

Uncertainties in Busan outcomes: Who does what?

Patrick GUILLAUMONT

➔ PATRICK GUILLAUMONT is President of the Fondation pour les Études et recherches sur le développement international (FERDI). He is also Professor Emeritus at the University of Auvergne, member of CERDI (Centre d'études et de recherches sur le développement international) that he founded in 1976, and director of the Revue d'économie du développement.

After Rome (2003), Paris (2005) and Accra (2008), the 4th High-level Forum on Aid Effectiveness in Busan ended in the adoption of a "Busan Partnership for Effective Development Cooperation". Amidst the applause that closed the final session, a new era in development cooperation emerged. This could be the "turning point" ("[basculement du monde](#)") or the "[end of aid](#)", to use the respective titles given by Jean-Michel Severino and Olivier Ray to their latest book and a recent article. The Busan declaration appears to broaden the scope of dialogue about development, beyond aid, and to extend its geographical base, beyond traditional donors.



.../... It does not constitute a departure from the Paris Declaration on Aid Effectiveness or from the Accra Agenda for Action, whose commitments are repeated, with a welcome emphasis on ensuring ownership of policies by recipient countries and on outcomes. Both as for the ground covered and for the geographical basis for action, the progresses that received so much applause are in fact ambiguous.

► Beyond aid

As for the scope of dialogue, it was useful to stress that aid is only part of development co-operation, and only part of international development funding, and that other sources (migrant remittances, direct investment...) must therefore be considered and promoted. As Hillary Clinton recalled, in a vigorous speech at the opening session of the Conference, aid is only a small fraction of development funding. For the poorest countries, however, this proportion is obviously much higher. In the current circumstances, in which North countries are looking for budget savings, putting the emphasis on these other sources leads to fears that aid will be reduced, rather than increase as has been promised.

► Emerging countries in partnership

As for the geographical basis of dialogue, the major success at Busan was the participation of emerging countries in negotiations and in signing the final declaration. Taking place one month after the G20 meeting in Cannes and after the adoption of the development section put forward by the French presidency, the Busan conference was a further demonstration of the weight of these countries in global governance for development. At the same time, emerging

countries were shown to have a dual status: as developing economies they seek resources to finance their own development, while they have the economic means to contribute to the development of poorer or weaker countries. On the last night, China agreed to sign, although this had still seemed unlikely even that evening, thanks to the inclusion of a paragraph in which the role of emerging countries was recognised as being different from that of rich countries. This inclusion was finally accepted by a group of countries including the United States, which until that point did not: *“the nature, modalities and responsibilities that apply to South-South co-operation differ from those that apply to North-South co-operation.”* The paragraph concludes: *“The principles, commitments and actions agreed in the outcome document in Busan shall be the reference for South-South partners on a voluntary basis.”* Who would think that it would be different for countries in the North? However, emerging countries find themselves forgiven in advance for not applying the principles that countries in the North accept unreservedly, although they may not be no better applied than those of the Paris Declaration and the Accra Agenda.

► Harmonisation at the summit?

By leading emerging countries, the most advanced of which are already OECD members (Korea, Mexico), to take part in defining the conditions in which effective development can take place, and by inviting other developing countries into the discussion, the OECD has increased its geographical reach and broadened the base of its development activities. However, the wider its base becomes, the more it tends to be co-terminous with the United Nations, without the latter organisation’s representativeness. While the issue of aid policy harmonisation between donors has appropriately been dealt with, as it was under the Accra Agenda, the document im-

plicitly raises an issue of harmonisation between the international institutions that are concerned with global development co-operation, including harmonisation between donors.

Next June, at the United Nations in New York, the third Development Cooperation Forum (DCF) will take place. This is a biennial meeting that started in 2008, with an agenda that is similar to that seen in Busan, particularly since the latter meeting broadened its scope “beyond aid”. The meeting will involve similar types of delegations, but its organisers are keen to state that the context will be more universal. The first DCF was held in 2008, three months before the Third Forum on Aid Effectiveness (Accra) and six months before the United Nations Conference on Financing for Development in [Doha](#), and was charged with examining the progress made since the previous such conference, which resulted in the “Monterrey consensus” (2002). While the DCF did not result in a declaration, but rather was supported by a report from the United Nations Secretary General, the conferences in Monterrey and Doha resulted in a text that was the fruit of lengthy preparation and negotiation. The Busan outcome document refers just once to Monterrey.

What, then, will be the specific outcome of this Development Cooperation Forum? What is the role of the Busan Forum, and what is the role of the OECD that initiated it, in relation to the meetings organised by the United Nations on themes that are increasingly similar, now that the 4th High Level Forum has broadened its scope in comparison to previous fora? The Busan outcome document invites the DCF of the United Nations to “*play a role in consulting on the implementation of agreements reached in Busan*”, while affirming a commitment to establish “[a new] Global Partnership for Effective Development Co-operation”. It calls on the “*Working Party on Aid Effectiveness (WPCEFF) to convene representatives of all countries and stakeholders endorsing this document with a view to reach-*

ing agreement on the working arrangements for the Global Partnership—and the indicators and channels through which global monitoring and accountability will be supported—in preparation for the phasing out of the WPCEFF and its associated structures in June 2012.” It ends by inviting “*the Organisation for Economic Co-operation and Development and the United Nations Development Programme to support the effective functioning of the Global Partnership, building on their collaboration to date and their respective mandates and areas of comparative advantage.*” The association of the OECD with UNDP is testament to the Forum’s willingness to broaden its base. As it limits itself to a United Nations programme, however, and as it is establishing this on a still uncertain basis, which must swiftly be clarified, it is not a true harmonisation with the initiatives taken by the United Nations; of course, the cumbersome constraints of the United Nations are well known, but this Organisation remains the most representative body. It should be noted that in the meantime (in April), the thirteenth UNCTAD (United Nations Conference on Trade and Development) will take place in Doha. The Group of 77 has a dominant voice in this conference, which now encompasses all issues on which development effectiveness depends, although in the past it has mainly been addressing trade issues.

The diverse range of fora for dialogue enriches the international debate and enables a diversified range of points of view to be expressed, but its cost should not be forgotten. There is the financial cost, of course, but also the burden of multiple meetings imposed on those responsible for development policies, in the North as well as in the South.

► LDCs vanish

More worrying as for the scope of these meetings is the amnesia that seems to strike those who write and sign the resolutions arising from

the meetings on behalf of these same countries. The Busan outcome document is a striking example of this, as it makes no mention of the Least Developed Countries (LDCs), even though in [Istanbul](#), at the 4th United Nations Conference on LDCs (which is held every ten years), an “Action Plan” for these countries had been adopted, after a lengthy and laborious negotiation. Despite the wishes of some countries, particularly France, to refer to LDCs, the only specific category of country within the group of developing countries that is officially recognised by the United Nations, no mention is made of them. These countries are precisely those which, because of their characteristics (low income, low level of human capital, high level of structural vulnerability), need the most aid and are most dependent on it. In these countries an improvement in aid quality would then be of greatest importance.

Conversely, the document considers the case of fragile states and devotes around twenty lines to ways of “promoting sustainable development in situations of conflict and fragility”, and giving a warm welcome to the “New Deal developed by the International Dialogue on Peace building and State building, including the g7+ group of fragile and conflict-affected states.” Some have thought it legitimate to conclude that there is no longer a developing world; rather, there would be fragile states and the others. No-one disagrees with the need for special support for countries that are emerging from conflict. But “fragile states” form a group of countries the boundaries of which are uncertain and transient in nature; there are multiple ways of defining this group, all of which are subjective. LDCs, regardless of management issues in this category, form a group that is clearly defined on an institutional level and on a logical basis; they are identified as poor countries that suffer from structural handicaps to growth. Most [fragile states](#), however these are defined, are LDCs, and the LDCs which are not currently considered as

being fragile are at risk of becoming fragile in the future, because of their structural characteristics. This was shown at the workshop that Ferdi organised at the 2010 ABCDE conference in Stockholm, on the theme “Reforming the Aid Allocation Criteria and Addressing the Vulnerability Issue”. Sticking to the only notion of fragile states entails the risk of having a curative and not preventive attitude to fragility. We must enquire about the reasons behind the regrettable hiatus between the conclusions of the Istanbul conference, which evaporated so rapidly, and the text of the Busan Partnership.

► A FERDI panel on implementing the principles of ownership and alignment

This hiatus was not the only thing that gave the impression of a lack of coherence. The broadening of the scope contributes to this, by diluting the problems. A long and costly report evaluating the Paris Declaration observed that the slowest progress had been made in the areas of alignment and ownership, while in those areas the starting level had been lower. The report made no precise recommendations on the subject. Perhaps it was not within the remit of the Busan outcome document to do this, although it did strongly reaffirm these principles. Conversely, this was the aim of the event organised by Ferdi in collaboration with France, Burkina Faso and Senegal on the theme “How to make aid allocation and conditionality consistent with the principles of alignment and ownership”. This event had three main features.

Firstly, it dealt with practical ways of making the allocation and the conditionality of aid more consistent with the fundamental and so often called upon principles of ownership and alignment, as stated in the Paris Declaration and Accra Agenda, than they are at present. These principles, which are results-oriented,

are reaffirmed strongly in the Busan declaration, in which the following appears: *“Where initiated by the developing country, transparent, country-led and country-level results frameworks and platforms will be adopted as a common tool among all concerned actors to assess performance based on a manageable number of output and outcome indicators drawn from the development priorities and goals of the developing country. Providers of development cooperation will minimise their use of additional indicators that are not consistent with countries’ national development strategies”* (to be compared with the previous version of the document, as in the note below)¹. However, allocations from some of the main donors are granted mainly according to criteria that reflect an external and subjective judgement of the policies of recipient countries, which is wrongly called “performance-based allocation”. As for the conditionality (of budget support), this is still often based on politiy, rather than on results. The speakers on the panel recommended that the weight given to external indicators be reduced when considering allocations, and that indicators be used that reflect needs, and in particular economic vulnerability. They expressed a wish that true outcome-based conditionality be adopted, based on the final results or impacts, leaving those responsible for policy with the freedom and responsibility of achieving these (see the [summary of debates](#) and [documents on the website](#)). It should be noted that various other Busan events examined result-based management, and these revealed sig-

1. It is interesting to compare this final version with the 4th draft, dated 11 November, which only referred to “outcomes” and not to “outputs”, and in which the last sentence was more demanding from donors: “Transparent, country-led results frameworks and platforms will be adopted as common tools to assess performance with all concerned actors, based on a manageable number of outcome indicators drawn from the development priorities and goals articulated by developing countries. Providers of development cooperation will not impose additional frameworks, objectives or performance indicators”.

nificant differences in the interpretation of this concept (whether the results considered are intermediate or final)².

Secondly, the event was organised by Ferdi with two countries from the South (Burkina Faso and Senegal) and one from the North (France). Most of the panel, which was led by the President of Ferdi, were speakers from the South: the previous Prime Minister of Burkina Faso, Tertius Zongo, the Finance Minister from East Timor, Emilia Pires, who is also president of the G7+, the ministerial adviser to the President of the Republic of Senegal, Gnounka Diouf, the Director of Research at the African Development Bank, Désiré Ventacachellum, and Navid Hanif, Director of the Office for ECOSOC Support and Co-ordination, next to Bernard Petit, former Deputy Director-general of Development at the European Commission, and Serge Tomasi, Director of Development Strategies at the French Foreign Affairs Ministry and co-president of the G20 Development Group.

Half of the speakers spoke in French, which was probably a record for Busan and which was made possible by the simultaneous interpretation provided for at least one of the parallel events that were taking place at the same time.

► French speaking shrinkage

Although simultaneous interpretation was available for all the plenary sessions, including those sessions that were described as thematic, the proportion of French-speaking panellists appeared very low. French-speaking Africans were outnumbered five to one by English-speaking Africans. Ferdi contributed to a document written by the Organisation internationale de la francophonie, which was presented as a

2. The changes made to the 4th draft cited in the previous note, that appear in the final version of the Declaration, illustrate this difference: “outcome” was replaced by “output and outcome”.

“preparatory” to the Busan conference, but unfortunately not made available before the conference. Ferdi’s contribution to this document (in French), which addressed the themes of its parallel event, was made available electronically as part of the supporting documents for the event, and on paper during the event.

It would seem useful here to cite the founding document of this new partnership (paragraph 7): *“In Busan, we are building a new global development partnership, which is open to diversity, and which takes into account the distinct roles that all parties involved in co-operation can play in development”*.

► Busan: a “Procustean bed” of development aid?

Let us conclude with this heading, possibly too enigmatic to be the title of the whole paper. Aid effectiveness has transformed into development effectiveness, without it being known whether this is a sign of effective broadening of

development co-operation, or a threat of a reduction in aid. The club of donors has widened to include emerging countries, but without it being known whether the “voluntary basis” of their membership confirms what has always been the case for traditional donors. The need for ownership and for management by results is reaffirmed more strongly than ever, although we do not know whether the results in mind will truly promote ownership. The specific nature of fragile states is almost institutionalised, despite the uncertainty of the identity of this group and its transitory nature, and it is as though the structural category of Least Developed Countries has been eliminated to make way for it. The Partnership’s openness to diversity has manifested itself in a new uniformity of language. Procuste cut off the limbs of some of his victims, and stretched those of others, in order to make them fit into his beds. We should hope that his shade, discernable in Busan, will fade away in the implementation of the new “Partnership for Effective Development Co-operation”.



Créée en 2003, la **Fondation pour les études et recherches sur le développement international** vise à favoriser la compréhension du développement économique international et des politiques qui l'influencent.



Contact

www.ferdi.fr

contact@ferdi.fr

+33 (0)4 73 17 75 30

