The *Busan Partnership*: implications for civil society

Rachel Hayman, February 2012

On 1 December 2011, the *Busan Partnership for Effective Development Cooperation* was adopted at the end of the 4th High-Level Forum on Aid Effectiveness, held in Busan, South Korea. This *Partnership* opens a new chapter in a process which began almost a decade ago to address falling levels of aid and widespread weaknesses in the aid system. In contrast to its predecessors, the *Partnership* was negotiated with strong input from developing countries, from new donors, and from civil society. It represents a welcome break from an agenda dictated by a few large OECD donors. However, the price of inclusion is a document that offers few firm commitments and that proposes a vision of development which will disappoint many civil society activists and which spells the end of aid effectiveness as we know it.

Representatives of civil society were not involved in the early aid effectiveness summits (see box 1), and it was only at the 3rd High-Level Forum in Accra in 2008 that civil society moved from lobbying outside the conference halls to being part of the process. That inclusion has had both positive and negative consequences. Civil society coalitions and organisations now need to ask themselves where they go next.

This paper offers an overview and analysis of the process leading up to the adoption of the *Busan Partnership*, the perspectives that fed into the negotiations, the context in which it was played out, what was gained and lost in the final document, and the implications for civil society.

**Background**

The 4th High-Level Forum on Aid Effectiveness took place in a very different world to the first major international meeting held in 2002 to attempt to address the poor performance of aid. If the 1990s can be characterised as the decade of poverty reduction and good governance in international development, the 2000s have been defined by the aid effectiveness agenda. What started as a small elite gathering of major OECD donors in the early 2000s grew to an all-encompassing gathering of developed and developing countries, international and regional civil society. The global context has changed in this period, economically, politically and socially. The lines between developed and developing countries have blurred, and new forms of cooperation are taking hold. Civil society globally is facing change, as new forms of mobilisation...
emerge, as many northern NGOs face financial difficulties, and as many people face a closing of social and political space.

Box 1: The Aid Effectiveness Process
The 2000s were marked by a series of high level, global conferences. These forums resulted in:

- The Monterrey Consensus of the International Conference on Financing for Development (UN 2002)
- The Rome Declaration on Harmonisation (Rome High-Level Forum 2003)
- Joint Marrakech Memorandum (Second International Round Table Marrakech 2004)
- The Paris Declaration on Aid Effectiveness (Paris High-Level Forum 2005)
- The Accra Agenda for Action (Accra High-Level Forum 2008)

The milestone in the aid effectiveness process was the Paris Declaration on Aid Effectiveness which set out goals and targets to improve the quality of aid between 2005 and 2010. This represented a major step forward, with donor agencies committing themselves to improving aid delivery. Much of the focus at Accra in 2008 and in subsequent years was on evaluating the results of this process and determining whether aid was becoming more effective.2

The most fundamental evaluation of the Paris Declaration was commissioned by the OECD-DAC. An interim report was produced in 2008 prior to the Accra summit, with the final evaluation published in June 2011.3 These evaluations involved major surveys and studies of a range of aid agencies and developing countries, looking at progress towards achieving the target indicators of the Paris Declaration principles (see box 2). In 2008 the interim results demonstrated some progress in implementing the Principles, but there were concerns about the pace of reform.4 In the final evaluation of 2011 the emphasis shifted to impacts, outcomes and results. The evaluators found that the Paris Declaration had contributed to:

- a change of behaviour, but unevenly so. Partner countries had moved further and faster than donors, with some donors progressing more than others and some donors making few changes at all.
- improving aid effectiveness, but much remained to be done.
- better development results, but not across the board.

4 Wood (2008) op.cit.
In brief, the results were disappointing. Indeed, only one of the 13 targets had been met at the global level. Too often there was not enough country leadership, or not enough donor harmonisation, or not enough implementation of the principles to be at a stage of tangible outcomes. Attribution of results was not straightforward. Although there were signs of plausible contribution of aid to development outcomes, causality and pathways to impact were unclear. Finally, the report emphasised how the country context (notably regarding security and governance) often ‘gets in the way’ of some of the principles from Accra, such as state–society accountability. This highlights the challenges arising from the shifting global economic and political context.5

### Box 2: Paris Declaration indicators

<table>
<thead>
<tr>
<th>Ownership</th>
<th>1. Countries put in place national development strategies with clear strategic priorities.</th>
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<tr>
<td>Alignment</td>
<td>2. Countries develop reliable national fiduciary systems or reform programmes to achieve them.</td>
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<td></td>
<td>3. Donors align their aid with national priorities and provide the information needed for it to be included in national budgets.</td>
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<td>4. Coordinated programmes aligned with national development strategies provide support for capacity development.</td>
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<td></td>
<td>5a. As their first option, donors use fiduciary systems that already exist in recipient countries.</td>
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<td>5b. As their first option, donors use procurement systems that already exist in recipient countries.</td>
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<td></td>
<td>6. Country structures are used to implement aid programmes rather than parallel structures created by donors.</td>
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<td></td>
<td>7. Aid is released according to agreed schedules.</td>
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<td>8. Bilateral aid is not tied to services supplied by the donor.</td>
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<tr>
<td>Harmonisation</td>
<td>9. Aid is provided through harmonised programmes coordinated among donors.</td>
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<td></td>
<td>10a. Donors conduct their field missions together with recipient countries.</td>
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<tr>
<td></td>
<td>10b. Donors conduct their country analytical work together with recipient countries.</td>
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<tr>
<td>Managing For Results</td>
<td>11. Countries have transparent, measurable assessment frameworks to measure progress and assess results.</td>
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<td>Mutual Accountability</td>
<td>12. Regular reviews assess progress in implementing aid commitments.</td>
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### Civil society ‘Big Asks’

In April 2011, a global coalition of civil society organisations, represented by the BetterAid/Open Forum platform, set out its key messages for the 4th High-Level Forum. This followed years of reflection, debate and discussion which had seen civil society progress from

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5 Wood (2011) op.cit.
being an outsider to official aid effectiveness talks to taking a seat at the negotiating table. Between the Accra summit (the 3rd High-Level Forum) in 2008 and Busan in 2011, civil society organisations from around the world had met at regional platforms and global events; they had adopted the Istanbul Principles for CSO Development Effectiveness, and the Siem Reap CSO Consensus on an International Framework for CSO Development Effectiveness, and they had worked hard to lobby official donors to hold them to their commitments made in the Paris Declaration on Aid Effectiveness.6

The key messages were:7

- Evaluate and deepen the Paris and Accra commitments. This included redressing the failure to make more progress on the Paris and Accra commitments, strengthening these commitments “through realizing democratic ownership in development cooperation”,8 and implementing full transparency as the basis for strengthened accountability and good governance.
- Strengthen development effectiveness based on human rights standards through committing to a rights-based approach to development, promoting gender equality and women’s rights, and implement a decent work agenda.
- Support civil society organisations as independent development actors in their own right through endorsing the Istanbul Principles and acknowledging the International Framework on CSO Development Effectiveness, agreeing minimum standards for government and donor policies, laws, regulations, and practices that create an enabling environment for CSOs.
- Promote an equitable and just development cooperation architecture, including adopting a Compact to push accountability, and creating an equitable and inclusive multilateral forum for policy dialogue and standard setting.

What stands out here is the demand for a shift from a narrow aid effectiveness agenda to a broader development effectiveness agenda, i.e. broadening out the narrow technocratic focus of the Paris Declaration which had emphasised improving mechanisms and systems for aid delivery, monitoring and accountability. Development effectiveness encompasses all the forms of cooperation, policies and actors that seek to bring about lasting change. Aid is included within this, but is recognised as only one element in the system. At the same time, the key messages re-affirmed the aid effectiveness principles set out in the Paris Declaration, seeking a new level of commitment to follow through on promises made.

The other major asks were to place the rights-based approach at the heart of development, and to ensure ‘democratic ownership’ of development. The idea of democratic ownership places citizens at the centre of development, with governments guaranteeing space for civil society to operate and to hold government to account for policy. Democratic ownership also promotes the involvement of civil society within policy formulation and implementation processes. The idea of democratic ownership was pushed further in the Nairobi Declaration, promoted by 25 African

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6 The Paris Declaration on Aid Effectiveness was adopted in 2005 at the 2nd High-Level Forum on Aid Effectiveness. The Paris Declaration was seminal in setting out a clear agenda for improving aid management, based around five core principles of ownership, harmonisation, alignment, mutual accountability and managing for results. For information on the Istanbul and Siem Reap Principles, see the Open Forum for CSO Development Effectiveness: www.cso-effectiveness.org/-home.091-.html
7 BetterAid (April 2011) ‘CSOs on the road to Busan: Key messages and proposals’, BetterAid.
8 Idem, p3.
Christian civil society organisations⁹, by Alliance 2015,¹⁰ and by the European Union in its pre-Busan statements.¹¹

The BetterAid/Open Forum position paper was published as the preparatory work for Busan really began to take off, and it fed into a consultation process which would ultimately result in the Busan Partnership. The final outcome document went through numerous manifestations in the months prior to the 4th High-Level Forum, as different actors provided their input. Understanding the different views being put forward and the negotiations behind the Partnership help our understanding of the final document and its implications. In the next two sections we look at this process.

Preparing for Busan: partner country positions

A major input to the Busan process was the gathering of perspectives on what partner countries wanted out of Busan. The OECD-DAC held online consultations between October and December 2010. One hundred and sixty-three people from 60 countries participated in the exercise.¹² Priority topics that respondents wanted to see discussed at Busan were alignment to national policies and strategies, capacity development, managing for development results, aid transparency, mutual accountability, domestic accountability, and improved quality of country systems. The information is disaggregated into partner governments, donors, civil society and ‘others’. There is a clear differentiation between the priorities of partner governments and those of civil society. The foregoing list captures the key priorities of partner governments. While civil society is also keen to see better alignment, aid transparency and accountability, higher priorities for these respondents are recognising CSOs as development actors, creating an enabling environment for civil society, and dealing with conditionality. Clearly there is a resonance with the key messages of BetterAid/Open Forum set out in the previous section.

This consultation also found that the Paris Declaration principles were still considered to be important and relevant, but that the agenda needed to be broadened to include more development actors. There also needed to be more active involvement for partner countries and a wide range of stakeholders, and it was crucial that there was political-level engagement.

The findings of the consultation are mirrored in a position paper produced by the Partner Country Contact Group, a group of partner country officials represented in the OECD-DAC Working Party on Aid Effectiveness, which highlighted the following priorities:¹³

- use of country systems: donor countries needed to have more trust in partners, to invest in systems, and to recognise the advances made by many countries

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• capacity development, which should be demand-driven and needs-based
• capacity building for aid effectiveness in fragile states
• mutual accountability and a focus on results, notably to enhance what donors were already doing
• aid predictability: more effort was required on multi-year frame
• increase the quantity and quality of aid
• a new international development cooperation architecture: address the unfinished aid agenda, be more inclusive, develop universal principles, enhance South–South and triangular cooperation, and move towards development rather than aid effectiveness.

Partner countries were, moreover, asking for a more strategically-oriented instrument to monitor progress and assess outcomes.

The key issues emerging from these statements was that the development paradigm needed to be expanded, but that countries should build on the achievements to date – not reject them. The Paris Declaration principles should be retained at the forefront but the shortfalls needed to be addressed. A common but differentiated approach was required, where the country level was the starting point. And, furthermore, donors must do better.

Early statements from the OECD-DAC and donors

By May 2011 the preliminary statements from donors ahead of Busan were also beginning to emerge. The OECD-DAC’s pre-statement (May 2011) stated that Busan would be a success if it achieved:

- A broad partnership among nations at all levels of income and development, as well as private and non-governmental organisations, based on a clear division of labour and transparent communication.
- A set of principles, founded on solid evidence, to guide the new consensus on development cooperation, together with a commitment to eliminate policies that present obstacles to achieving development results.
- A revitalised global effort to achieve the MDGs and focus on the need for global public goods.
- A recognition that the world’s poorest and most fragile states need security and capacity, and that working with them means being willing to adapt modalities and to take risks.
- An acceptance that people, no matter how impoverished, must be empowered to participate directly in the development process.
- An acceptance that all participants in development efforts must produce measurable results, and that these results must be duly reported to citizens of all nations.  

Reading between the lines, this can be interpreted in the following way. The OECD-DAC is recognising the changes in the global economic and political environment, and the importance of including new aid actors in any further agreement on aid effectiveness. It proposes that

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Evidence-based principles remain central and that poor practices need to be addressed. The MDGs clearly remain important, but special attention should be paid to the poorest and weakest states. Ownership beyond the state is required, and demonstrable results are crucial. This statement provides a clear indication that the ‘traditional’ OECD-DAC donors and multilateral institutions are overcoming their suspicion of new aid actors and seeking to draw them into the discussions.

The early statements from other OECD donors were rather mixed. The European Commission, for example, took up the theme of democratic ownership and highlighted the need for a country-level focus to take local contexts into account more effectively. It was keen to extend the Paris Declaration principles to other types of financing such as climate change funding, blending of official development and private investments, and South-South and triangular cooperation. The UK’s Department for International Development was keen to retain the focus on aid effectiveness and not broaden to other areas of development, such as trade, migration and security policy. It advocated for a two-part document: a political statement, and a practical agenda. It insisted that the core objectives of the Paris Declaration were still the right ones, but placed an emphasis on results and value for money. Both Canada and the Netherlands put an emphasis on shared risk management. The USA, on the other hand, put its focus on local capacity and financial accountability (away from ‘big checks to partners’), science and technology; and the private sector.

The outcome document: from Draft 1 to Draft 5

In June 2011, the first draft of the Final Outcome Document was released by the OECD-DAC Task Force on Aid Effectiveness for consultation and comment. This draft was presented as a work in progress, with numerous points marked as ‘for discussion’. It had the working title of The Busan Partnership for Development Effectiveness, capturing the shift from aid effectiveness to development effectiveness, and indicating a move away from the earlier Declarations and Agendas to a ‘partnership’.

The following issues stand out from Draft 1:

- Recognition of the diversification of actors delivering aid, attempting to draw in new official (non-DAC) donors, private donors, and the global funds.

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15 Several Task Teams were established under the aegis of the OECD-DAC to look at aid effectiveness in different contexts and from different angles. These included Task Teams on South-South and Triangular Cooperation, and on Fragile States. See:
   - www.oecd.org/site/0,3407,en_21571361_42277499_1_1_1_1_1,00.html
   - www.oecd.org/document/51/0,3746,en_2649_3236398_43385523_1_1_1_1_1,00.html
19 The OECD-DAC’s Working Party on Aid Effectiveness, which includes representatives from 80 countries and organisations, has taken the primary role in guiding the aid effectiveness process.
• The broadening of the agenda from aid effectiveness to development effectiveness.

• A shift from aid to development financing, i.e. aid is but one source of resources for development. This can be read as recognition of the importance of other forms of financing, including domestic revenue, remittances and private investment; but it can also be read as an attempt to push the responsibility for development away from aid donors, particularly in light of diminishing aid budgets in many traditional OECD-DAC countries and in light of the alternative forms of development cooperation promoted by new actors.

• Demonstrable, evidence-based results are crucial.

• Greater space is given to development effectiveness in fragile contexts.

• There is very little mention of poverty reduction or the Millennium Development Goals.

The lack of progress on some of the Paris Declaration principles is mentioned, but it is unclear what the Busan agreement might propose instead. The document says very little about which aspects of the Paris Declaration are working, and certain key terms are striking by their absence. Ownership remains a central concept, but it is primarily government rather than country ownership, with some nods towards other actors vis-à-vis accountability.

Harmonisation is barely mentioned, but is revamped to ‘reducing fragmentation’, which appears to be an acceptance of diversity among aid actors rather than continuing the attempt to get donors onto the same page. Alignment likewise is downgraded, with more space given over to predictability and transparency. There is not much about capacity building. And the document is extremely quiet on donor commitments, both donor failure to live up to prior agreements and proposals for new commitments. There is talk instead of light-touch indicators and country level compacts.

The final issue worth mentioning from Draft 1 is who would be signing up to this Partnership – who should endorse and who should ‘own’ it. The point is opened for debate: should it be just ministers and heads of governments; should it include other non-state actors; should different levels of commitment be catered for?

So, if we think back to the concerns coming from partner countries mentioned above – better alignment, more capacity building, greater predictability, deeper donor commitments – there is a clear disparity in thinking.

Reactions of civil society groups to Draft 1 were swift. Concord, the European NGO confederation for relief and development, noted the lack of focus on the aid effectiveness principles agreed in Paris and Accra, the watering down of commitments and indicators for donor countries, the limited attention to civil society, and the poor recognition of partner countries’ concerns around conditionality, tied aid and procurement. Poverty was given insufficient attention, and the document was too light on human rights, democratic ownership, accountability and gender.21 BetterAid demanded that there be a strengthening and deepening (not weakening) of the principles and actions agreed in Paris and Accra, including by new actors.22

21 Concord-AidWatch (29 June 2011) ‘Concord-AidWatch analysis of the first draft Busan Outcome Document’.

Various rounds of consultations, discussions and drafts ensued. On 23 November 2011, just prior to the Busan Forum, the fifth and final draft document was produced. The key changes from the first draft, as well as issues that stand out in this document are:

- There was a real pullback on the idea of endorsing the content of the Partnership. Instead, the emphasis shifted to language of ‘respective commitments’ and those involved, reaffirming existing commitments. The focus further shifted to agreeing a ‘common set of principles’ rather than striving for common goals.
- There is a stronger reference to the MDGs which previously was negligible.
- The document is more inclusive of a new framework, and the tone is less one of welcoming others into an existing club. This accepts that the previous aid effectiveness agenda was too narrow and dominated by a few aid actors. As far as new actors are concerned, the document accepts that countries can be both donors and recipients.
- There are no indicators or targets listed, and references to the Paris and Accra indicators remain muted: ownership is central but is not clearly spelled out; alignment is clearly contentious (see below) and very much watered down; harmonisation is not mentioned at all, with a return to ideas of coordination, reducing fragmentation and division of labour. Transparency is one area where there is something a bit more tangible, but it is confined to coming up with a schedule and indicators in 2012-13.
- There is a new clause relating to gender equality.
- There are longer sections on South-South cooperation and the private sector, as well as on corruption and climate change finance.

Relating to alignment, one real eye-opener can be found in two footnotes on page 6, related to paragraph 17(e) on untying aid and paragraph 18 on the use of country systems. These footnotes state that “Rwanda and the African countries it represents were unable to confirm their endorsement of the text” due to the lack of tangible commitments. This clear expression of dissatisfaction on the part of the African representatives with the draft text represents a significant sea-change in voice on the part of developing countries within aid effectiveness deliberations.

As far as civil society is concerned, there is one specific clause related to CSOs (paragraph 21), which refers to those involved in the Partnership implementing their “respective commitments” to enable CSOs to exercise their roles as independent development actors, and to CSOs implementing their own commitments on accountability and development effectiveness.

Finally, and crucially, the fifth draft sets out a ‘new vision for development’ which is essentially growth-driven, post-aid, aimed at country ownership, and - at its heart - neoliberal. The role of aid is as a catalyst. Governance within this vision is about creating effective states for effective resource mobilisation and service delivery.

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24 Idem, p6.
The *Busan Partnership for Effective Development Cooperation*

Three thousand delegates gathered in Busan for the High-Level Forum; numerous fringe and lobbying events were staged. But the very final negotiations were down to 18 ‘sherpas’, elected to represent different stakeholders in Busan. These sherpas came from: BetterAid, Bangladesh, Rwanda, South Africa, Mali, Timor-Leste, People’s Republic Of China, Mexico, Honduras, France, European Commission, Japan, United Kingdom, United States, and the United Nations Development Programme. The group was chaired by the chair of the OECD-DAC Working Party on Aid Effectiveness, the World Bank, and South Korea as Vice-Chairs of the Working Party were also involved. The World Bank hailed the ‘democratization of aid’ at Busan, a democratisation based on a larger number of more diverse participants in the process.25

So what changed between the final draft and the *Busan Partnership*? As can be expected, the devil is in the tiny details. A word changed here or there (e.g. the new ‘vision’ for development outlined in Draft 5 became a ‘framework’ in the final version), a paragraph moved to a new location, minute changes in emphasis – all these things tell us something about the power balances around the negotiation table and globally within development cooperation. Many of the last-minute changes happened to prevent China from backing out altogether. Small victories were won by civil society and southern countries: civil society got a mention in paragraph 1 and the rights-based approach was finally included, if only in relation to CSOs themselves; the African delegates got some revisions around untying aid and alignment; a post-MDG framework was mentioned; and there was a little more on capacity development and predictability.

The *Busan Partnership* is a substantially different document from the Rome, Paris and Accra agreements. Where these agreements paved a way towards a more coherent approach to aid delivery and management driven by a core group of OECD-DAC donors, Busan embraces diversity in development cooperation and the voice of non-DAC donors is central. Indeed, there is a real sense of non-DAC donors striking their own path. The document emphasises that South-South cooperation is different to North-South cooperation, and that common goals are good but the principles, commitments and actions outlined in the *Busan Partnership* are nothing more than references to be applied on a voluntary basis (paragraph 2).

But what does it actually say? Gone are the old aid effectiveness targets and principles. In come four shared principles to achieve common goals (see box 3). Country ownership of development is absolutely crucial and there is a real emphasis on country-driven and country-led processes, including developing indicators at the country level. But at heart the *Busan Partnership* is all about fulfilling ‘respective’ and ‘differential’ commitments, i.e. no donor (especially southern) is bound to do anything it does not want to, and the real work of turning the partnership into action remains to be done.

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Finally, there is a striking absence of tangible commitments, in contrast to the Paris Declaration. While there is some agreement on the need for goals in certain areas, such as untying aid, transparency, predictability, use of country systems, and increasing aid for countries that receive insufficient support, serious discussions on these will only happen in 2012 and 2013 under the aegis of the ‘Building Blocks’. Decisions about the working arrangements for implementing the Partnership also remain to be thrashed out, with plans to phase out the Working Party on Aid Effectiveness by June 2012.

Implications of Busan for civil society

If we once again turn to the ‘Big Asks’ of civil society outlined by BetterAid in April 2011, to what extent were these answered?

- The Paris and Accra commitments have not been deepened, if anything they have been watered down.
- ‘Democratic ownership’ made it into the document as a term (once in paragraph 12), with gestures towards state-society accountability and country-led development processes.
- Transparency is one of the winners of Busan, largely due to the strong lobbying by Publish What You Fund accompanying the International Aid Transparency Initiative, although countries have until the end of 2012 to make firm commitments on this.
- Gender equality and women’s rights were given a much greater emphasis in the final document, and in political statements made at Busan, notably by Hilary Clinton.

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26 Eight ‘Building Blocks’ were officially launched at Busan, many of them based on working groups established ahead of the Forum. These are initiatives bring together smaller groups of interested actors (coalitions of the willing). The eight Building Blocks are: Conflict and Fragility; South-South Cooperation; Private Sector; Climate Finance; Transparency; Effective Institutions and Policy; Results and Mutual Accountability; Managing Diversity and Reducing Aid Fragmentation. See: www.aideffectiveness.org/busanhlf4/en/topics/building-blocks.html (accessed 1 December 2011).
The rights-based approach was included, but only in reference to CSOs’ own development activities.

A paragraph was included mentioning the Istanbul Principles and recognising the role of CSOs as development actors, but with the all-important caveat attached of this being attuned to the respective commitments and position of the country in question, which is a long way from the minimum standards requested.

There is an agreement to create an open platform for continuing dialogue and reviewing of development effectiveness, the shape of which will take form in 2012.

The voice of civil society has not been ignored within the Busan Partnership. Likewise, many of the priorities coming out of developing countries are present in the final document. Civil society organisations from all around the world have vested a huge amount of time, effort and resources into gaining a seat at the aid effectiveness table, and some significant advances have been made because of that. The same can be said for some developing countries, which have used the aid effectiveness discourse to great effect in challenging many donors to improve their act.

Nevertheless, the Busan Partnership raises concerns and this is reflected in the mixed statements coming out of civil society groups, hailing the successes but bemoaning the gaps and weaknesses in the final document. The path ahead is extremely unclear. Aid effectiveness as we knew it is dead. It has been changed beyond recognition by the process of inclusion, and by the vagaries of global economic and political shifts.

The consequences of inclusion

Aid effectiveness was shaped by a small group of official donor agencies, which brought it under heavy critique. Since the Monterrey meeting, pressure built continually from developing country governments and from civil society to open the doors. From the outset the agenda was ambitious and very technocratic, but it had a focus, namely to improve how official aid functioned – how it was managed, how it was used, and how we made the link between aid inputs and development outcomes. Some of the ideas behind aid effectiveness are extremely valuable. While we have not come as far as we may have hoped, the aid effectiveness process is seen to be changing behaviours and having positive benefits for development outcomes.27

However, as the number of delegates at High-Level Forums has grown, so have the demands and the expectations. The aid effectiveness agenda broadened into numerous areas of debate, research and reflection: aid modalities, including budget support and programme aid; new aid actors and their ‘fit’ with the prevailing system; accountability and governance between governments and citizens, between donors and constituents, between NGOs and their partners; aid conditionality; transparency; aid effectiveness in fragile contexts; capacity building for effective development; results and measuring impact. Some extremely valuable work has emerged on all these topics; but it has also made it much harder to see clearly where the focus of attention should be. In parallel, the environment in many OECD countries has changed with consequences for aid approaches and budgets.28 These shifts within the OECD, coupled with

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27 Wood (2011) op.cit.
28 For example, the rise of more conservative governments in Europe, coupled with aid budget cutbacks in many countries, has led to new priorities and agendas for development. This includes the ‘results’ agenda, but also signs that donors will be re-addressing their priorities as the MDG deadline approaches.
the growing number of actors involved, have meant that a huge number of demands have been brought to the table. The consequence is that a document like the *Busan Partnership* says a lot, but also very little.

The BetterAid demands demonstrate this quite clearly. One of the conditions of entry to the debate was that the large number of CSOs and NGOs somehow develop a coherent agenda. This of itself required a huge amount of time and effort, and organisations struggled to articulate their thoughts around aid effectiveness; some of the early statements are extremely woolly and in places contradictory. An example of this would be around conditionality. On the one hand, many civil society groups are demanding an end to conditions attached to aid; on the other they expect donors to use aid to hold recipient governments to account, notably over human rights and governance abuses. Broad, sweeping demands are not nearly as effective as one clear, technical ask. It is notable that the narrower issues-focused campaigns feeding into Busan appear to have made the most impact, e.g. on transparency.

Development NGOs and CSOs’ engagement with aid effectiveness also saw the mirror turned upon themselves and their own practices. In the early days, civil society organisations stood outside the Forums and put donors under pressure to clean up their act. As they were drawn into the fold, they became increasingly focused on demonstrating their own effectiveness. This is no bad thing, as many organisations could be accused of extremely poor practices regarding aid use and management. However, it did detract from their role of pressurising better donor–government–citizen accountability around the use of aid. And it raised questions about whether civil society organisations were dancing to a donor-driven tune.29

What is perhaps most concerning about the *Busan Partnership* from a civil society perspective is the development framework proposed. The rights-based approach, democratic ownership, and gender equality might have made it into the final document, but do we recognise ourselves within the overarching vision of development which is presented (see box 4)? There is an imperative on civil society to emphasise the accountability and sustainability dimensions within this, and not let the growth-model dominate.

### Box 4: The ‘effective development’ framework

Paragraph 28 of the *Busan Partnership* states that “aid is only part of the solution to development” and proposes a framework within which:

- Development is driven by strong, sustainable and inclusive growth.
- Governments’ own revenues play a greater role in financing their development needs. In turn, governments are more accountable to their citizens for the development results they achieve.
- Effective state and non-state institutions design and implement their own reforms and hold each other to account.
- Developing countries increasingly integrate, both regionally and globally, creating economies of scale that will help them better compete in the global economy.

*Extract from: Busan Partnership, 1 December 2011, page 9*

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29 See Pratt and Myhrman (2009) op. cit.
The winds of global change

Aid effectiveness emerged at a time when OECD-DAC donors dominated the aid landscape. They were more-or-less united behind a clear vision of development, and had the clout (and arrogance) to set the agenda. That world has gone. The Busan Partnership recognises this: as it states, North–South cooperation remains the most significant, but emerging development actors and new forms of cooperation are increasingly important.30 The biggest victory in the whole Busan process for some has been getting China to participate31 – the price of which was the serious watering down of the language on commitments at the eleventh hour of the negotiations. Aid effectiveness as we head into 2012 is framed by a very different global environment to the early 2000s.

One of the most refreshing things about the Busan Partnership is the voice from the South that emerges. In the 1970s there was a moment when we talked in development circles about the ‘triumph of third worldism’ – when countries in the South began to fight back against the modernisation paradigm being foisted on them by the rich countries of the West. This was kicked into the long grass in the 1980s as austerity and structural adjustment bit. The tables are turning, as traditional donors face funding squeezes while new actors emerge within growing economies. From one angle, the Busan Partnership represents a revitalisation of a southern-led development framework. Admittedly, many of the Big Asks from partner countries were not met – no commitments were made to increase aid volumes, and statements on predictability, alignment and capacity building did not particularly advance us. There is a concern that the most aid-dependent and weakest states will be the real losers under the new framework. Nevertheless, the voice of non-OECD countries is strong. This is not a document written by big aid funders to further their own interests. In that respect we have come a very long way from the Monterrey Consensus, where developing countries were lucky to get a couple of consultative seats at the table.

This raises interesting new dilemmas for civil society actors. Whose voices from the south were truly present in Busan? Again, will southern civil society activists be satisfied with the vision of development that the Busan Partnership presents (see box 4)? The Nairobi Declaration had as its central message the need to put citizens and democracy at the centre of development effectiveness, and for governments and donors to guarantee space for African civil society to operate in the face of repressive measures by many governments.32 While the Busan Partnership notes these issues, one of the main representatives of the developing world at the talks was Rwanda, a stalwart – and welcome – critic of the old donor system. However, Rwanda is also run by a government which may be willing to promote civil society when it comes to service delivery, but it does not have the best record for providing an enabling environment for civil society to fulfil a more critical function.

We should not delude ourselves that a southern-led development paradigm – driven largely by emerging middle-income governments with vested interests in the global market system – will somehow strike a radically different course. There is a definite critique of the ‘old’ system within the Busan Partnership, but does the emerging framework gives us better hope of a rights-

30 See Busan Partnership, op. cit. paragraph 14, p4.
31 The other major progress has been that the Americans have finally started to engage fully with aid effectiveness.
32 Reality of Aid Africa Network and All African Conference of Churches (2011) op. cit.
based, participatory vision of development? We are entering a new era for global civil society, as the traditional development NGOs in northern countries come under financial pressure, as the roles of civil society change in emerging economies, and as repression against civil society around the world is expanding. Where civil society places itself in relation to aid and development effectiveness will be critical.

Conclusion: where next?

While drawing on much older debates, the aid effectiveness process really started ten years ago with agreement to increase aid in order to meet the MDGs and to deal with the damaging effects of ‘bad’ aid. We have come a long way from the Monterrey Consensus of 2002 (although revisiting the Consensus itself makes for familiar reading, with many of the same statements as in the Busan Partnership). High-Level Forums have grown from around 70 delegates to over 2,000. They have become much more inclusive, but where does that leave us?

The Paris Declaration and its goals and targets made a big difference to our thinking about aid; it enabled a process to emerge where recipient demands were heard. The lack of achievement of many of the Paris indicators demonstrates that they were not right, so rethinking the objectives in line with the new ‘Common Principles’ is welcome. Aid effectiveness as we knew it is finished; the Busan Partnership promises that a new Global Partnership will emerge in the next 12-24 months, providing forums for debate and dialogue, setting selected targets, etc. The emphasis within the Busan Partnership is strongly on the country level, and the space for civil society is recognised. At the end of the day, however, development effectiveness boils down to what each actor has ‘respectively’ agreed to elsewhere and each actor’s motivation in moving forward. The Building Blocks present some hope that groups of like-minded actors will continue to press for reforms to aid and development cooperation, but this may well lead to a splintering of donors.

Suddenly the aid reformers seem to be in a serious minority, as the peer pressure on other donors to reform disappears beneath the language of differential commitments. The incentive to continue down the aid effectiveness path may well be lost.

The 1990s was the decade of debt relief, poverty reduction and the Millennium Development Goals; the 2000s was the decade of aid effectiveness and development results. Where will the 2010s take us? Before us lies a shift from aid to development finance, from a donor-recipient relationship to development partners (might we finally achieve this goal?); from one aid agenda to many as new actors become increasingly prevalent. The imperative is now on civil society organisations, platforms and networks to revisit their role. The effort that went into gaining a seat at the table must translate into some real pressure on developing country governments, donors and private funders to deliver on their statements about treating civil society organisations as development actors in their own right. If they are to use that space well, then

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the message needs to be tight and sharp – identify narrow demands that are realistic and achievable under the common principles and Building Blocks.

What stands out in the Busan process is firstly that southern civil society organisations are demanding accountability from donors and their governments, and ownership over aid and development. Northern civil society organisations must provide whatever support they can in this because the statements belie what is happening in much of the world. The Busan Partnership offers an opportunity for southern civil society organisations to refocus attention away from aid donors and onto how their governments allocate resources. Secondly, there is a risk that aid effectiveness is lost amidst the multiple agendas of the Busan Partnership. Civil society at the global level would do well to refocus attention on aid because the job of addressing the damaging effects of aid remains unfinished.

Finally, in many respects civil society organisations have become sucked into a process that expects uniformity and coherent agendas. Alliances around a focused campaign can be very strong; but coalitions built on mixed messages do more harm than good. Civil society groups must be prepared to step back outside the room and take a proactive, political stance if the countries and agencies present in Busan fail to follow through with turning the Busan Partnership into lasting improvements in aid and development cooperation in the interests of the poorest and most vulnerable peoples of the world.