-Chair is to be nominated by consensus from within the DP members of the AE WG whenever the position falls vacant. The term of position is one year with the option of one additional consecutive term if re-nominated and re-confirmed.
- d) The AE WG is based within the ERD Aid Effectiveness Unit (AEU). The group is currently able to draw human and financial resources from the UN managed Aid Effectiveness Multi-Donor Fund (MDF), co-funded by Denmark, Sweden and the UK as well as through other channels made available by the members.
- e) ERD AEU, led by the JCS Coordination Officer, is responsible for organising the meetings, preparing documentation, writing the minutes of AE WG meetings, maintaining

membership and task team lists, supporting the monitoring of the JCS Action Plan, and any other tasks assigned by the Chair. They will be supported by the DP Co-Chair.

- f) The AE WG will meet every two months. Ad-hoc meetings, if required, may be called for by either the Chair or the Co-Chair, and meetings can also be held separately. Draft minutes will be circulated to all members after each meeting.
- g) The outputs of the AE WG are to be defined in annual work plans prepared by ERD AEU, led by JCS Coordination Officer and approved by the members.
- h) The ToR of the AE WG will be revised annually under the guidance of the AE WG Chair and Co-Chair, and approved by consensus by the members of the group.
- i) In consultation with the AE WG members, the Chair may form task teams to perform specific actions within the mandate of the group.

4. Tasks and Responsibilities

The tasks and responsibilities of the AE WG include the following:

- **To provide a forum for establishing consensus on aid effectiveness priorities.** The AE WG will seek ways of translating the commitments of Paris and Accra in the context of Bangladesh. To that end, the groups will also take into account relevant international experiences on aid effectiveness.
- **To facilitate common understanding** and integration of aid effectiveness policies, approaches and efforts of DPs. This will require exchange of information on aid effectiveness related matters, including a regularly updated inventory of GoB and DP activities in this area.
- **Monitor and provide support to the implementation of the JCS Action Plan**, under the supervision of the ERD Secretary and the LCG Excomm.
- **To prepare a consolidated annual JCS Progress Report for review by the LCG Plenary.** The annual progress report will be based on the implementation reports of the parties responsible for implementation of the JCS Action Plan. The AE WG will also report on constraints in the achievement of any other goals set by GoB and DP's on aid effectiveness related matters.
- **To prepare the JCS Action Plan for the following fiscal year**, with clear responsibilities, actions, milestones and timeline. The LCG Plenary will review the annual JCS Progress Report, and approve the JCS Action Plan for the following year.
- **To utilise task teams** to help achieve objectives related to the AE WG's mandate. These task teams are formed by consensus of all members, and will have a clearly defined objective and life span.

5. Membership

Members of the Aid Effectiveness Working Group are representatives of GoB and self-selected DPs with an interest to work towards improved aid effectiveness in Bangladesh. In addition to the regular members, other resource persons and consultants may be invited with agreement of the members. A membership list is attached in Annex 1.

Annex 1: Membership of LCG AE WG (November 2011)

Government of Bangladesh

1. ERD, AEU (Chair)
2. FABIA, ERD
3. PM's Office
4. GED, Planning Commission
5. Finance Division

Development Partners

1. ADB
2. Australia
3. Denmark
4. EU Delegation
5. Japan
6. Netherlands
7. Sweden
8. UK
9. UN
10. USA and
11. World Bank