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# A Year after Busan: Where is the Global Partnership Going?

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# ABSTRACT

The paper takes a critical look at the Global Partnership for Effective Development Cooperation, assessing progress, trends and challenges that have emerged in the year since the Fourth High Level Forum held in Busan. It examines the Global Partnership through the lens of accountability, inclusive participation and political effectiveness, and analyses whether improvements have been made from the previous co-ordinating structure of the Working Party on Aid Effectiveness. The paper discusses the monitoring framework, indicators and the governance mechanism put into place for the new partnership at global, regional and country level, highlighting perspectives from Africa, South Africa and other emerging economies. It also explores links with other global processes, such as the Group of 20 Development Working Group, the UN Development Cooperation Forum and the Post-2015 Development Agenda. The paper concludes by providing insights and recommendations to countries, development partners and international organisations on priority areas in the current global architecture to improve the effectiveness of development co-operation.

# ABOUT THE AUTHOR

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# ABBREVIATIONS AND ACRONYMS

AP-Dev	African Platform for Development Effectiveness
BRIC	Brazil, Russia, India and China
BRICS	Brazil, Russia, India, China and South Africa
CIPE	Centre for International Private Enterprise
CSO	civil society organisation
DAC	Development Assistance Committee (OECD)
DFID	Department for International Development (UK Government)
DWG	Development Working Group (G-20)
ECOSOC	Economic and Social Council (UN)
G-20	Group of Twenty
GPEDC	Global Partnership for Effective Development Cooperation
HLF	High Level Forum (on Aid Effectiveness)
HLP	High Level Panel
IBSA	India, Brazil and South Africa
IMF	International Monetary Fund
MDG	Millennium Development Goal
NEPAD	New Partnership for African Development
NPCA	NEPAD Planning and Coordination Agency
ODA	official development assistance
OECD	Organization for Economic Co-operation and Development
PBIG	Post-Busan Interim Group
SADC	Southern African Development Community
SDG	Sustainable Development Goal
UNDCF	UN Development Cooperation Forum
UNDP	UN Development Programme
WP-EFF	Working Party on Aid Effectiveness

# INTRODUCTION

Historically international development efforts have focused on the North–South aid paradigm, and accountability for this form of global co-operation has been followed through the systems of the Organisation for Economic Co-operation and Development's Development Assistance Committee (OECD–DAC). Between 2003 and 2012 the OECD– DAC hosted the multi-stakeholder Working Party on Aid Effectiveness (WP-EFF), which monitored progress on ODA commitments and provided the main substance for discussions at the High Level Forums on Aid Effectiveness (HLFs).<sup>1</sup> Over the course of the past decade, HLFs have seen an increased participation of development players. The First HLF (HLF1) was held in Rome in 2003 as a 'donor club', and subsequently evolved into an enhanced engagement of developing countries in the Second HLF (HLF2) in Paris in 2005. During the Third HLF in Accra in 2008, civil society organizations (CSOs), parliamentarians and other non-state actors joined the aid-effectiveness table. The Fourth HLF (HLF4) in Busan in 2012 saw the inclusion of the private sector and the emerging economies under the umbrella of the Global Partnership for Effective Development Cooperation (GPEDC).

Busan reflected the new global development landscape, which now includes a multiplicity of players providing assistance to developing countries through a diversity of approaches and modalities. The global financial crisis of 2008 and recent natural disasters<sup>2</sup> have rearranged traditional power relations; and new emerging economies, the private sector and climate change priorities have started to play a bigger role in the global development universe. Busan invited partners to go beyond aid and explore avenues of policy coherence in support of development efforts. Africa's engagement with the discourse has also evolved; showing more leadership in its own development trajectory and seeking alternative forms of financing, such as through domestic resource mobilisation, trade integration, fighting corruption, addressing capital outflows, and tapping into private investment in support of infrastructure development and employment generation.

Busan renewed the global architecture by establishing a new legitimate and inclusive multi-stakeholder partnership that would better reflect the changing nature of international development and the more prominent role of new actors. The 160 countries and 45 organisations endorsing the Busan outcome document agreed to the principles of country ownership, and to focus on results for the poor, inclusive partnerships, and transparency and accountability. Such a partnership would involve shared goals, but 'differentiated commitments' for providers of South–South co-operation, which were subject to Busan commitments on a 'voluntary basis'.<sup>3</sup> Although the Busan outcome document was criticised for being a much weaker and watered-down agreement compared with those from previous HLFs,<sup>4</sup> developing a framework that would accommodate the vast diversity of stakeholders required many compromises and also left many loose ends.<sup>5</sup>

The Working Party on Aid Effectiveness (WP-EFF) was mandated to finalise a new set of indicators by June 2012 that would govern the Global Partnership, and to establish a new global structure to monitor the Busan commitments. Compared with the WP-EFF, the new Global Partnership was expected to be operationally 'light'; more 'inclusive, legitimate and representative'; backed up by 'high-level political engagement'; and better linked to the Millennium Development Goals (MDGs) and other global development processes.<sup>6</sup> The MDGs and other UN processes would determine 'what' the global development agenda would be, while the Global Partnership would guide partners on 'how' global, regional and national development efforts should be undertaken.

More than a year has passed since the Busan HLF, during which time much technical and political capital has been invested in the consultation process. However, it remains to be seen whether the initial aspirations of Busan are starting to materialise, and whether the systems and institutions proposed are indeed an improvement from previous ones. The paper analyses the Global Partnership through the lens of accountability, inclusive participation and political effectiveness, which were promised at its inception. It takes a critical look at the monitoring framework and the governance mechanism put into place for the new partnership. It highlights perspectives from Africa and the emerging economies in these debates. Finally, it examines the links of the Global Partnership with other currently debated global processes, such as the Group of 20 (G-20) Development Working Group, the UN Development Cooperation Forum (UNDCF) and the Post-2015 UN Development Agenda.

## THE POST-BUSAN NEGOTIATIONS - FROM PARIS TO LONDON

In the first half of 2012, a Post-Busan Interim Group (PBIG) was tasked to continue working on the new global arrangements. The initial group of the chair, Talaat Abdel-Malek, and 18 sherpas, who had negotiated the Busan outcome document, increased to 25 sherpas, to include – among others – the African Union and the Inter-Parliamentary Union. From the big emerging economies, initially Brazil, China and India participated in the discussions as 'active observers'. However, as the meetings progressed, their participation decreased and they became 'less active observers' and less interested in how the partnership was developing. Mexico and Korea had already been absorbed into the OECD machinery,<sup>7</sup> but the BRIC countries (Brazil, Russia, India and China) continued to keep their traditional distance from DAC processes.

South Africa took a different approach to the other major emerging economies in its engagement with the Global Partnership. As is also its practice in the G-20 and World Bank meetings, South Africa used its global economic stature to promote the broader African agenda and to advocate for the priorities of least-developed countries. One of the main differences of the HLF4 was that African countries were better organised, and more articulate and coherent than ever before (see Box 1). The African Union played an important role in co-ordinating the continent's position, and Rwanda and Mali acted as powerful ambassadors for Africa's priorities, representing Africa on the PBIG.

#### Box 1: The African Consensus on development effectiveness

Between 2010 and 2011, the New Partnership for African Development (NEPAD) Planning and Coordination Agency (NPCA) and the African Union Commission led a consultative process among state and non-state actors that culminated in the drafting of the 'African Consensus'. The document relected the new development effectiveness paradigm, strongly advocated by Africa, in which the development community was urged to break the cycle of aid dependency and to look at new sources of development financing, including domestic resources, remittances, trade and private-sector development, and foreign and local investment. The importance of strengthening national revenue systems and fighting illicit capital outlows was also addressed. The African Consensus focused strongly on capacity development, knowledge sharing, infrastructure development and regional integration. It emphasised the need to implement the unfinished aid effectiveness commitments from the Paris and Accra HLFs; and the importance of national ownership and the use of country systems. South–South co-operation and emerging donors were welcomed and seen as complementary to North–South co-operation, providing African countries with more choices in their country-led development processes. The African Consensus helped African stakeholders to speak with 'one voice' at the HLF4 in Busan, and to have a common reference point in their advocacy efforts pre- and post-Busan.

With the backdrop of the global financial crisis, decreasing flows of official development assistance (ODA), and a failure to reach previous Paris and Accra commitments,<sup>8</sup> the post-Busan discussions were polarised between traditional and new donors wanting a more aspirational framework with fewer commitments, and recipient countries demanding more accountability, technical elaboration and greater political weight to the new partnership. Having realised the political implications of a complex global accountability system, DAC donors were unwilling to finance another heavy machine such as the Paris Declaration monitoring and evaluation system.<sup>9</sup> Partner countries and civil society, on the other hand, saw the value of such frameworks and put forth proposals with 12 to 17 indicators for monitoring Busan commitments. Rwanda and the UK took responsibility to finalise the work on the indicators, while most of the other PBIG members took a bigger interest in discussing and drafting proposals for the governance structure, which was of a higher political sensitivity and visibility than the monitoring framework.

The various proposals for monitoring frameworks and governance structures prepared by the PBIG were put forth and approved in the final WP-EFF meeting on the 28–29 June 2012 in Paris, which included the participation of prominent figures such as Helen Clark (UNDP), Angel Gurria (OECD), Andrew Mitchell (UK's DFID), Emilia Pires (East Timor) and Maxwell Mkwezalamba (African Union Commission). Staunch WP-EFF and PBIG Co-Chair, Talaat Abdel-Malek, officially closed the meeting with a reflection on the gradual rise of partner countries to the forefront of the decision-making table in the seven years since the HLF1 in Rome.<sup>10</sup> The WP-EFF had successfully 'self-destructed' to make way for a new and supposedly better platform, and the Paris Declaration framework was replaced by a new monitoring framework for the Global Partnership for Effective Development Cooperation.

# THE POST-BUSAN MONITORING FRAMEWORK

Discussions on a new global monitoring system to assess the effectiveness of development co-operation after the Paris Declaration had already begun before Busan and were brought

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to the political table during the HLF4. Much work, however, was still to be done to define the details of the framework in the post-Busan negotiations. The final proposal prepared by the UK and Rwanda of 10 indicators for the global monitoring system was approved without much objection in the final meeting of the WP-EFF in June 2012. Nevertheless, to date much work has yet to be done to operationalise the new framework.

Some development partners would have been happy for the Global Partnership to be a simple platform where experiences and lessons on development co-operation could be shared. Other stakeholders felt that forums of this kind already existed at both global and regional level. In order to move beyond the knowledge-sharing function, the partnership needed to have a strong system of accountability, structured around a rigorous monitoring system. This is where indicators are critical, as what is accomplished is usually what is being measured. For an accountability framework to be useful and to propel change, clear and realistic targets need to be agreed upon which partners endeavour to achieve, regularly review progress on, and report to their peers and to the public. Although there are no enforcement mechanisms in international relations, global monitoring plays an effective role in helping to exert peer pressure. It provides countries with incentives, pride and shame to honour their commitments and to compete with one another, as they are ranked on performance based on compliance with global standards. Methodology used to measure performance, however, can always be problematic and contested.

One of the strengths of the Paris Declaration was that it was accompanied by a clear set of 12 indicators devised by the OECD and the World Bank, with the help of a few economists. These indicators could be monitored easily by the WP-EFF, both globally and nationally, based on existing data. However, despite the powerful accountability system put in place, the report from the 2011 Paris Declaration Monitoring Survey revealed that the international community had managed to achieve only one of the targets since 2005. Another report evaluating the Paris Declaration<sup>11</sup> nevertheless revealed that the process was a positive one and had contributed to the change of culture, practice and behaviour of the international development community. Also, although as a whole the global community had performed poorly on the Paris Declaration, several donors and especially partner countries had achieved and exceeded many of the targets.<sup>12</sup>

In any monitoring system there needs to be a clear understanding of the primary issues of concern and who exactly is being held accountable for achieving the specific targets and commitments. This requires a careful balance of roles, responsibilities and needs of the various parties in the partnership. In his analysis of the Busan Partnership, Homi Kharas<sup>13</sup> explains the concept of domestic accountability (linked to the notion of 'democratic ownership') where government, civil society and the private sector keep each other in check through an accountability triangle. Domestic accountability of the Global Partnership further intersects with the notion of 'vertical accountability', which involves the relationship between donors and recipients. However, in the current landscape, vertical relations are being increasingly replaced by 'horizontal relations' of equal partnership and mutual benefit, particularly among Southern nations. Emerging economies in fact are both recipients as well as providers of development assistance. Where they fit in the global accountability framework and whether they have dual responsibilities (as donors and recipients) or should be exempted from the accountability mechanisms are some of the complexities that have fuelled the debate on the 'voluntary' nature of South-South co-operation in adhering to Busan commitments.

#### 'Country focused'

One of the informal slogans of Busan was that the new Global Partnership for Effective Development Cooperation should be 'global light and country focused'. This marked a clear change from the previous Paris system, which was implemented centrally and managed by the OECD-DAC. Aside from reducing costs to global structures, the rationale behind this is that countries can be more flexible in shaping their own development co-operation accountability framework based on their national priorities and existing monitoring processes. The assumption is also that national governments are better able to exert pressure on the development partners that operate in their countries. These assumptions, however, are based on the capacity of recipient countries to develop and manage such monitoring systems and leverage their donors effectively. Therefore, the concept of 'global light and country focused' can also be fairly risky and potentially cause some back-sliding on existing achievements on aid-effectiveness practices. Country-level monitoring systems will still be modelled on the global system, which acts as an important reference point, into which national information will eventually feed. Past experience has shown that host governments struggle to persuade development agencies to change their practices and procedures. Aid agencies operating at country level argue that their operational modalities are decided in their capitals rather than the field offices. Therefore in the previous system there was some merit to the Paris-centred approach, as there was strong political buy-in from the headquarters of all the major DAC development partners.

Major leadership and capacity is required by developing countries to implement new 'country compacts'<sup>14</sup> with their respective development partners. Some of the questions that need to be addressed include which forms of development assistance – from civil society, the private sector, emerging donors, and climate change financing – should be included in the national development co-operation accountability framework. Monitoring at country level is expected to also take a more qualitative nature to complement the more quantitative approach at global level.<sup>15</sup>

Although not revolutionary, Busan has provided fresh impetus to countries that were already in the process of developing or updating their aid policies and mutual accountability frameworks. Some examples in Africa of good work being done on national monitoring frameworks include Tanzania, Mozambique, Malawi and Madagascar. Zambia's Mutual Accountability Framework for Aid and Development Effectiveness includes the private sector and civil society. Rwanda's donor assistance framework has also started to look at emerging donors. One interesting case is Cambodia, which is one of the few countries where China participates in the aid effectiveness reporting process.<sup>16</sup> The Pacific Islands Forum Compact, the Windhoek Declaration of the Southern African Development Community (SADC),<sup>17</sup> and the African Union's African Platform for Development Effectiveness (AP-Dev) are good examples of progress being made on mutual accountability at regional level. Most of these developments, however, preceded the discussions in Busan; and overall the post-Busan establishment of new accountability frameworks for development co-operation at country-level has been very limited.

In South Africa, although aid flows have been declining gradually,<sup>18</sup> the country has continued to maintain leadership of its development co-operation, while still being challenged with major issues of co-ordination, information management and mutual accountability. Currently the Ministry of Finance is taking steps to integrate charitable

organisations into the national aid monitoring frameworks, and exploring ways to deal with incoming assistance that is increasingly in the form of non-concessional loans and climate change financing.<sup>19</sup> One opportunity for the South African government to consider will be the role of the domestic private sector, which currently contributes nearly ZAR 7 billion a year<sup>20</sup> in corporate social investments – almost equal to the ODA that the country receives from all bilateral and multilateral donors. Like all other emerging economies, South Africa will have to decide whether the same rules it wants to apply to its incoming aid will also apply to its outgoing development co-operation, especially in light of the upcoming establishment of its new development partnership agency (SADPA).

Although, ideally, experiences and lessons from the development and implementation of country monitoring could have fed into the design of the global monitoring system, countries have also been waiting for the global framework to be put into place so they can use it as a reference for their national compacts with their development partners. Unfortunately, progress on the global monitoring system has been very slow, which has affected the implementation of Busan commitments at country level. With an overemphasis on global governance in the first year of operation of the Global Partnership, the critical aspect of country-level monitoring systems has been deeply neglected by all partners.

#### Recurring problems with indicators

The sheer plethora of partners and stakeholders gathered around the Global Partnership umbrella has broadened the agenda, but has also diluted it. The Busan outcome document ended up as a 'fruit salad' and 'wish-list' of priorities expressed by the numerous participating interest groups. These interest groups brought to the fore many issues on the margins of the aid effectiveness debate, such as enabling democratic or civil society space; engaging the private sector; gender-based public spending; and strengthening country financial management systems. Strictly speaking, some of these issues are less directly related to development co-operation than others, and, although very important, may be better addressed in other forums.<sup>21</sup> In the post-Busan negotiations, compromises needed to be made and the long list of priorities narrowed down to a limited number of indicators for the global monitoring framework.

As demonstrated by the MDGs, having a clear, concise number of measurable targets is much more powerful in rallying political commitment, raising funding and drawing attention to the issues at hand. Political and technical considerations were weighed and, in the June 2012 meeting of the WP-EFF, a final list of 10 indicators was approved (Table 1).

Table 1: Proposed global indicat	ors for monitoring	Busan commitments
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1	Development co-operation is focused on results that meet developing countries' priorities
2	Civil society operates within an environment which maximises its engagement in and contribution to development
3	Engagement and contribution of the private sector to development
4	Transparency: information on development co-operation is publicly available
5	Development co-operation is more predictable

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6	Aid is on budgets which are subject to parliamentary scrutiny
7	Mutual accountability among development co-operation actors is strengthened through inclusive reviews
8	Gender equality and women's empowerment
9	Effective Institutions: Developing countries' systems are strengthened and used
10	Aid is untied

Source: DCD/DAC/EFF, 8/REV1, Proposal by Post-Busan Interim Group to the last meeting of the Working Party on Aid Effectiveness, 28–29 June 2012, UNESCO, Paris.

Some of the Paris indicators were renewed, while five new indicators were added (Indicators 1, 2, 3, 4 and 8). To economise in the new framework, two of the previous indicators were merged into a new composite indicator such as for Indicators 1 and 9, where mutual efforts are required from both providers and receivers of development co-operation. The Busan indicators tried to stay away from substantial development outcomes that are more appropriately captured in the MDGs, the post-2015 framework, and in the national and regional development frameworks. They rather focused on the process and practice of 'how' development co-operation should be done. Technical and methodological issues related to data availability are starting to surface and questions remain if national monitoring and statistical systems are strong enough to supply data for such global monitoring frameworks.

As in the Paris framework many of the indicators, such as predictability and tied aid, are still measured ex post through donor self-reporting, thus suffering from major reporting bias. A more appropriate mutual accountability system should rather have recipient countries appraising donors on their indicators, and provider countries assessing partner countries on their indicators. According to DAC reports, for example, almost 90% of aid from OECD countries is untied,<sup>22</sup> but this is masked by the fact that the reports do not include scholarships, training and technical co-operation, which represents the majority of development assistance that Africa receives.<sup>23</sup> In this regard there is not much difference between traditional donors and emerging or Asian donors, which are often singled out for their tied-aid practices. Furthermore, the 'Paris' indicator on assessing the 'use of and quality of country public financial management systems', which is done on the World Bank's Country Policy and Institutional Assessment, does not apply to middle-income countries. Aid on budget has been strengthened by defining it as reviewed by parliament, but challenges remain in aligning donor budget cycles to country budget cycles, which are often different (like in South Africa).

Likewise, almost all new indicators in the system present some problems. For example, in the donor indicator 'partners using country results frameworks', it is unclear how consistency of reporting can be achieved when some partner countries have not yet established such national results-based systems.<sup>24</sup> Who decides if a recipient country's framework is solid enough to be used and to what extent it can be used is another uncertainty. In the new post-Busan monitoring framework gender-based budget allocations have been emphasised, but the indicator relates only to recipient countries and not to development partners, where the flow of resources usually begins. Interestingly, the post-Busan framework has dropped all the previous co-ordination and harmonisation

indicators of Paris and Accra, such as programme-based approaches, division of labour, joint missions and analytical work. Whereas for the EU and the DAC project proliferation and fragmentation of aid remain priority concerns, Africa and other developing countries benefit from the presence of multiple donors in their territories, which offer distinct packages with different conditions, thus allowing recipient countries various options for development financing.

#### Accountability of new actors

One of the most promising agreements reached in the post-Busan discussions has been the adoption of a new common standard for publishing information electronically. This will involve a combination of the standards of the International Aid Transparency Initiative and the previous Creditor Reporting System (CRS++) and Forward Spending Survey of the OECD–DAC. This is an important landmark in the transparency agenda. All traditional providers have committed to producing implementing schedules for the common standard by end of 2012, although at the time of writing this paper these had not yet been published. A major question that remains is whether all the partners that subscribed to the Busan Partnership (South-South providers, the private sector, civil society, and philanthropic foundations) will report their development assistance according to this standard, and how the issues of capacity and 'differentiated commitment' tie into this. In order to clarify the application of the transparency indicator further, political consensus among partners is required. Further clarification is required on the level of detail, frequency and availability of aid information. Many development partners have expressed their good intentions to make aid data openly available, but this needs to be matched by concrete examples of platforms where data is being published and easily accessible to all stakeholders and the general public. Eventually decisions need to be taken on where the common repository will be housed and how open and easily accessible it will be. The OECD is ready to host a potential global aid information management system,<sup>25</sup> but such a move would do little to dispel the perception that development co-operation remains a DAC-driven process.

In the spirit of Busan, some indicators deal with the issue of inclusivity and participation (ie of civil society, the private sector, and parliament) in development processes. The Global Partnership's civil society indicator will be based on the work CIVICUS is doing on the enabling environment index. This will be a composite index that tries to capture a country's legal, political, governance, social, economic and cultural context. Development of this indicator has been slow owing to its complexity, methodological challenges, data availability and capacity constraints, particularly in developing countries. This indicator captures more of the democratic space, and less of the actual role of civil society in achieving development results and effectiveness of civil society activities. These were perhaps better captured in frameworks such as the Siem Reap Consensus (2011) and the Istanbul Principles for CSO Development Effectiveness (2010).<sup>26</sup>

Similarly, the indicator on private sector engagement in development is equally problematic, with limited progress being made. Currently the post-Busan discussions are leaning towards a more superficial interpretation to private sector involvement in development, by focusing on expanding avenues of 'consultation' between state and corporate actors. However, the scope and quality of this engagement needs to be further elaborated upon. The Global Partnership needs to give more thought to the role of the private sector as a 'beneficiary', 'implementer' and 'provider' of development co-operation. The discussions so far have focused on using development co-operation to support private sector development, as an engine of economic growth, job creation, innovation and technology transfer, in support of the needs of developing countries. Further exploration is needed on the role of the corporate sector as an implementer of development services, through innovative public–private partnerships. Civil society is very wary of these debates, which historically have fuelled corruption and served to promote a neo-liberal agenda (seen as inimical to the interests of the poor). Corporate social responsibility has an important place in these debates as addressing ethical practices in labour, the supplychain, environment protection and provision of pro-poor products and services.

Little discussion has gone into the important role and responsibility of the private sector as a provider of development assistance. Different studies<sup>27</sup> show that the global corporate sector and philanthropic financing in today's development landscape is quite substantial. This needs to be tapped into better and channelled into the development effectiveness discourse. Aside from direct contributions to government revenue through taxation and licences, the private sector can contribute significantly to public infrastructure and, in many cases, to community development.<sup>28</sup> To illustrate the case of the US alone, the biggest donor in the world, the government provides \$30 billion in ODA each year, while the corporate and philanthropic sectors provide \$40 billion in charity and \$3 trillion of private direct investment to the developing world.<sup>29</sup> Much more attention needs to be given to further exploring and increasing the effectiveness of these alternative financing mechanisms for development.

#### **Forging ahead**

The new monitoring framework was set to measure the effectiveness of development co-operation of the global community by 2015, to coincide with the target date of the fulfilment of the MDGs. The Busan outcome document had marked June 2012 as the deadline for the completion of the monitoring framework, aiming for it to come into operation by the end of the year. However, the monitoring and accountability system of the Global Partnership is still far from being robust and ready to be implemented. The timeline for finalisation has thus had to be extended to March 2013. Technical and methodological issues need to be addressed urgently. Furthermore, these indicators will have to be field tested in a few pilot countries in order to ensure that they can be easily measurable at a reasonable cost; that data is available; and that countries have the capacity to implement such monitoring systems. The Joint Secretariat (UNDP and OECD) is currently preparing the operational guidance notes and survey instructions for countries that will start testing the monitoring framework. The first post-Busan ministerial meeting will be held in the last quarter of 2013; and to maintain political momentum with the process, it is important that partners are able to see the Global Partnership framework in action and the preliminary evidence being gathered using the new indicators.

# THE GOVERNANCE CONUNDRUM OF THE GLOBAL PARTNERSHIP

Busan forged a new global partnership among a vast diversity of development players. This required a new legitimate governing body that would promote accountability of all stakeholders, encourage mutual learning, sustain political momentum and support country-level implementation of Busan commitments. The final outcome of the PBIG discussions was a three-tier 'global light' system, which included a high-level ministerial forum, a steering committee and a joint secretariat managed by the OECD and UNDP.

#### 'Global light' secretariat

In the previous dispensation, global aid effectiveness debates occurred within the monstrous system of the WP-EFF, made up of numerous (at times up to 15) different task teams and work strands, which would converge in the biannual WP-EFF plenary meeting, consisting of a room full of hundreds of people, including delegates, advisers, observers and support staff. Most participants of the WP-EFF were low-level officials and technocrats who could not advance the agenda, as it was often stalled by political bottlenecks. The international community could therefore not afford to invest the human and financial resources to continue such a heavy mode of operation.

Participants at Busan, particularly fatigued donors, were very clear that no new international organisation should be created and that the secretariat of the Global Partnership should remain light and slim. Building on their historical collaboration and their complementary strengths, it was decided that the OECD and UNDP would utilise their existing structures in Paris, New York and other regional centres to provide support to the Global Partnership. The OECD would bring experience and continuity from 25 years of analytical and aid monitoring experience and the political backing of the industrialised nations. The UNDP would bring more legitimacy to the Global Partnership, as it would reflect the broad-based representation of the UN. Furthermore, the UNDP's involvement would hopefully better link the aid effectiveness agenda to the broader UN and MDG processes. Through its field presence in 160 countries, it could provide better support to developing countries and to South–South co-operation stakeholders. Sceptics, however, fear that the historical traits associated with the OECD (with its North-driven agenda) and the UN (with its inefficient bureaucracy) could also hinder substantial progress on the Global Partnership.

The joint team of the UNDP and OECD has proposed a budget of \$7.7 million to support the Global Partnership over a two-year period up to December 2013.<sup>30</sup> This will involve the costs of running a global secretariat to assist the work of the co-chairs, as well as a 'help-desk' facility to support country-level implementation and ensure consistency of monitoring and reporting processes. Half of the budget has already been secured through the OECD contributors, but the remaining amount still has to be raised by the UNDP. It is still unclear what resources will come from Southern and private sources to fund this new enterprise. Sinclair<sup>31</sup> has also suggested that for the Global Partnership to be dissociated from its DAC-driven stigma, it probably needs to give some thought to moving its 'spiritual home' away from Paris.

#### Agonising birth to Global Partnership Steering Committee

The most heated and sensitive decision of the PBIG concerned the membership of the Global Partnership's Steering Committee, which would prepare ministerial meetings and oversee the global accountability mechanism. To keep the governance light, the steering committee would meet every 6–12 months to guide the secretariat.

The tensions in establishing the Global Partnership steering committee lie between creating a body broad enough to represent the vast spectrum of development players but at the same time light and efficient in its functioning. The final make-up of the steering committee decided in Paris included three co-chairs (donor, recipient and provider–receiver country), three seats for providers of assistance, five seats for recipients of assistance (including one fragile state), and one seat each for 'recipient–provider' country, civil society, parliamentarians, private sector, multilateral banks, and the UNDP and OECD.

The 18-member steering committee might be slightly more representative than the previous WP-EFF, but still not representative of all the stakeholders in the development community in their political, economic and geographic diversity. Legitimate demands for seats for institutions representing local and regional governments, trade unions (to balance private sector interests), civil society and regional organisations were not met, resulting in vehement reactions. Strong contestation came also from regional institutions, especially the African Union, which demanded a seat as the development effectiveness focal point for 54 countries on the continent. The counter-argument was that regional organisations could take up the seats of aid recipients in future, in the same way that a northern regional organisation (the EU) took one of the seats for the providers of assistance. The WP-EFF left the controversial issue of additional members as a prerogative to the steering committee to decide. The steering committee, however, preferred not to reopen these debates, referring the issue to the ministerial meeting in 2013. This was also in the interest of pushing forward with the heavy workload of preparing for the ministerial meeting with a small and efficient group, rather than a cumbersome all-inclusive structure.

Currently the steering committee's composition is constituency-based and its members serve for two years. This type of arrangement is heavily dependent on good communication among the constituents. Constituents also require the capacity to manage co-ordination. Although the industrialised countries already have consolidated platforms such as the OECD to make such decisions, the developing nations and the emerging economies do not have such formal mechanisms of representation and they are much more numerous and heterogeneous.

Ghana and Rwanda recommended the continuation and formalisation of the partner country caucus, which had been established in the lead-up to Busan. Recipient countries were allocated more seats (five) on the steering committee compared with the WP-EFF, but it was not easy to divide the seats among all the African, Latin American, Asian and Pacific countries. Constraints in developing countries' technical capacity also affect the quality and extent of their representation and influence in the Global Partnership agenda. The selection of the African co-chair (Nigeria) as well as the African member (Chad) was facilitated by the African Union. Traditionally the African Union operates on the principle of rotation, providing the opportunity for all its members to build their capacity. Thus the seats on the Global Partnership steering committee were given to new countries and not to those that had been involved in the PBIG (Rwanda and Mali). This practice, however, has also its weaknesses, as it does not allow for countries to build up sufficient expertise to be effective in negotiations over time.

Deciding on the seats for the emerging economies was an even more complex task. Emerging powers were polarised between new OECD members (Korea and Mexico) and traditional OECD antagonists (China, Brazil and India). South Africa stepped up to take an important brokering role among the middle-income countries. Supporting the overall African agenda and the need for increased accountability in development co-operation, South Africa engaged actively in the process and facilitated the selection of Indonesia as the co-chair, as well as Peru to represent the countries that are both providers and receivers of assistance. South Africa, however, chose not to have a seat in the new steering committee, citing a stretched capacity and the need to focus on defining its role in the development landscape by finalising domestic discussions around the establishment of the new South African Development Partnership Agency (SADPA). In the past six months Pretoria has taken a back seat on the debates at the Global Partnership, but traditional donors, Africa and the rest of the South are hoping for South Africa to re-engage in the future and provide leadership to the process as it has on past occasions.<sup>32</sup>

Only one seat was given to civil society organisations (CSOs), represented by Better Aid, which has traditionally been the civil society network most engaged in aid effectiveness discussions. However, at Busan some questioned the legitimacy of Better Aid as the only representative of global civil society. In December 2012 in Nairobi, the Better Aid network and the Open Forum for CSO Effectiveness merged into the CSO Partnership for Development Effectiveness, which will fulfil functions of representation in the Global Partnership as well as look at compliance and effectiveness of civil society activities towards Busan commitments.

The Global Partnership Steering Committee seat that took the longest to fill was the one assigned to private sector stakeholders. Choosing one representative for this group was extremely complex, as there are no global co-ordinating institutions of the corporate sector and questions remain if the representative should come from philanthropies or profit-driven companies, from corporations of the North, South or emerging countries. The Centre for International Private Enterprise (CIPE) was finally chosen as the representative of the private sector in the steering committee. This proved a controversial choice, as CIPE is an affiliate of the US Chamber of Commerce, with constituents mainly being American profit-oriented corporations. So many better options could have been chosen to represent the global private sector in the post-Busan Global Partnership, including networks such as the World Business Council on Sustainable Development, the International Business Leaders Forum, the International Chamber of Commerce and the UN Global Compact. Philanthropic networks, foundations and private providers of development assistance were poorly integrated in the governance system.

The remaining seats were more straightforward to fill, with the World Bank representing the multilateral development banks, and the Inter-Parliamentary Union representing parliamentarians. The issue of the Global Partnership steering committee membership remains an unsettled and politically sensitive matter. The Joint Secretariat has been requested to draft criteria and guidelines for the membership, rotation policy, chairmanship and observer status of different Busan partners, for consideration by the Global Partnership steering committee and the ministerial meeting. Decisions to make all Global Partnership documents available online in three languages as well as the recent introduction of live and internet video streams of the steering committee meetings have been good efforts to enhance participation in this consultative process. Although some of the diplomats sitting on the steering committee have contested this approach, as they do not want their country's official positions to be broadcast, the video-cast approach has contributed to more transparency of political processes.

#### **Ministerial engagement**

Among the recommendations put forward by the post-Busan advisory group<sup>33</sup> was to have more high-level engagement and political leadership in the next Global Partnership arrangements. Since Busan, there has been more direct engagement of cabinet ministers in the process. This is seen in the chairing arrangements but also in the membership of the Global Partnership Steering Committee, which is comprised of more senior officials than the previous WP-EFF.

Thanks to the swiftness of DAC consultations, the first confirmed co-chair name was that of Andrew Mitchell, UK Secretary for International Development, representing the providers of development assistance. This comes as no surprise considering the leading role of the UK in championing the ODA target of 0.7% despite the global crisis, and Prime Minister David Cameron's appointment by Ban Ki-Moon to chair the UN panel on the post-MDGs. In recent cabinet reshuffling, however, Mitchell was replaced by Justine Greenings, previously the UK Transport Secretary. The appointment of Ms Greenings, together with the other two co-chairs, Ms Armida Alisjahbana, Planning Minister of Indonesia, and Ms Ngozi Okonjo-Iweala, Minister of Finance of Nigeria, has coincidently created a situation in which the new Global Partnership is led by not only three high-level ministers but also by three 'Madame Chairs', representing the continents of Europe, Asia and Africa. This is a welcome achievement for the mainstreaming of gender in development co-operation, which is signalled also by the adoption of a gender indicator in the monitoring framework, thanks to the tone that was set in Busan by the speeches of Hillary Clinton and Queen Rania of Jordan. In reflecting the chairmanship, the first three meetings of the steering committee have been scheduled for London, Bali and Africa.

Critical in maintaining political momentum on the Global Partnership will be the ministerial meetings, which will be open to all the signatories of the Busan outcome document. These are planned to be held every 18–24 months, back-to-back with other major global meetings (including those held by the G-20; UN; World Bank and IMF; and the OECD). This has a logistical advantage of better securing the participation of ministers, whose schedules are already busy with many international engagements. The downside is that it reduces visibility of the Global Partnership, which can easily be overshadowed by bigger meetings and processes. The first ministerial meeting is scheduled for the last quarter of 2013. Proposals have been made to link it to the September UN General Assembly meeting on the Post-2015 Development Agenda, or with the World Bank and IMF October meetings. The choice might affect whether the meeting will be dominated by ministers of finance or ministers of foreign affairs, whose priorities usually differ. Another attractive suggestion was to have the conference as a stand-alone event, possibly in a developing or emerging country in Latin America.

The Steering Committee is currently discussing the agenda and substantial focus of the first ministerial meeting of the Global Partnership. Areas of high interest include domestic resource mobilisation, taxation and illicit capital flows (championed by Nigeria); private sector engagement in development (led by CIPE); inclusive development and domestic accountability (championed by the US and Better Aid); and knowledge-sharing platforms (spearheaded by Indonesia).

In the last steering committee meeting partners expressed concern that enough time should be given to thoroughly consult with all the Global Partnership constituents and to gather substantive evidence on progress on Busan commitments, sharing experiences from global and national monitoring processes. Members also requested a report back on knowledge gathered by the various Building Blocks,<sup>34</sup> which were stand-alone components of the Busan Conference but had no formal link to the Global Partnership institutional structures. There was also general consensus among partners that the Global Partnership agenda needs to develop synergies with the post-2015 processes, possibly looking at issues of financing and policy coherence for development.

## LINKING TO OTHER GLOBAL DEVELOPMENT PROCESSES

#### South-South co-operation providers

It took a lot of hard work and late-night negotiations to get some of the big emerging economies such as China, India and Brazil to agree to sign up to the Busan outcome document. But following Busan, these Southern powers have gradually fizzled out of the processes, leading to the assumption that the Global Partnership is once again another DAC-driven process. Mexico, Korea and Turkey, all proud new members of the OECD, have agreed to participate in the DAC systems and report more systematically on their aid. Some of the smaller middle-income countries like Colombia, Peru and Indonesia have taken an active role in the Building Blocks and in the Global Partnership steering committee. Korea, as the host of HLF4, has also been very committed to bringing other emerging powers into the partnership. Nevertheless, the big providers of South–South co-operation, such as Brazil, India and China, remain very reluctant to engage in the post-Busan Global Partnership.

Although these emerging economies are not a unified block and have very different policy approaches to development, they generally share a disapproval of the mainstream aid-effectiveness agenda, which they believe still reflects a Northern paradigm to which they do not subscribe. They insist that they are not donors but rather engage with other developing countries in horizontal partnerships of mutual benefit, exchange, friendship and solidarity. Notwithstanding their overall GDP, these countries are still characterised by high poverty and inequality domestically; thus they argue that they cannot be expected to carry the same responsibility as traditional donors. Their domestic economic drivers do not allow them to untie their aid so easily and their limited capacity does not allow them to report their development co-operation to the standards of the OECD–DAC countries. These are some of the considerations that have led the providers of South– South co-operation to subscribe to the provisions of the Busan outcome document on a 'voluntary basis' and underline their 'differential commitments'.<sup>35</sup> The exact nature of these differential commitments is uncertain, but it is clear that for political reasons the major Southern powers will not accept the DAC's approach, systems and standards.

Nevertheless, it is important that Southern providers define their own frameworks for development co-operation. South–South co-operation has been around for a long time; therefore, the principles governing this type of co-operation can be easily distilled from agreements at past conferences, such as Bandung, the UN–Group of 77 and Africa–South America co-operation. Without necessarily following the same rules as the North, Southern partners need to develop their own definitions, standards, information databases and measurement systems to support the accountability of their development co-operation. The African Consensus does, for example, emphasise the complementary role of North–South and South–South co-operation, both needing to be led by recipient country priorities. Developing indicators, targets and review mechanisms for such agreed frameworks would further increase accountability of South–South co-operation in the global development landscape.

The challenge, however, as discussed, is that there is no natural 'home' for South– South co-operation in the same way that the DAC is the reference point for North–South co-operation. The South–South Co-operation Building Block lacks legitimacy, as it is a spin-off from the WP-EFF, and lacks the participation of the big emerging donors. The India–Brazil–South Africa (IBSA) partnership has instituted a Facility for Poverty and Hunger Alleviation to fund development projects across the world. The allocations from the IBSA Trust Fund are governed by 10 effectiveness criteria that could be expanded upon in order to develop a development co-operation framework for the South. However, the IBSA forum, which is based on shared democratic values of the three countries, does not include China – a significant player in the South–South co-operation space.

Some suggest that IBSA is being replaced by BRICS as the new major alliance of the South aimed at restructuring global political and economic imbalances and devising a more equitable global governance system. The announcement in March 2012 at the BRICS summit in India of a mooted BRICS–South Development Bank<sup>36</sup> indicates a greater role in development for this grouping. If such a new development finance institution is created, it would require a new financing approach, operating framework and effectiveness guidelines to which all five countries would subscribe. This could further contribute to defining the South–South co-operation paradigm. Nevertheless, once again other large middle-income countries – such as Mexico, Indonesia, Argentina, Nigeria, the Arab and South-East Asian donors – are not part of this process.

Finally, one must not forget the important role of regional organisations in the promotion of South–South co-operation and potential accountability frameworks for such. As previously illustrated, some good examples of such regional systems already exist, such as the Pacific Islands Forum Compact and the African Union–NEPAD African Platform for Development Effectiveness.

1	Reduction of poverty and hunger
2	National ownership and leadership
3	South-South co-operation
4	Use of IBSA country capacities
5	Strengthening local capacity
6	Ownership
7	Sustainability
8	Identifiable impact
9	Replicability
10	Innovation

#### Table 2: IBSA Trust Fund criteria for project selection

Source: IBSA, IBSA Fund Guidelines, 2012, http://www.ibsa-trilateral.org/index.php?option=com\_ content&view=article&id=29&Itemid=79.

#### G-20 Development Working Group

Many members of the Global Partnership, particularly Indonesia, have often called for better links between the post-Busan agenda and the work of the G-20 Development Working Group. The strength of the G-20 is that it brings together the industrialised world and emerging economies, engaging all of them at summit level. The Group of Eight was already very committed to poverty alleviation, with major commitments made at Gleneagles in 2005 to double the aid flows to Africa. The G-20, however, was born in different circumstances as a platform to address the global financial crisis in 2008. It was only later at the South Korea summit in 2010 that a stronger development agenda was introduced. The G-20 Development Working Group, initially chaired by South Africa and South Korea, agreed on a Multi-Year Action Plan that included infrastructure development, trade and market access, investment, agriculture and food security, domestic resource mobilisation – all issues of great importance to Africa. The main problem facing the G-20 Development Working Group has been its weak accountability mechanisms for effective implementation. Following calls by G-20 leaders in Los Cabos in October 2012, the Development Working Group met in Bali to discuss potential assessment and accountability systems that could be put in place to monitor and report on G-20 development actions. Questions that needed to be addressed were which countries should be assessed and the manner and criteria of assessment, but no clear agreement was reached on such issues. With the G-20 having the political clout and the Global Partnership having stronger monitoring systems, it would be beneficial for these two processes to collaborate in addressing international development co-operation.

Some also question the legitimacy of the G-20 in addressing development issues, as it is still a relatively small club that does not represent low-income countries, and thus the vast majority of the developing world. South Africa is the only African member of the G-20. Although in both the G-20 and in the BRICS South Africa lacks the economic stature of its peers, it is welcomed in the club as an important gateway to the rest of Africa. As such, South Africa feels the moral responsibility to use the platforms of the G-20, BRICS, the World Bank and the Global Partnership to advocate for the position and priorities of the continent, of which it is an integral part. As in the post-Busan negotiations, South Africa could engage constructively and be an important bridge between the developing world, the industrialised world and the emerging economies. Pretoria's challenge will be to achieve coherence in its messages at various regional and international forums, considering that different home departments (the Presidency, International Relations and Cooperation, Treasury, and Trade and Industry) with different operational paradigms are engaged in different global development debates.

#### MDGs, post-2015 and UN development processes

The aid effectiveness agenda had originally stemmed from the UN financing for development discussions held at the Monterrey Conference in 2002. Led by the OECD–DAC, the aid effectiveness agenda gradually became a technocratic discussion around intergovernmental aid delivery mechanisms. Busan HLF4 sought to return the agenda to its original purpose and shift the language from aid effectiveness to 'development effectiveness'. This involved the need to link better co-operation discussions to the MDG campaign and to other UN development processes.

The UNDCF of the UN Economic and Social Council (ECOSOC), established in 2007, is as an important platform to address some of these issues. It is also viewed as more legitimate, representative and broad-based than the OECD–DAC spaces, as it includes the developing and industrialised world on an equal footing. However, it lacks the political teeth to make it effective in addressing accountability in development co-operation, making it more appropriately placed as a knowledge-sharing platform. Partners have called for more synergies between the Global Partnership and the UNDCF, possibly even organising sessions of the Global Partnership steering committee in conjunction with the UNDCF symposiums around the world.

Another important step in this effort has been to make the UNDP the co-host of the secretariat of the Global Partnership. As the chair of the UN Development Group (agencies, funds and programmes of the UN), with its vast field presence in 160 countries, the UNDP has the necessary legitimacy and is better placed to build capacity, support country implementation, and link the post-Busan processes to other regional and global development processes. The UNDP also hosts a special unit for South–South co-operation, which manages, among other things, the IBSA Trust Fund. In this regard, ECOSOC has also been producing biannual, in-depth analytical studies on the state of South–South co-operation for the General Assembly.

As countries and other global actors become involved in the 'after-MDGs' debates, there is a growing appreciation of the need for the post-Busan Global Partnership to be closely linked to the current discussions around the future development agenda. This process involves a convergence of the MDG review process and the development of new Sustainable Development Goals (SDGs) stemming from the recent UN Conference on Sustainable Development (also known as Rio+20).<sup>37</sup> The MDGs, the SDGs and the future goals post-2015 will guide the global community on 'what' needs to be achieved. The Global Partnership, however, can be the forum to discuss 'how' development should be done; how to make it effective; and what is expected from various players. The Global

Partnership can be a learning platform on development co-operation that can contribute to the design of new goals or enabling mechanisms such as what was previously MDG8 – a system in which accountability for development is addressed. One of the flaws of the previous MDGs was that the responsibility to achieve the targets rested heavily on developing countries, whereas the targets for rich countries were more vague, scattered and difficult to measure.

The MDGs were also driven by a North–South paradigm, where ODA was to be the main financier of the development campaign. In the new global architecture, partners acknowledge that aid, though still important, is a small part of international co-operation endeavours. This needs to be complemented by a coherence in policies and diverse approaches to development, such as domestic resource mobilisation, foreign investment, private sector development, combating corruption, trade facilitation, capacity building, and infrastructure development. The Global Partnership can thus position itself in the upcoming years to be a forum to discuss financing, but also knowledge exchange and technology transfer for the post-2015 development campaign.

The recent establishment by the UN Secretary-General of a High Level Panel (HLP) to recommend a way forward on the post-2015 global development framework has provided a precious opportunity for cross-fertilisation between the work of the Global Partnership and the UN development system. Coincidently, in both the Global Partnership Steering Committee and the post-2015 HLP, the co-chairs are the UK, Indonesia and a West African country (Nigeria and Liberia respectively). Nigeria's finance minister, Ngozi Okonjo-Iweala, sits on both bodies. Both of these panels benefit from the diversity and presence of state and non-state actors. Timor-Leste and South Korea are also represented on both committees. Korea is preparing a concept paper for the next HLP meeting to be held in Bali where the Global Partnership will be discussed. Finally considerations are being made for hosting the first post-Busan ministerial meeting back-to-back with the UN General Assembly meeting in September, where the Post-2015 Development Agenda will be tabled, although this would mean less of a spotlight going to the Global Partnership.

#### CONCLUSION

In 2011 Busan promised that the new Global Partnership would be leaner, more inclusive and politically effective than its predecessor, the WP-EFF. The success of the Global Partnership depends on the extent to which stakeholders see the governing mechanism as legitimate in terms of its inclusivity and representativeness (input legitimacy), quality of decision-making processes (throughput legitimacy) and effectiveness in achieving outcomes (output legitimacy).<sup>38</sup> It might be too early to judge, but already now one can perceive the shape and direction the Global Partnership is taking and the challenges it faces ahead.

With the inclusion of parliamentarians and the private sector, the new governance arrangements of the Global Partnership are slightly more 'inclusive and legitimate' than the previous WP-EFF. Nonetheless, many important Global Partnership stakeholders (such as the African Union, civil society, local governments and trade unions) are still unhappy with the make up of the steering committee and are demanding a seat at the decisionmaking table. Following their initial courting period, the big emerging economies are only marginally engaged in the post-Busan institutions, which they view as still dominated by a DAC imprint and Northern development co-operation paradigm. The Global Partnership is still linked to the legacy of the previous OECD–DAC Working Party, inheriting both its strengths and its weaknesses. The emerging economies will probably need separate platforms to develop their own frameworks to measure the effectiveness of their South–South co-operation endeavours. The debates that will continue to occur over the course of 2013 will also define the extent to which the private sector will play a meaningful role in this Global Partnership.

Ultimately the success of the post-Busan framework will depend on whether the various development players take responsibility to improve their practices and their results. An appropriate monitoring framework with clear indicators, targets and regular review mechanisms is important to maintain accountability of the Busan commitments. At the moment the Global Partnership monitoring framework is still in its infancy with many loose ends. Indicators are weak and present manifold technical problems. Finalisation of the monitoring system has been slow and delayed beyond the initial target dates set in Busan.

Although 2012 was characterised by more high-level political engagement than the previous WP-EFF era, it is unclear whether this is merely window dressing or confirmation of serious political will. Other processes seem to overshadow it, such as the G-20 Development Working Group, the BRICS and now the Post-2015 Development Agenda. Important linkages are nevertheless being made between the Global Partnership and all these processes, including the UNDCF and the HLP on the Post-2015 Development Framework. These synergies should be further encouraged and strengthened.

Going forward, much more attention needs to be given to accountability of development co-operation at country and regional level, where diverse development partners could be brought under the same framework, led by the recipient countries. Measuring the effectiveness of the Global Partnership will lie in how it provides a space for the priorities of the developing world (particularly Africa) to be addressed by rallying the manifold stakeholders in a joint enterprise to fulfil the remaining MDGs and effectively finance the next global development campaign.

# RECOMMENDATIONS

- The Global Partnership should continue to strengthen its synergies with the G-20 Development Working Group, the Post-2015 Development Agenda and with other UN processes. Going forward, the Global Partnership should find a balance between operational efficiency and inclusive participation of all Busan partners.
- The highest priority and attention needs to be given to developing and strengthening country-level monitoring and accountability frameworks for development co-operation. These should be led by recipient countries and should include new sources and forms of development financing (ie the private sector, emerging donors, civil society, and climate change financing).
- As a Southern alternative to the DAC, emerging economies need to develop a framework, information hub and platform of learning to define, measure, set standards

of effectiveness, and regularly review, monitor and account on their South–South co-operation.

- The impact of the private sector in development processes needs to be explored further, particularly with regards to its role as a financier and implementer of development, ensuring accountability of the corporate sector in achieving development results in favour of the poor.
- Despite the global financial crisis and change in global economic landscapes, traditional donors should continue to implement their historical commitments (made in Monterrey, Gleneagles, Paris, Accra and Busan) in regards to development co-operation; such as providing 0.7% of their gross national income, untying of aid, and increasing transparency of their development assistance information.

## ENDNOTES

- 1 See more in OECD, 'Aid effectiveness', http://www.oecd.org/dac/aideffectiveness.
- 2 Namely the earthquake in Japan (2011), floods in Australia (2010–11), Hurricane Katrina and Hurricane Sandy in the US (2005–12).
- 3 Busan HLF 4 Outcome Document, 29 November 2001 to December 2011 Busan Partnership for Effective Development Cooperation., paragraph 2.
- 4 See, for example letters to GPEDC steering committee: from United Cities and Local Governments to Members of GPEDC steering committee, Barcelona: 26 July 2012; from Better Aid, 10 August 2012.
- 5 See Besharati NA, 'Busan HLF4: Bringing everyone under the same roof', SAIIA Diplomatic Pouch, 28 February 2012, http://www.saiia.org.za/diplomatic-pouch/busan-hlf4-bringingeveryone-under-the-same-roof.html.
- 6 See Busan HLF 4 Outcome Document, 2011, op. cit.
- 7 Mexico joined the OECD in 1994 and South Korea joined the OECD in 1996 and became a member of the DAC in 2010.
- 8 See 2011 PD global monitoring report presented at the Busan HLF4 OECD (2011), Aid Effectiveness 2005–10: Progress in implementing the Paris Declaration, Paris: OECD Publishing.
- 9 In March 2005 at the HLF2 in Paris, donors, recipient countries and international organisations adopted the Paris Declaration on Aid Effectiveness. The Paris Declaration set out 56 partnership agreements built on five overarching principles (ownership, alignment, harmonisation, results, and accountability). Twelve indicators with respective targets for 2010 were developed to monitor progress on the Paris Declaration. The OECD–DAC would facilitate regular monitoring and evaluation of the Paris Declaration, with baselines conducted in 2006 and reviews in 2008 and 2010/11 in preparation for the subsequent HLFs in Accra and Busan.
- 10 See also D+C interview with Talaat Abdel-Malek, 'Light global structure', 15 August 2012, http://www.dandc.eu/en/article/global-partnership-effective-development-cooperationassuming-its-duties.
- 11 Wood B et al., Evaluation of the Paris Declaration: Final Report. Copenhagen: Danish Institute for International Studies, May 2011, http://www.oecd.org/development/evaluationofdevelopment programmes/dcdndep/evaluationoftheimplementationoftheparisdeclaration.htm.

- 12 See OECD, Aid Effectiveness 2005–10: Progress in Implementing the Paris Declaration, Paris: OECD, 2011.
- 13 Kharas H, *The Global Partnership for Effective Development Cooperation*. Washington, DC: The Brookings Institution, June 2012.
- 14 Terminology used by the EU for country-level monitoring and accountability frameworks, referred to in the EU Common Position for the Fourth High Level Forum on Aid Effectiveness, EU Foreign Affairs Development Council meeting Brussels, 14 November 2011.
- 15 Background document for 1<sup>st</sup> meeting of Global Partnership Steering Committee, Global Framework of Indicators and Targets for Monitoring Busan Commitments: An Update, OECD/ UNDP Joint Secretariat, November 2012.
- 16 Reported in Busan HLF4 by an aid effectiveness advisor to the Cambodian Development Council, December 2011.
- 17 The Windhoek Declaration on a New Partnership between the SADC and the International Cooperating Partners was adopted on 26 April 2006 and is based largely on the Paris Declaration principles.
- 18 Personal interview with senior ODA official from the South African National Treasury, Pretoria, October 2012.
- 19 Ibid.
- 20 The figures are underestimated and drawn only from a sample of South African companies surveyed by Trialogue and reported in their annual CSI (Corporate Social Investment) handbooks. These figures are retrieved from the publication's latest edition: Trialogue, CSI Handbook. Cape Town: Trialogue, 2012.
- 21 Such as the UN forums, regional conferences, human rights and democracy debates, meetings of specialised agencies, and country consultations.
- 22 Comments by Brian Atwood, Chair of the DAC, at the 1<sup>st</sup> meeting of the Global Partnership steering committee in London in December 2012. See also Clay EJ, Geddes M & L Natali, Untying Aid: Is it Working? An Evaluation of the Implementation of the Paris Declaration and of the 2001 DAC Recommendation of Untying ODA to the LDCs. Copenhagen: Danish Institute for International Studies, 2009.
- 23 See, for instance, Collier P, The Bottom Billion. New York: Oxford University Press, 2008; and Besharati NA, Final Report on South Africa Paris Declaration Monitoring Survey. Pretoria: National Treasury, 2011.
- 24 See background document for the First Meeting of the Global Partnership Steering Committee, Global Framework of Indicators and Targets for Monitoring Busan Commitments: An Update. Paris: OECD/UNDP Joint Secretariat, November 2012.
- 25 Comments from Brian Atwood, chair of DAC, at the First Meeting of the Global Partnership Steering Committee in London, December 2012.
- 26 Following the HLF3 in Accra and within the platform of the Open Forum for CSO Development Effectiveness, civil society organizations have been discussing at different meetings in Turkey (2010) and in Cambodia (2011) how to improve the effectiveness of their development activities worldwide.
- See, for instance, Desai R & H Kharas, 'The California Consensus: Can private aid end global poverty?', Survival: Global Politics and Strategy, 50, 4, 2008, pp. 155–68; Adelman CC & P Miller, The Index of Global Philanthropy and Remittances: 2009. Washington, DC: Hudson Institute Center for Global Prosperity, 2009; and Trialogue, op. cit.

- 28 See Besharati NA, Raising Mozambique: Development Through Coal, Policy Brief, 56, SAIIA, 2012, http://www.saiia.org.za/policy-briefings/raising-mozambique-development-through-coal. html.
- 29 From remarks made Donald Steinberg, Deputy-Administrator of USAID, at the First Meeting of the Global Partnership Steering Committee in London in December 2012.
- 30 See the joint proposal prepared by the OECD and UNDP and presented at the last meeting of the WP-EFF in Paris in June 2012.
- 31 Sinclair J, 'Beyond 2015: MDGs, SDGs and global partnership', Opinion Piece, North–South Institute, 2012, http://www.nsi-ins.ca/newsroom/beyond-2015-mdgs-sdgs-andglobal-partnership.
- 32 Aside from its active role in the Busan and post-Busan negotiations, South Africa has also been heavily involved in the Paris and Accra HLFs, acting as a champion for Africa and the global South. South Africa has also engaged extensively in the WP-EFF, co-chairing some of its task teams.
- 33 The post-Busan advisory group is an ad-hoc group of experts who met in Paris in October 2011 ahead of the HLF4 to reflect on the weakness of the previous WP-EFF and to provide recommendations for the post-Busan governance arrangements.
- 34 The Building Blocks were voluntary initiatives of development partners and organisations launched at the HLF4 to show-case, share knowledge and unite behind pressing development issues and to make concerted efforts to further progress in these areas.
- 35 Busan HLF 4 Outcome Document, 2011, op. cit., paragraphs 2 and 14.
- 36 See *SouthAfrica.info*, 'Summit "to finalise BRICS bank structure", 16 January 2013, http://www. southafrica.info/global/brics/summit-160113.htm#.UQmc4ujZiCQ.
- 37 For more information refer to UN Conference on Sustainable Development, 'Rio+20', http:// www.uncsd2012.org; and UN Sustainable Development Knowledge Platform, 'Sustainable development goals', http://sustainabledevelopment.un.org/index.php?menu=1300.
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#### SAIIA'S FUNDING PROFILE

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