

## EFFECTIVENESS – LOOKING BACK AND PLANNING AHEAD PREPARING FOR THE BUSAN CONFERENCE ON EFFECTIVE DEVELOPMENT COOPERATION

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### Overview

The year 2008, when the governments of developed and developing countries agreed on the Accra Agenda for Action for improved aid effectiveness, seems worlds away from 2011, when this agenda is to be reviewed in the South Korean city of Busan: New geopolitical power relations, the impacts of global economic, financial and bank crises, climate change, demographic development, lack of global political leadership, shifts in the geography of poverty and wealth, the emergence of national and global oligarchies – these factors require new approaches on the part of official development aid, which in recent years has come under increasing pressure to prove itself. This pressure was due in part to the gap between high demands for development aid and poor implementation of development goals. But it can also be attributed to the emergence of new, financially sound donors such as India, China and Brazil, and major foundations that donate funds without making political demands. Of course: Climate change and demographic development existed before the conferences in 2005 and 2008 – but pressure has increased. The first donor reactions to the announced new approach followed Paris in 2005; then came Accra in 2008; and now there will be a meeting in the South Korean city of Busan from November 29 – Dec. 1, for taking stock of interim developments but primarily for considering new paradigms and a new global architecture of development cooperation with new players. The so-called Fourth High Level Forum will be preceded by a two-day conference of civil society organizations. The result of the High Level Forum will be the Busan Outcome Document – probably more a declaration of principles than an action plan.

### From Paris via Accra to Busan ...

The initial pressure to reform prompted more than 100 donors, multilateral institutions as well as developing countries to issue their Paris Declaration on Aid Effectiveness in March 2005. The principles established there were to help gauge successes and failures and to improve development cooperation. The process was to be tested and – if at all possible – completed using 12 indicators, by 2010. In September 2008 donors, partner countries and international organizations convened in the Ghanaian capital, Accra, to conduct a mid-term review and set the agenda for the coming years.

The result was the Accra Agenda for Action, the first such agenda to recognize civil society as an independent actor. Essentially the aim is to reform development cooperation and, on the basis of the five Paris Principles (developing countries forging national development strategies with their parliaments and electorates [ownership]; donors' support for these strate-

gies [alignment]; donors' work to streamline their efforts in-country [harmonization]; a stronger development-results orientation, including monitoring [results]; and mutual accountability) to more effectively promote development and reduce poverty. In the process, several new themes were incorporated, such as "fragile states," "civil society" and new donors, but for the most part eschewed time frames and performance indicators.

At the Fourth High Level Forum on Aid Effectiveness (HLF4), in Busan, participants will take stock of progress in implementing their effectiveness agenda and will set new priorities. One can already predict that economic growth, short-term results expectations and private-sector orientation in development cooperation will play a much bigger role than before. Some 500 civil society organizations are expected to attend, together with high-level government officials. Germany will be represented by its minister of development.

Evaluation reports from 28 countries and surveys from more than 70 show that developing countries are consistently improving their performance in carrying out the Paris Principles; they have made more political-institutional changes than the donors. Progress was made in the area of “ownership” and similarly – in decreasing order – in the areas of alignment, harmonization, results and mutual accountability. About one third of the goals of Paris and Accra have been met.

### ... and why is Busan important for civil society organizations?

First of all, Busan offers something new to civil society organizations from both hemispheres, since they are able to participate on a practically equal basis, as independent actors, in the work structure based on Accra. They will sit at the table and have a voice and a chance to be heard in both the opening and closing plenaries. In addition, the aforementioned new trends as well as a new “architecture” of development cooperation will strongly impact the work of civil society organizations from both zones.

The Paris Principles themselves also have had a significant impact on NGOs. This is particularly true of those organizations that receive government subsidies, because sectoral and regional funding priorities are affected by the donors’ efforts at harmonizing and distribution of tasks. This is why NGOs started networking globally in advance of Accra: both in the “Better Aid” association, which monitors governmental implementation of the Accra commitments, and in the “Open Forum,” which, in consultation with international players, summarized the principles for improved effectiveness of civil society organizations in the so-called “Istanbul principles.” The German NGO-umbrella organization VENGO, together with Alliance2015 and Welthungerhilfe, has participated actively in this discussion and, in advance of Busan, has prepared position papers and carried out implementation studies. The results have been incorporated into the German and European preparations process for governments as well as in the drafts of the final document.

### What are the most important issues from an NGO perspective?

Core issues are sustainable development, poverty reduction and the implementation of hu-

man rights. In Busan, the main objectives must be to implement and re-commit to previous commitments, to learn from the numerous evaluations, to abolish tied aid (an area in which Germany is way above the DAC donor country average.) to maintain a global verification system, to assess new possibilities in development financing and to lay the foundations for a new architecture of development cooperation – in the drafting of which civil society organizations should be included – working with new donors in new alliances – a far cry from the traditional OECD-DAC group that dominated development cooperation over the last 40-50 years.

### Democratic ownership and a supportive environment – prerequisites for development

An important task is defense of the principle of “democratic” ownership (in Paris they used the term “ownership” while in Accra they changed it to “country ownership”; the latest draft of the final document refers to “democratic ownership”). It boils down to participation of all affected parties, including parliaments and civil society, in the design and implementation of development plans in a given country. This is precisely because effective development is not a goal for governments alone. But, evidently, the political latitude for civic organizations has been reduced in many countries. That is the conclusion drawn in five country studies that Alliance2015 carried out with partner organizations in Ghana, Cambodia, Mozambique, Nicaragua and Tanzania, and in a synthesis report focusing on the participation of civil society in development processes. According to these reports:

- Many governments in developing countries never really promote the principle of ownership or never have taken serious steps to design an enabling environment, since they don’t sufficiently recognize civil society and parliament as independent players in the field of development.
- Civil society organizations and parliaments, when encouraged to play a role, rarely have the necessary background in political processes and are thus often unable to make a meaningful contribution to development processes.

**Thus it is recommended that:  
donors should...**

- support the capacity building of national and communal civil society organizations, provide long-term financial and technical assistance for advocacy organizations and ensure that the voices of communal and regional organizations are heard;
- publish – in a timely fashion – comprehensive information about aid flows in a user-friendly and comparative format and fulfill their Accra responsibilities for the improvement of aid predictability; and
- do away with formal or informal tying of development aid, promote communal and regional procurement and ensure that technical assistance is based on need, fulfilling the Accra commitments in the use of country systems as first options.

**And governments in recipient countries should...**

- recognize civil society organizations as independent development actors, remove regulatory barriers that inhibit or limit these organizations in fulfilling their function in the development processes, and increase state funding to these organizations;
- create formal space for dialog in which civil society organizations can play an active role, and take steps to ensure an appropriate representation of regional and local organizations;
- support parliaments in carrying out their role of budgetary oversight and regional representation;
- work together with all donors – including those from non-OECD countries – to improve transparency, and take proactive steps to ensure that information reaches civil society organizations.

**Coherent development policy – essential for effectiveness**

Unfair trade terms, commodity price trends, rising food prices, agricultural subsidies, etc., have greater impact on the lives of most people

than does development cooperation. So a policy coherence for development and a development-friendly environment are essential. But there is no official global body in this case, and the new G20 Working Group on Development appears to be rather focusing on growth, infrastructure and the private sector under the rubric of development. Moreover, Welthungerhilfe considers it doubtful that the Paris Declaration can actually improve aid effectiveness in the agricultural sector. The priority status to budget financing granted – at least theoretically – can lead to a focus on public spending; but the most important governmental tasks related to agriculture do not impact public spending. Much of what is happening in agriculture is in private hands and is thus not covered by the Paris Declaration, which concentrates on inter-governmental relations.

**Integration of new donors – at what cost?**

The chief challenge at Busan lies in reconciling the full implementation of the Paris and Accra resolutions – and there is still a lot to do – with the requirement of integrating “new” donors. But neither China, India, Brazil nor Mexico feel in any way bound by the old decisions on such matters as human rights, participation of civil society and democratic ownership. At the same time, their demand for a greater say in global development policy boards cannot be ignored – and is fully legitimate, too.

The demands on the negotiators in Busan, as well as on the German government, may be summed up as follows:

**Re-commit:** renewed commitment to the principle of democratic ownership

**Re-confirm:** confirmation and monitoring of the Accra and Paris Declarations

**Re-insert:** inclusion of target dates

Development cooperation on the whole is a success: There is clear progress in development, and poverty is on the decline. But there are still about a billion people who have not benefited from most of these advances. Will Busan help change their lives permanently, too? The answer to that question will be the ultimate measure of success.

## Literature

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