

Workshop

Unfinished Business: Moving forward to meet the Busan commitments

14 April 2014

Hyatt Regency, Campos Elíseos 204, Polanco, Mexico City

Objective of the workshop

The High-Level Meeting of the Global Partnership for Effective Development Co-operation held in Mexico, 15-16 April 2014 presented an opportunity to reiterate the importance of effective development co-operation in meeting the Millennium Development Goals and to identify actions to accelerate the implementation of agreed commitments and demonstrate tangible progress by 2015. Effective development co-operation is also a key part of how the objectives of the next global development framework will be achieved.

The OECD and UNDP organised this workshop to complement and help delegates prepare for the first plenary session of the High-Level Meeting on “Progress on Implementing the Busan Commitments: How far have we come?”. It provided an opportunity for more in-depth interaction among the various stakeholders of the Global Partnership. The main objective of the workshop was to review progress in implementing commitments made in Busan at the Fourth High-Level Forum on Aid Effectiveness in 2011, as well as identify bottlenecks and promote concrete initiatives to enable further progress. The workshop drew on the Global Partnership monitoring report: [Making Development Co-operation More Effective: 2014 progress report](#) as well as the regional consultations for the High-Level Meeting and other preparatory events.

The workshop brought together 350 members of the Global Partnership, including representatives from governments, international organisations, civil society organisations, and the private sector.

Conclusions and identification of messages for the HLM plenary

The workshop consisted of two plenary panels which looked at: progress in implementing the Busan commitments, and ways to strengthen accountability within the Global Partnership. In addition, four parallel sessions focussed on specific aspects of the Busan

principles, including ownership and country systems, inclusive partnerships, transparency and accountability, and the New Deal for international engagement in fragile states.

Ms Brenda Killen, Head of Global Partnerships and Policies, OECD Directorate for Development Co-operation, summarised some key messages emerging from the discussions in the closing session. Some take away messages to inform the first plenary session of the High-Level Meeting on “Progress on Implementing the Busan Commitments: How far have we come?” are presented below:

- Dialogue at the country level has strengthened as a result of global effectiveness efforts. Now the dialogue needs to be institutionalised.

This is important for inclusive partnerships: dialogue and engagement cannot be ad hoc, but need structured mechanisms so that being at the table has real impact. There are good examples of institutionalised, inclusive dialogue mechanisms already across different countries and regions – so this is possible. Institutionalised dialogue is important also to move forward on the use of country systems. Continued and structured dialogue is necessary to facilitate the trust that is needed to deal with risks jointly among development partners, and to adopt and maintain a longer term approach where systems are used while strengthening them.

- The notion of domestication of the Busan commitments by developing countries has been on the table for a long time. Now is the time for localisation of Busan commitments by co-operation providers.

Country examples highlight a persistent disconnect between providers’ effectiveness rhetoric at the global level and their operations at the country level. This signals the need for provider headquarters to delegate authority to country decision-making processes to enable country offices to be transparent, provide the necessary planning information and manage risk. In addition to authority, this requires the right incentives. So long as country offices lack the necessary authority, building trust and long-term relationships required to make progress on challenging commitments will remain difficult.

- Strengthening country led implementation of Busan commitments requires information and data.

They are needed for budgeting, for accountability and for tracking progress. Information and data also enable documenting good practice and sharing lessons. Getting the right information and data in place at country level requires transparency and predictability from co-operation providers. Transparency is essential not only for governments, but also a key ingredient for meaningful engagement of civil society and creating an enabling environment for civil society organisations to contribute to development efforts. There are already good examples of transparency which confirm that it is possible.

- Translating Busan commitments into reality is everyone’s responsibility. No commitment can be implemented by one constituency or stakeholder alone.

Encouraging examples of different stakeholders translating shared principles into practice include the guidelines for effective co-operation adopted by philanthropic actors, the strategy of Arab providers to implement the Busan commitments, and the Istanbul Principles adopted by CSOs to strengthen effectiveness of their own development efforts.

Highlights of the opening address, the plenary sessions and the four parallel sessions are summarised in the following sections of the report. The [workshop agenda](#) is available on the Global Partnership website together with other information related to the Mexico High-Level Meeting.

OPENING ADDRESS

- *Erik Solheim, Chair of the OECD Development Assistance Committee*

Mr Solheim welcomed the participation of wider groups of stakeholders within the new monitoring framework. There is evidence that development is happening: there have been big changes in development in recent years; Viet Nam now scores higher than Norway on under-15s education and Ethiopia has just released figures on child mortality showing impressive progress.

He noted how, since Busan, governments have improved at making development policies; the private sector is making a bigger contribution to development and governments are increasingly unleashing the power of the private sector. Aid still makes a big contribution to development; the latest ODA figures show record levels.

He recommended that the Global Partnership focus on finding common actions to address development challenges, building and fostering partnerships for development and providing an avenue for conversation amongst development actors, look at whether south-south co-operation is complementary to ODA. The Global Partnership should look at issues around domestic resource mobilisation to support development.

- *Niloy Banerjee, Director a.i., Knowledge, Innovation and Capacity Group, Bureau for Development Policy, UNDP*

Mr Banerjee proposed that we should be asking ourselves what could have been done better since Busan, what are the quick wins? The notion of global light and country heavy has been a learning process, but better feedback mechanisms are needed if this is to work.

He noted the strong link between institutional strength and good performance on the Busan indicators. There has been little progress on country systems, but the context has been difficult over the last few years. We are seeing more signs that the private sector wants to engage in the process. More work needs to be done to improve the indicator on an enabling environment for CSOs, as it is currently difficult to draw conclusions from it. The work on transparency is just beginning, but the work on mutual accountability is more meaningful. He concluded that we should look at what can we learn from each other. Innovation has been affected by a lack of learning in the Global Partnership. Further efforts are needed to enhance learning within the Global Partnership.

PROGRESS SINCE BUSAN - OVERVIEW OF THE MAIN FINDINGS FROM THE GLOBAL PARTNERSHIP'S 2014 MONITORING REPORT

Panel discussion: "How far have we come in implementing Busan commitments?"

- *Moderator: Michael Gaffey, Deputy Director General, Irish Aid, Ireland*

Mr Gaffey opened the discussion by referring to Ireland's experience being a donor and a recipient in recent years. In order to maintain development programmes in this context, Ireland had to focus on results and working more closely with partners in countries. As a result, support to development co-operation has not decreased in Ireland in spite of the financial crisis.

- *Monica Asuna, Head, Aid Effectiveness Secretariat, National Treasury, Kenya*

Ms Asuna reported on how the monitoring process in Kenya helps to maintain the momentum towards achieving the Busan commitments by maintaining dialogue at the national level. National plans further facilitate dialogue by enabling development partners to co-ordinate around national objectives which in turn brings results. Transparency and accountability require further progress, without transparency mutual accountability is not possible. There is transparency at the global level but information is lacking at the country level.

The integration of aid on budget has increased in Kenya. However, much more progress on the use of country systems is needed and it is one of the major challenges, especially with regards to the use of country accounting systems. It is questionable whether there is enough decentralisation on the donor side in order to allow for more use of country systems. As long as a country programme includes a risk management mechanism, partners should not shy away from using these. Dialogue to address risk is a form of mutual accountability.

There is a lot of reporting at the global level but much less reporting to countries. Reporting at the global level does not help parliaments to have an overview of development co-operation funds available for the country so at the national level there is no ownership of expenditure.

- *Tony Tujan, Co-Chair, CSO Partnership for Development Effectiveness (CPDE)*

Mr Tujan recommended that the use of country systems be discussed within the context of inclusive development given that CSOs have a consistently strong record in supporting the use of country systems. Country systems cannot be strong without the participation of all actors. The quality of country systems depends on the role and participation of CSOs, however there is evidence of a shrinking enabling environment for CSOs. Using country systems is a control issue, consultants are hired on the pretext that the systems can't be used. It is in this sense a form of tied aid.

Democratic ownership is not being put into practice: CSOs and parliamentarians are considered as secondary participants. Results and accountability mechanisms are not inclusive. Development co-operation is not a business, it is about solidarity between people. One of the major achievements of the Global Partnership is in forging relations and co-operation between partners.

- *Martin Dahinden, Director General, Swiss Agency for Development and Cooperation, Switzerland*

Mr Dahinden stated that there has been general progress in recent years towards a more open dialogue that is not just focussed on central governments. Furthermore, transparency has made great progress: compared to six years ago there is much more information, even if more progress needs to be made.

There is a need to understand country systems from a broader angle than government systems. There is a need to strike a balance between short-term results and long-term benefits which can make some development partners risk averse. We need to address these risks together.

Predictability of Swiss development co-operation is improving for two reasons: commitments to fund programmes for 8-12 years and phasing out over 2-4 year periods and recent monetary stability.

Conclusions

The discussion highlighted how openness and honesty between partners is critical to long-term commitments. There is a need to focus on the country level. Risks, accountability and the use of country systems all need to be resolved at the country level.

PARALLEL SESSIONS

Session 1: Ownership and results – How to accelerate progress in strengthening country systems through greater use?

Objective

The objective of this session was to discuss the results of the Global Partnership Monitoring Report on the use and strengthening of country systems as well as on the ownership and results principles. The session also aimed to better understand what drives progress in this area, based on the experience of partner countries as well as bilateral and multilateral donors.

Speakers

- *Moderator - Neil Cole, Executive Secretary, Collaborative African Budget Reform Initiative (CABRI)*

The Moderator recalled the commitments of the Busan Partnership agreement in relation to the use and the strengthening of partner systems, including the commitment to “use country systems as the default approach” and to “assess jointly country systems using mutually agreed diagnostic tools”. The main results since Busan indicate that some progress has been made, but that stagnation and sometime deceleration of the use of country systems has been identified. The correlation between the strength and the use of country systems is not always clear. The moderator pointed out the openness of country level dialogue, before introducing and questioning the panellists on: (1) their experience in strengthening and using country public financial management and procurement systems; (2) the drivers for greater

use of country systems and (3) approaches and processes to support the country systems and commitments and address the challenges.

- *Muhammad Musharraf Hossain Bhuiyan, Cabinet Secretary, Government of Bangladesh*

Mr Bhuiyan identified three practical ways for development partners to use country systems in their development co-operation: (i) use of country public financial management and procurement systems (ii) use of country aid information management systems (iii) use of country results frameworks. Mr Bhuiyan underlined the need to introduce strong joint monitoring and evaluation in order to avoid fiduciary risks. In order to strengthen ownership, leadership and use of country systems, recipient countries need strong policy and legal frameworks as well as strong institutions and individuals.

- *Pamphile Muderega, Permanent Secretary, National Aid Coordination Committee, Burundi*

Mr Muderega highlighted the efforts by the Government of Burundi to strengthen its public financial management and public procurement systems. In spite of these efforts not all development partners are using the national systems. Good governance as well as co-ordination systems between the partner country, the development partners and civil society are crucial in order to achieve some progress in this area.

- *Brian Baldwin, Senior Operations Management Adviser, IFAD*

Mr Baldwin stressed the importance of setting up legal frameworks for all ministries in order to improve the use of country systems. He pointed out the specific challenges of fragile states, where ownership needs to be increased despite the lack of strong public financial management and procurement systems. The increased use of CSOs, linked with the identification and the management of risks, may be a solution in this context. He also underlined the importance of results as well as the strengthening and the use of national results-management programmes, including the monitoring capacities of Parliaments.

- *Noumea Simi, Assistant CEO, Aid Coordination Unit, Ministry of Finance, Samoa*

Ms Simi shared the collective approach developed in the Pacific region to improve on the use of country systems. Partnerships and trust built over the years between partner countries and development partners are important. These partnerships and trust translate, in the case of the Pacific region, in agreed frameworks and modalities of support. She stressed the progress so far, but also the importance of continued support by donors to build the capacities of local systems.

- *Ronald Meyer, Head of Division, Cooperation with Countries and Regions, Federal Ministry of Economic Cooperation and Development (BMZ), Germany*

Mr Meyer introduced the importance of donor incentives in order to take more risks and increase the use of country systems. It is a political exercise that needs to be undertaken by donors to convince their electorate that using country systems is worth the risk. He explained that German Development Cooperation is looking beyond the strength of local public financial management systems for the use of budget support and that using country systems has to be adapted to the modalities of development cooperation. The introduction of specific

monitoring procedures on the use of country systems can create necessary incentives as well as increase the pressure within the development agencies.

Main conclusions and messages for next steps:

- **Need to move from fiduciary risk to effectiveness:** The discussion showed agreement among participants on the importance of looking beyond fiduciary risk and broadening the understanding of country systems, including issues of ownership, leadership, accountability, monitoring and evaluation. Against this background, indicators to measure the strength of public management systems beyond PFM seem to be needed. Participants also agreed to look beyond budget support as the modality of choice for using country systems and that all modalities can be a basis for stronger use of country systems.
- **Need for partnerships built on trust:** The discussion highlighted the importance of local partnerships built on trust in order to make progress on the use of country systems. According to the participants, an increased delegation of authority by donor headquarters to country decision-making process (in line with the 'global light and countryfocussed approach' of the Global Partnership) to enable country offices to be transparent, provide necessary planning information and manage risk.
- **Need for structured dialogues:** One option to build partnerships and trust between partner countries and development partners is the introduction of structured dialogues around an agreed set of issues. In this context, the joint CABRI-US initiative developed in the framework of the Effective Institutions Platform to support 'Country Dialogues on using country systems' was mentioned.

Session II: Inclusive partnerships – How can the Global Partnership ensure that all stakeholders, particularly civil society organisations, can play their role fully as development actors?

Objective

This session looked to identify three or four key issues that reflect forward-looking efforts to define a new development agenda for inclusive partnerships and to overcome future challenges. The session will examine issues on creating an enabling environment, creating a policy space and capacity, existing frameworks and mechanisms, access to information for non-state actors, and financing.

- *Moderator: Charles Lwanga-Ntale, Regional Director for Africa, Development Initiatives*

Mr Lwanga-Ntale introduced the panel discussion by suggesting a number of points for the panel to reflect on, drawing on Development Initiatives' work on development effectiveness focusing on the perspectives of four countries in Africa.

There is a common assumption that capacity lies with national governments and donors and that the breadth of issues related to inclusive partnerships is taken care of by a single specialist group based within ministries of finance and economy. Furthermore, there are issues about the extent to which different parties decide who to include and whether they want to be included. Is there a process or a mechanism deciding this or is it a unilateral

decision. If there are mechanisms to support inclusion, do they support country ownership when they happen?

- *Nurmambet Toktomatov, Head of Investment Department, Ministry of Economy, Kyrgyz Republic*

Mr Toktomatov introduced efforts by the Kyrgyz Republic to strengthen inclusiveness. Since 2010 a presidential decree has created a new forum in the Kyrgyz Republic for state partnership with CSOs in order to ensure citizen participation in executive matters and to ensure transparency and impartiality in policy making as well as to demonstrate government commitment to Accra and Busan. There is a National Strategy for Sustainable Development which was developed with the involvement of CSOs. In 2012 the Ministry of Economy initiated a programme on aid and development issues which resulted in closer working between the government, CSOs, donors and the business sector. These stakeholders now have a greater impact on development policies and aid and development effectiveness. The government would like to see CSOs develop their capacity.

Mr Toktomatov highlighted that CSOs have parliamentary representation, space for different voices and democratic processes. The government has created public watch councils which work closely with CSOs and address issues that arise. One achievement is the inclusion of CSOs on procurement committees where they play an important role in providing checks to the government

- *Robert Fox, Executive Director, Oxfam Canada*

Mr Fox stressed that inclusive development is about outcomes, not just the process. Often we focus on who is at the table rather than the impact. We see huge steps forward in many areas but there is a growing inequality both in the north and the south. This is a challenge to our credibility.

Oxfam has done some case studies of good practice including in Brazil, Kenya and India. However, in spite of recent progress there are many remaining challenges: the number of CSO members being killed for their work is unacceptable and CSOs put themselves in danger to do their work. Some countries that are cited as development success stories place heavy restrictions on the work of CSOs, including preventing organisations from carrying out human rights work, and also humanitarian programmes.

The CSO Partnership has produced a brochure of policy recommendations both for governments and CSOs. Work is being done to create a norm to hold governments to account on creating an enabling environment for CSOs.

There is not one best model to support inclusive partnerships – it is context specific

- *David Crook, Development Director, Stars Foundation*

Mr Crook highlighted how foundations are the newcomers to this discussion, bringing a different perspective. The Stars Foundation works with locally based, autonomous CSOs in developing countries, they find that one aspect of an enabling environment that is overlooked is the issue of how development partners work with and fund local CSOs.

Stars collects data from thousands of CSOs across Africa, Asia and Latin America. They find that the way in which CSOs receive their funding is a critical issue to their independence and ability to work on their own agendas. Over half have never had unrestricted funding - it is very tightly tied to donors' objectives. This is very useful for the donors to be able to carry out their programmes, but it restricts the CSOs from being able to carry out their own issues.

Funding is important to the inclusion of CSOs to change their role from sub-contractors to initiators.,. On the subject of power and power relations for inclusivity – the Global Partnership cannot have one answer to all these issues – the key is its diversity and ability to identify comparative advantage of different actors. The ability of CSOs to respond to service delivery gaps should be supported; how can the Global Partnership support that? Foundations can do this, they are free of politics and profit motivation, they are agile and have NGOs within their stakeholders. A set of guidelines has been produced to support improvements in how CSOs are supported The Global Partnership can celebrate that it can accommodate such a discussion. The Global Partnership should look at how foundations can support those alternative models of service delivery but without setting out competition with other actors.

- *Steven Pierce, Special Co-ordinator for Development Effectiveness, USAID, United States*

Mr Pierce emphasised the importance of recognising the variety of different constituents in the Global Partnership and that there is increasing representation at the country level. We still have challenges ahead but it is important to see the Global Partnership as a start-up enterprise and not as a fully formed company. There is an opportunity to make this a truly inclusive partnership. Furthermore, the monitoring process has identified that progress is being made.

The Effective Institutions Platform is piloting a study into why there has been a lack of progress in using country systems and why donors are using weaker systems rather than strong ones and not supporting the strengthening of the local systems. The report looks at country systems broadly including local systems. There is an inherent partnership everywhere in everything we do and everywhere we work a system already exists. The first step should be to map this out, look for its strengths and then build on these, if we can find local systems and then use them, we are strengthening local ownership and working in partnerships. Working in partnerships is not easy compared to working alone, but working in partnership is more sustainable

To move from ideal to practical achievements at the local level there needs to be better communication between country missions and capitals. Often mission directors are doing the right things, but they word things wrongly or not enough is known about the specific political economic context.

The Global Partnership is a unique space where all actors have different comparative advantages. Working together can bring a broader range of resources to the issues at hand. If each partner comes with their own specific issue then there is a need to give and take, easier to do at the global level than country level. The challenge is to ensure that the global good prevails over own parochial interests.

Main conclusions and messages for next steps:

- **This is not a technical process and requires a focus on power relations.** There is no single approach to inclusive partnerships. Given the diversity within the Global Partnership, what works needs to be identified at the country level depending on the comparative advantage of different actors. For partnerships to work, with diverse actors, compromise may be needed to bring in different perspectives.
- **There is a need for an institutionalised dialogue and consultations to ensure that being at the table makes a difference.** Some interesting examples were mentioned during the

discussion, such as participation of non-state actors in technical groups responsible for monitoring project implementation and public tendering processes, public watches and observatories.

- **It is everyone's responsibility to make partnerships work.** The discussion reiterated the importance of non-state actors to develop and implement their own guidelines to improve development co-operation practice and address their own constraints so that they can engage more effectively with governments and other actors.

The funding flexibility and predictability remains important. This is essential, particularly for CSOs so that they can play their role and engage with others. The example of access to un-earmarked funding was mentioned to allow CSOs to develop their capacities.

Session III: Transparency and accountability – Do we have the right information in the right hands at the right time?

Objective

The objective of this session was to support further orienting providers' transparency efforts towards country-level needs by exploring which information needs remain unmet, and how remaining obstacles to full implementation of medium-term predictability could be overcome.

- *Moderator: Liz Steele, Advocacy Co-ordinator, Publish What You Fund*

The Moderator recalled the commitments of the Busan Partnership agreement in relation to transparency and noted the preliminary results from the piloting of the transparency indicator and the recognition of providers' global level efforts to make development co-operation more transparent. At the same time, she raised the questions also identified by the Global Partnership monitoring report, namely whether the transparency drive at the global level was yet translating into more and better information to support developing countries' own planning. The moderator invited the panellists from developing countries to focus on how transparency efforts could better be geared towards their information needs and planning purposes, and invited panellists representing co-operation providers in turn to elaborate on how to make progress particularly on the forward-looking aspect of transparency, namely medium-term predictability.

- *Lucretia Ciurea, Head of Division, State Chancellery, Republic of Moldova*

Ms Ciurea emphasised that despite progress on the transparency agenda, the data available from development co-operation providers at the country level is not enough to ensure realistic and solid planning. She highlighted the importance of linking transparency efforts to budgeting, and capturing development co-operation more accurately on budget to enable comprehensive national planning. While much work remains to be done, Ms Ciurea confirmed the usefulness of the Common Standard to advance transparency, particularly by helping to standardise definitions and ensure their consistent use by various actors. Information from the OECD-DAC Creditor Reporting System, while not directly useful for planning due to its focus on past commitments, is helpful for analytical and comparative purposes. Ms Ciurea called for future efforts around the common standard to focus on improving data quality, as currently information published through IATI is not yet robust/accurate enough to support effective planning in the short and medium term.

- *Isaora Zefania Romalahy, Head of Aid Coordination Permanent Secretariat, Office of the Prime Minister, Madagascar*

Mr Romalahy underscored the importance of forward-looking information as the key step to advance transparency. In mapping information needs in Madagascar, the most important unmet needs relate to statistical forecasting data. Also there are unmet information needs for data on results achieved through development co-operation. Even if provided only for the next year ahead, provisional planning information from co-operation providers would be crucial to strengthen overall transparency of co-operation and to enable government to better plan and allocate resources across activities. Overall, Mr Romalahy confirmed the conclusion of the Global Partnership monitoring report that the strong political commitment towards transparency at the global and headquarters level is not fully reflected at the level of co-operation providers' country offices. Furthermore, he added that rapid staff turnover in providers' country offices requires continued efforts from government to re-sensitise new staff to transparency principles and practices regarding information provision, which limits overall progress on this agenda.

- *Klaus Rudischhauser, Deputy Director General, EuropeAid, European Union*

Mr Rudischhauser acknowledged that translating transparency into practice on the part of co-operation providers was still work in progress. At the same time, he emphasised that progress on transparency did not only depend on political will, but also on technical and procedural reform which takes time. Reporting on ongoing activities is improving fast and the glass is half full on this front, however regarding predictability Mr Rudischhauser pointed out that the glass remains half empty. Challenges in reporting forward planning information at the global level relate to the reliability of forecasts; where programmes do not achieve expected results and spending plans do not materialise, country stakeholders are typically aware of the underlying reasons, but global accountability for initial spending plans is problematic. However, such fluctuations typically relate to short-term performance and results variations and affect mostly in-year spending. Predictability in the medium-term is stronger, the use of three-year budget support contracts and the European Commission's seven-year planning framework allows for good predictability over a broader timeframe.

- *Fuad Albassam, Assistant Director General, OPEC Fund for International Development*

Mr Albassam reiterated the importance of transparency as one of the most essential – but also challenging – areas of Busan implementation. He noted that transparency at both technical and political levels was also a prerequisite for accurately measuring progress, which is a key function of the Global Partnership. To make quick and targeted progress in strengthening transparency of all operations the Arab Coordination Group, with support from the OECD-DAC and IATI, is preparing a 'minimum transparency standard' that will include integrating indicators into procedures and developing databases that will facilitate greater transparency. With regards to the medium-term, Mr Albassam highlighted that strengthened predictability requires better planning from both co-operation providers and recipients; more effective execution of programmes according to original plans is a mutual responsibility between partners, and joint efforts are needed to ensure truly predictable and well planned co-operation.

Main conclusions and messages for next steps:

- It is possible to change systems and procedures to be more transparent – good practice examples prove this. But more needs to be done, not only to accelerate technical reform but also to strengthen capacity on the side of both providers and national governments to ensure the right information at the right time and, importantly, the effective use of this information for effective national planning and execution. Regional arrangements (such as the Pacific Forum Compact) can help to bring together government and providers to push for more and better information provision.
- The Common Standard is starting to help, but its usability needs to be strengthened. Standardised definitions and formats are enabling the direct use of IATI information in national aid information management systems, also from co-operation providers that do not have a country presence. But true usability requires a move from manual to automated information exchange. This requires further work to consolidate and streamline datasets and ensure comparability of information. Also compatibility for budgeting purposes is crucial; forward looking information not only needs to be provided more effectively, but it needs to be in a format that can be used for budget preparation.
- Transparency efforts can and should target also other flows beyond ODA. Capturing relevant information for example on private flows can considerably enhance country-level transparency and support comprehensive national planning. Madagascar provides good examples of capturing private companies' corporate social responsibility activities in national aid information management systems.

Session IV: More effective development co-operation in fragile states – Are we living up to the New Deal?

Objective

The New Deal for Engagement in Fragile States aims to create change by addressing what matters most for people affected by conflict and fragility: putting countries in the lead of their own pathway out of fragility; and building mutual trust and strong partnerships. Through compacts, stakeholders commit to promote one national vision and one plan to guide an inclusive and country-led transition out of fragility. The objective of the session is to foster a frank exchange between stakeholders on how to build upon successes to date and how to ensure that partners are positioned to deliver on New Deal commitments at the country level.

Speakers:

- Moderator - Gregory Adams, Director of Aid Effectiveness, Oxfam America

The moderator introduced the New Deal and explained its key features. Namely, he outlined the Peacebuilding and Statebuilding Goals (PSGs): foster inclusive political settlements and conflict resolution; establish and strengthen people's security; address injustices and increase people's access to justice; generate employment and improve livelihoods; and manage revenue and build capacity for accountable and fair service delivery. He also outlined the key questions for the session, including: How can the New Deal enhance the work of national governments and development partners in fragile and conflict-affected environments? What reforms are needed at headquarters and country level to deliver on the peacebuilding and statebuilding goals, and the FOCUS and TRUST commitments? What entry points does the New Deal provide for supporting international engagement in crisis

situations, such as the Central African Republic? How should we define success in implementing the New Deal in the short and medium term? What milestones should we set and what support will be needed to ensure they are met?

- Anne Sipiläinen, Under-Secretary of State, Development Cooperation and Development Policy, Ministry for Foreign Affairs, Finland

Ms. Sipiläinen stated Finland's reassessment of its development co-operation strategy with fragile states, which was finalised at the beginning of 2014. She stated that the New Deal is the starting point of the new guidelines. She stated that there is a need to take more calculated risks and to increase international awareness of the New Deal. She also spoke of the 'paradox of timelines' in fragile states; People are impatient and speed is of essence in many fragile situations, and you therefore have to be flexible and innovative. But some things need more time. They need to find ways to support the government and its people in a way that is not demeaning and is productive..

- Helder da Costa, General Secretary, g7+

Mr. da Costa identified that the g7+ is an independent institution, representing 18 states from around the world. The g7+ is one of the key constituents of the New Deal and gives it legitimacy. Regarding the New Deal: the g7+ has set its own priorities, rather than having a donor-led agenda. This has caused a change in engagement with donors, with the power resting with fragile states. The New Deal is a new framework for development in fragile states, which takes into account the failure of the conventional development assistance in fragile contexts, he said. It puts the focus on five peacebuilding and statebuilding goals, which are the key preconditions for the development of a strong state that is capable of developing the state and brings together the *what* and the *how*, as well as the FOCUS and TRUST principals. He concluded by saying one of the challenges for New Deal implementation is that the New Deal is primarily a process led by the ministries of finance and planning. A whole of government approach is needed to engage other ministries and agencies.

- Mary Jevase Yak, Deputy Minister of Finance and Economic Planning, Republic of South Sudan

Ms. Yak stressed that South Sudan has been independent for less than three years, after years of fighting for independence. She said the New Deal enhances co-operation with development partners and helps to recognise the challenges with fragility. Without peace and security on the ground, there cannot be development in any country. South Sudan was about to sign a New Deal compact, when fighting broke out. The fighting underscores the fragile nature of the state and the need for peace and political dialogue. The peacebuilding and statebuilding goals are 'perfect entry points for international engagement'. Donors have to respect country priorities on the ground, not do things their own way. Partners need to behave differently in FCS. Country systems are not well developed, and institutions need strengthening. She said that when people feel safe to go about their daily affairs without fear of harassment or being killed, it will be a milestone for success. This means addressing the basic needs of people and put them at the forefront of everything the government does.

- Samuel Doe, Policy Adviser, Bureau for Crisis Prevention and Recovery, UNDP

Mr. Doe affirmed that in Busan, the UNDP signed up to the New Deal. Significant areas of New Deal progress include: the recognition of fragility as a major impediment to development. For 18 countries to say they are fragile and they need help is a remarkable example of progress. He said there has also been concrete action with regards to carrying

out fragility assessments and increased partnerships, including North-South, South-South and Fragile-Fragile. He noted that using 'country systems' is not the same as using government systems. There is a need to involve local CSOs and private sector more.

Main conclusions and messages for next steps:

Importance of country-owned and country-led processes: Participants agreed that in order for the New Deal to succeed, it must be a country-owned and country-led process. Citizens must take ownership of their development agenda and make it a national priority. Governments must do more to build 'whole of government' ownership of the agenda. Donors must play a supporting role and provide the tools needed for successful implementation.

Need to put peacebuilding and statebuilding 'centre stage': Participants noted that there can be no development without peace, and that also the PSGs provide the 'perfect entry points for international engagement' in fragile states and take account of the special needs of conflict-affected countries.

Need for donors to reassess their engagement: Participants agreed that development processes in fragile states cannot be managed in traditional ways. New thinking, greater risk sharing, and flexible approaches are needed, and country offices must be empowered to respond to local conditions and needs. Each country faces unique challenges and requires individual pathways towards resilience. The key for donors is to be flexible, creative and to stay engaged.

CLOSING PLENARY

Strengthening accountability within the Global Partnership – How can future monitoring efforts be further grounded in developing countries' own systems and monitoring needs to drive progress at the country level?

- *Moderator: Jonathan Glennie, Research Associate, Overseas Development Institute*

Mr Glennie opened the panel discussion with the following questions on the monitoring process: How can future efforts be more grounded in developing countries' own systems and better meet their needs in order to drive progress at the country level? It is not important just to have more data, but rather what data is collected and how it is collected. The Busan monitoring model is innovative in that the data is collected by countries themselves and not by third parties.

However, the implementation of the idea has been hard, and a number of issues are still outstanding to deal with including the difficulties posed by the broad scope of the Global Partnership and bringing on board other forms of co-operation. Monitoring is not a technical process, it is a political one and its ultimate aim is to facilitate change. Is the current set up effective at pressuring donors to improve?

- *Anthony Smith, Director, International Relations Division, DFID, United Kingdom*

Mr Smith stated that DFID had one of the most effective accountability systems in place at the time of Accra. It was felt that process was becoming disconnected from the reality of the field. There was a move to connect monitoring to results on the ground. The strength of the Global Partnership is in its ability to look at things from the angle of the developing country: what do national governments need? That should be the perspective we take.

Regarding whether the Busan agenda has moved the pressure away from donors and on to other actors, DFID is feeling a lot more pressure now to deliver results. DFID has managed to reach the 0.7% target which it has done by responding to enormous domestic political pressure. The focus should be on quality: are we achieving what we want to at the country level? 10 years ago donors knew they weren't effective but Paris and Accra have given donors a focus and a framework to improve. From now on, we have to find a framework that will continue to put pressure on donors to improve.

With regards to how success on engagement with the private sector be monitored at country level, it is very difficult to develop this indicator. The process should be for each country to develop its own framework. The current global indicator needs further work.

- *Alex Knox, Director of Strategic Partnerships and Coordination Programme, Pacific Islands Forum Secretariat*

Mr Knox pointed to the usefulness of the Global Partnership monitoring framework to the PIFS as they work at a national and regional level. The Pacific Forum compact intends to improve government resources. The process has generated evidence that the peer review process between Pacific islands is very useful. Learning from each other has proved very effective. The evidence generated at the regional level feeds into global processes.

The Global Partnership process adds global focus and context to what is going on at the regional level. The content of the monitoring is reported back to Pacific leaders. It reinforces the evidence.

Regional approaches are one way to bridge the gap between the global and country levels. Understanding the context is important to support national and regional efforts.

- *Lei Lei Thein, Deputy Minister, Ministry of National Planning and Economic Development, Myanmar*

Ms Thein emphasised that the Global Partnership has helped to guide Myanmar's development efforts. Since 2011, Myanmar has been putting into place widespread administrative and political reforms. The country is in a period of transition and there has been an increase in development assistance. To ensure that the additional resources are optimised, Myanmar has hosted several development fora. The lessons learned from global processes are useful to inform the country of best practices. Myanmar has implemented a national action plan on development, which includes time-bound objectives.

To help Myanmar's development processes, donors should show flexibility. Myanmar is trying to establish a monitoring framework and needs support for it.

- *Vitalice Meja, Coordinator of Reality of Aid, Africa*

Mr Meja voiced the concerns that the monitoring framework has been diluted. The Paris framework was stricter and the picture clearer. It is harder to enforce compliance with this new agenda. Developing countries are very invested in this agenda so they want to see results from it. It is positive that developing countries are using the monitoring as a tool to demand compliance with the Busan commitments.

Regarding the role of CSOs and media in pushing for change, CSOs are still working hard for inclusive partnerships. The challenge for African media is not only capacity but also an enabling environment.

It is not clear how national indicators match the global indicators. For CSOs, private sector accountability is important given the prominence they were given in this agenda. Another problem: is there appropriate capacity to capture information at national level?

- *Mariam Sherman, Director Results, Openness, Effectiveness, World Bank*

Ms Sherman highlighted the MDBs consensus that this remains a very important agenda although it is not the most glamorous. The fact that there remain indicators from the old Paris agenda shows the importance of completing the “unfinished business”.

The new agenda is important and requires more work to ensure that we are monitoring what is important. We need to look into the indicators and ask the countries if they are working for their needs. To do this we need to consult beyond the national focal points. Ultimately, in order to develop, donors need to look at how to help countries to monitor and evaluate themselves.