



BRIEF FOR CID MEMBERS:

Busan Outcome Document

22 November 2011

Introduction

From November 29 to December 1, 2011, Prime Ministers, over 100 Ministers, 50 parliamentarians and 40 heads of international organizations including the UN Secretary General, will meet in Busan, South Korea, at the [Fourth High-Level Forum on Aid Effectiveness \(HLF-4\)](#). With the [Paris Declaration](#) having technically expired in 2010, Busan is an ambitious and inclusive partnership in support of better and more effective aid and collaboration around progressing the Millennium Development Goals by 2015.

At Busan consensus will be made around a document called the **Busan Outcome Document**. It is hoped that this document will generate the necessary political will to carry forward the [Paris Declaration](#) (PD), the [Accra Agenda for Action](#) (AAA) and now the [Istanbul Principles of Development Effectiveness](#).

The Busan Outcome Document aims to provide for a broader range of development actors and a create a set of common, but differentiated, principles to guide development actors.

There are some important advances in Busan Outcome Document that will make a significant impact if implemented. These are:

- Civil society as development actors;
- Rights based approach to development;
- Gender equality and women's rights;
- Identifying the complementary roles of parliament and local governments; and
- Regional institutions.

The Busan Outcome Document acknowledges that **civil society effectiveness** will be guided by the [Istanbul Principles of Development Effectiveness](#) and the [Siem Reap Consensus on the International Framework for CSO Development Effectiveness](#) which further elaborates the Istanbul Principles and promotes *accountability* and *enabling environments*. The Busan Outcome Document aims to reflect and echo the important developments in South-South cooperation.

The Busan Outcome Document will be historic because **civil society** is present at the table for the first time, and has been involved in writing and directly negotiating the **Busan Final Outcome Document**.

Analysis of the Busan Outcome Document

The current draft [Busan Outcome Document](#) (BOD) is divided into three main sections:

1. A “Preamble” (paras 1-12) that includes, “Shared principles to achieve common goals”;
2. “Realizing Change: Collaborative action and differentiated commitments” (paras 12.5-29), and
3. “The Road ahead: Partnering for progress towards and beyond the MDGs” (paras 30-31) on accountability to the BOD commitments and future multilateral architecture for development cooperation.

PREAMBLE

The **preamble** is intended to reflect commitments agreed by all stakeholders involved and implicated in the Busan Outcome Document. It sets out:

- a. the rationale, importance of, and overall direction for a new partnership going forward
- b. relevance to all development actors
- c. demonstrates a strong link with the [Millennium Development Goals](#)
- d. stresses a diversity of actors, partnerships and funding modalities
- e. addresses the need for common and differentiated responsibilities for this broad range of actors
- f. reaffirms existing commitments but also commits to being more coherent in all public policies and to reduce dependency on aid
- g. tries to leverage a broader range and diversity of finance for development.

Paragraphs 10 to 12 are critical in that they express the “**shared principles to achieve common goals**” applicable to all development actors. This includes non-DAC donors, civil society organisations, and the private sector. These shared principles remain under negotiation but currently these include:

- a. *ownership* - currently just including developing countries not by their citizens, and country specific
- b. *a focus on results* - focused on eradicating poverty and inequality, building capacity, sustainable development and aligned with country priorities
- c. *inclusive partnerships* - different and complementary roles of all actors building on the Accra Agenda for Action (AAA)
- d. *accountability to citizens and others* - beyond donors to beneficiaries, citizens, organisations.

Paragraphs 11 and 12 set out ways in which these principles will be put into practice, including country level agreements “with all actors concerned” ie. including civil society, to monitor progress on commitments and results, common and individual commitments at the international level, and a new Global Partnership for Effective Development Co-operation at the political level. This effectively replaces the current [Working Party on Aid Effectiveness](#).

SECTION TWO

This section is the largest section and lays out the collaborative actions (paras 12.5-23) and differentiated responsibilities (paras 24-29) for different actors. It focuses on the following:

- a. it acknowledges the important role of countries that are both aid recipients and donors (para 12.5)
- b. notes that [Paris](#) and [Accra](#) commitments are extremely important and those who committed to them need to go further (paras 13-14)

This latter commitment includes a particular focus on the following:

- *country-led ownership, results and accountability* (paras 15-18) frameworks including:
 - a strong focus on building statistical capacity to monitor outcomes and results
 - creating effective institutions and policies
 - promoting gender equality through targets and sex-disaggregated data
 - strengthening the role of parliaments and local government
 - recognizing the role of civil society as independent but complementary development actors, the need for an environment that enables these contributions (but no minimum standards), and recognition of the Istanbul Principles and the International Framework
- c. paragraph 19 is the only substantive reference to civil society and has served largely unchanged through various drafts. It does acknowledge the gains CSOs have made but could be stronger, when, for example, compared to (para 27).
- d. *transparent and responsible cooperation* (paras 20-21) - more accessible and transparent aid information, standards for aid transparency, predictable rolling timelines for aid commitments, country compacts to address the challenge of fragmentation, greater policy coherence across the range of multilateral institutions, guidelines to reduce the proliferation of funding channels, measures to increase aid to countries that most need it, and greater delegation of authority to the field
- e. *promoting sustainable development in situation of conflict and fragility* (para 22) - building on the five Peace-building and State-building Goals
- f. *Partnering to strengthen resilience and vulnerability* (para 23) - with partner countries integrating resilience and disaster management into their own policies and strategies, and donors investing in systems to reduce shocks.

This two also includes the sub-section on differentiated responsibilities (paras 24 – 29), which begins to make the link to the broader effective development agenda – and the shift towards “**development effectiveness**”.

The Busan Outcome Document is political rather than technical. It leaves the elaboration of commitments, such as specific indicators and targets, to a post-Busan process (para 30 and other relevant paras). Most progressive countries are positive on civil society (para 19) however greater clarity on ensuring an **enabling environment** is essential.

It is interesting to note that the Principle of *Ownership* was referred to in BOD2 as “democratic ownership” in place of “inclusive ownership” in para 14, then replaced in BOD3 by “developing countries and their citizens”

The Busan Outcome Document defines **development effectiveness** (para 24) as:

- driven by strong, sustainable and inclusive growth
- more active engagement of governments in mobilizing domestic resources and being accountable to their citizens for results
- supportive of various domestic development actors holding each other to account
- greater regional and global integration of economies.

While “**development effectiveness**” is a primary focus for Civil Society this section only makes a passing reference to human rights.

In Busan Outcome Document, the effective development agenda includes a greater focus on the following:

- South-South and triangular cooperation*** (paras25-26) - including its value, the need to scale it up, better coordinate it, strengthen networks and peer-to-peer learning (but lacks specific reference to learning on strengthening social protection, reducing inequality and promoting the MDGs)
- Private sector and development*** (para 27) - including better legal, regulatory and administrative environment for business, more active private sector engagement in policy design and implementation, as a source of innovative finance, more aid for trade, and further private-public partnerships. While (para 27b) “ensures the participation of private sector in the design of and implementation of development policies...” similarly strong language is absent in respect to the role of the civil society.
- Combating corruption and illicit flows*** (para 28) - including fiscal transparency, whistleblower protection, independent enforcement, and enhancing efforts to combat illicit financial flows
- Climate change finance*** (para 29) - including a commitment to be more coherent transparent and predictable in terms of the delivery of climate finance, to support national climate change policy and planning as an integral part of developing countries’ development plans and to share lessons learned in development effectiveness with entities engaged in climate activities.

This section on climate finance does not aim to link aid and development effectiveness principles to climate financing which will be most likely raise a very interesting debate at Busan.

SECTION THREE

This section addresses ways to partner for progress towards and beyond the Millennium Development Goals. It aims to establish forward momentum beyond Busan at both the country and global level.

It proposes establishing country-specific frameworks, indicators and targets for monitoring progress and promoting mutual accountability published on a regular basis. At the global level, this section proposes establishing (limited?) indicators and targets by June 2012 to monitor progress on Busan, linked to existing commitments and initiatives in partner countries. The results of this exercise will be published (MFAT have indicated that they will have everything on-line post Busan). The section proposes strengthening the capacity of countries to monitor and evaluate progress.

In terms of future aid architecture at an international level, it proposes an open multi-stakeholder Global Partnership for Effective Development Cooperation to oversee and support implementation and act as a space for dialogue, learning, development and implementation of norms and standards, and monitoring progress and accountability at the national and global level.

By June 2012, the proposal is to finalize the arrangements and membership, identify opportunities for regular ministerial engagement that complements the work of other actors including [UN Development Cooperation Forum](#).

Significantly, the [OECD](#) and [UN Development Programme](#) are called on to support the Partnership's functioning, taking into account their mandates and comparative advantage. This suggests a political signal to where the power dynamics should lie in the future. Busan will finally shed further clarity on some key areas of concern still under negotiation.

Who is writing the Busan Outcome Document?

Since the [Working Party on Aid Effectiveness \(WP-EFF\)](#) meeting at the beginning of October 2011, a second, third, fourth and this past weekend in Paris a fifth Busan Outcome Document (BOD) have been drafted. To negotiate a final text going into Busan, the WP-EFF has put together a team of Sherpas¹ (writers) drawn from donors (5), middle income countries (3, coordinated by South Korea) and low-income countries (4),² fragile states (1), the UN system (1), the World Bank (1) and civil society(1).³

The Chair of [BetterAid](#) is the CSO representative and his work is supported by a negotiating team from the [BetterAid Coordinating Group](#) and the [Open Forum Global Facilitating Group](#). The UK Sherpa also represents the Nordic Plus, Canada, Australia and New Zealand. The Sherpas have met already on October 27 and November 4 (with [BOD3](#) as the basis for discussion), and met again on November 18 in Paris working on a fifth draft. The meeting at Busan next week will be around this final draft (BOD5).

The agreed text may be changed by the ministers. It is currently unclear how these negotiations on-site will happen or whether CSOs will be at the negotiating table.

Civil Society at Busan

Civil Society at Busan will concentrate on three topics:

- a. Development Effectiveness
- b. Enabling Environment: Multi-Stakeholder Approaches to Post-Busan Initiatives (Coordinated by the Task Team on CSO Development Effectiveness)
- c. Accountability (ICSO Advisory Group for the Open Forum and the Berlin Civil Society Centre).

In addition there will be a special high level session on Parliamentary Forum (Day 1), Youth Forum (Day 1), Private Sector Forum (Day 2), Gender Equality (Day 2), and Knowledge and Innovation Space (KIS).

Organisational structure post-Busan

Following the July Working Party meeting, an informal working group was set up to consider options for post-Busan operational arrangements. These were presented at the October 2011 WP-EFF. Essentially the proposal is a strong focus on implementation at the country level - country ownership and leadership for steering development efforts at the country-level, with a light multi-stakeholder global structure (Global Partnership) to propose and monitor country-level norms and principles. A Secretariat

¹ A member of a people who live in the Himalayas and who are often hired to help guide foreign mountain climbers; and carry their equipment. Sherpa is a Persian word meaning Lionfeet (Sher = lion + pa = feet). In this context, Sherpas are carrying the load of negotiations.

² Some people have voiced concern that the team is heavily biased towards the donors and emerging economies, with little power to real aid recipients. This criticism has influenced the decision to add a fourth representative just before Busan.

³ The team includes the following: Wp-Eff Co-Chair, Talaat Abdel-Malek, South Korea as the Host Government; LICs: Rwanda, Honduras, Bangladesh and Mali; MICs: China, Mexico, South Africa; G7+: Timor Leste; Donors: European Commission, France, Japan, UK, US; international agencies: World Bank and UNDP; CSO: Better Aid.

would be needed that would build on existing competencies of the OECD-DAC Secretariat and draw on Southern think-tanks and regional work-streams where possible.

While there was support for these ideas in October 2011 and in the current BOD, a number of organisations have raised concerns regarding global indicators and monitoring of commitments. Many were unsure about setting up a new structure, rather than building on the strengths of the WP-EFF – and using this to follow-up on the Paris and Accra Agendas, and the Building Blocks to support the Post-Busan framework.

New Zealand participation at Busan

From New Zealand, the following personnel will be going to Busan:

- MFAT: Amanda Ellis (Deputy Secretary, International Development), Jackie Frizelle (Director, Development Strategy and Effectiveness Division), John Egan (Deputy Director, NZ Aid Programme), Richard Mann (New Zealand Ambassador in South Korea), and Charles Boulton (Second Secretary-Political, New Zealand Embassy in Seoul).
- CID: Dr. Wren Green (Director) and Pedram Pinria.
- Nicki Wrighton (PhD Candidate, Marsden Pacific Research Group) will be present as a member of the Tuvalu delegation.
- Official Australian delegation at HLF-4 will include an NGO representative (CEO, Plan International Australia). ACFID will be represented by Director Marc Purcell and Alex Oates Policy Advisor.
- Emele Duituturaga is the Co-Chair of the Open Forum and will be representing PIANGO at Busan.
- There will be other Pacific NGOs attending.

As mentioned earlier the text of the Busan Outcome Document continues to be negotiated with last Friday's Negotiating Committee making progress but not resolving all issues. A fifth draft of the Outcome Document will be circulated on 22 November evening (Paris time) with comments sought in advance of a final meeting in the days immediately preceding HLF-4. The final draft will then be put to Ministers in Busan.

New Zealand has been consulting closely with Canada and Australia (the CANZ group) and feeding comment into the United Kingdom, whose Sherpa represents the views of both CANZ and the Nordic Plus⁴ groupings at the Negotiating Committee.

New Zealand priorities for Busan include:

- Broader-based agreement to the principles that underpin development cooperation and would particularly like to see a broader range of actors, including the so-called emerging economies such as China, buy into these.
- It is important to New Zealand that the commitments that have been agreed to in Paris and Accra are fulfilled.
- New Zealand supports continued focus on the areas of ownership, results and accountability as well as transparent and responsible cooperation, and is pleased to see strong wording on gender equality and women's empowerment, inclusion of the need to promote development in situations of conflict and fragility, recognition of the vulnerability of small islands development states and reaffirmation of the role of CSOs.
- New Zealand supports the inclusion of text related to south-south and triangular cooperation and engagement with the private sector and is also supportive of the call for coherence,

⁴ It includes Australia, Canada, Denmark, Germany, Sweden, UK and USA.

transparency and predictability in relation to climate change financing, a particular concern of Pacific partner countries.

- As Forum Chair, New Zealand is supportive of ensuring that the Pacific voice is heard, and that the needs of small islands developing states are met in Busan
- As Forum Chair, New Zealand seeks to profile the Forum (Cairns) Compact on Strengthening Development Coordination in the Pacific in Busan and wants the post-Busan governance framework to recognize the useful role that regional institutions and processes can play in promoting and supporting aid effectiveness at the country level.
- Monitoring of progress following Busan needs to be country-focused with a lighter global oversight.

CID Priorities for Busan

Since the last HLF in Accra, Ghana, [BetterAid](#) (a platform of more than 900 organizations) has become an official member of the WP-EFF. As such, CID has followed the BetterAid lead as an interlocutor on issues related to aid and development effectiveness at the HLF.

In March 2011, BetterAid released its [CSO Key Asks on the Road to Busan](#) framed around four key themes:

- **Fully evaluate and deepen the Paris and Accra commitments** through reforms based on democratic ownership (including full transparency as the basis for strengthened accountability and good governance);
- **Strengthen development effectiveness** through development cooperation practices that promote human rights standards and focus on the eradication of the causes of poverty and inequality (focusing on a rights-based approach to development, gender equality and women’s rights, decent work and social inclusion);
- **Affirm and ensure the participation of the full diversity of CSOs as independent development actors in their own right** (by endorsing the Istanbul Principles (IP) and acknowledging the International Framework; and
- **Promoting equitable and just development architecture** (through an inclusive compact with time-bound commitments and fundamental reforms to the aid architecture, including the establishment of an equitable and inclusive multilateral forum for dialogue).

The CSO Asks remain a key reference document but as the negotiations on the BOD proceed,⁵ BetterAid is nuancing its positions on a range of issues. In particular, it is focused on the following in the current draft BOD:

- a. A clear definition of development effectiveness,⁶ grounded in a rights-based approach to development
- b. The broadest reaffirmation of Paris and Accra in the BOD, including the inclusion of time-bound targets for the implementation of all three undertakings (including Busan)
- c. Taking a needs-based and demand-driven approach to development co-operation with a view to tackling growing inequality
- d. Moving beyond national ownership to inclusive and democratic ownership, including developing

⁵ BetterAid Response to the First BOD, online at http://www.cso-effectiveness.org/IMG/pdf/revised-cso_response_to_busan_outcome_document.pdf;

⁶ While the BOD references “development effectiveness” (DE), it is for the most part understood to mean better policy coherence so that other policies (trade, investment, etc.) don’t undermine aid policies. In contrast, BetterAid views DE as an approach that addresses the causes as well as the symptoms of poverty, inequality and marginalization, and in the context of aid, that deepens the impact of development cooperation on the capacities of poor and marginalized people to realize their rights.

- inclusive multi-stakeholder country compacts with common, but differentiated, standards
- e. Fully untying aid and strengthening predictability by 2015
 - f. Making all aid comparable and publicly accessible, through implementing the International Aid Transparency Initiative and its standards for information on development cooperation
 - g. Developing standards for differentiated approaches to conflict, violence and fragility
 - h. Endorsing the *Istanbul Principles* and committing to minimum standards for an enabling environment as defined by the Open Forum's *Framework on CSO Development Effectiveness*
 - i. Putting inclusive multi-stakeholder processes and structures at the heart of any future aid architecture.

Other Positions

While BetterAid has been the lead organization following Busan and shaping CSO positions for Busan, other organisations have also come out with public positions.

UNICEF

UNICEF New Zealand is the only CID member who has actively pursued the development effectiveness agenda. UNICEF's Executive Director Tony Lake will lead UNICEF's two-person delegation to Busan as part of a larger UN-delegation headed by Secretary-General Ban Ki-moon.

During the last 12 months, UNICEF has participated in the aid effectiveness debate, both at the level of various Working Parties and clusters at the OECD, and in the context of the UN interagency work. They have engaged in the work of the **UNDG Task Team on Busan**, advocating for inclusion of the UN normative agenda – human rights, equity and gender equality – as well as peace-building in UNDG statements for Busan.

Within the UN framework, UNICEF has developed four UNICEF-specific messages to base their advocacy on: investing in social sectors; everybody must be included; reducing vulnerabilities of the world's poorest to dramatic global changes and building their resilience to withstand shocks are at the core of efforts; and rhetoric without results will not change much.

In addition to its involvement in the [UNDG](#), [UNICEF](#) and [Save the Children \(UK\)](#) have jointly commissioned the Overseas Development Institute to prepare a report to be released in 2012 which is (tentatively) called ***Effectiveness of child focused development policies***. The report will highlight advancements in child wellbeing over the last decades, with the aim to help to change the development narrative, dispelling public misconceptions about limited progress achieved so far.

Development in the preparations for Busan has been the [International Dialogue on Peacebuilding and Statebuilding](#), co-led by fragile states themselves, which is calling for a "New Deal" to forge a new way of working in fragile and conflict-affected countries to get on track toward the MDGs. UNICEF, represented by EMOPS colleagues, has had an active role in the Dialogue.

International Civil Society Organizations on Accountability

At the end of June 2011, [CARE International](#), [Civicus](#), [Oxfam International](#), [Plan International](#), [Transparency International](#) and [World Vision International](#) among others released a common position paper on “Accountability, Transparency and Verification”. It is intended to deepen existing BetterAid demands, and is consistent with the above positions.

On accountability: the paper recommends establishing a set of accountability standards for all development actors, deepening mutual accountability between donors and partner governments, strengthening the capacity of local stakeholders to hold their governments to account, and looking to the International NGO Accountability Charter and the IP as useful frameworks for CSO accountability.

On transparency: it calls on all donors to comply with IATI, partner countries to comply with a comparable standard like the Collaborative African Budget Reform Initiative (CABRI), on greater public information in terms of aid disbursement, allocation and management, and for all countries to secure an enabling environment for CSOs to be transparent and accountable.

On verification: it calls on donors and partner countries to agree on a verification framework to assess aid effectiveness through various pro-active and responsive mechanisms, including indicators, targets and timelines, with meaningful input from CSOs in designing the process.

[Oxfam International](#)

Oxfam International has also released a brief [The ‘Right’ Results](#) that tackles donors’ obsessive focus on results. It argues effectively that donors must resist the temptation to prioritize results that they can count in the short-term, but which will count less to poor women and men in the long-term. This is consistent with BetterAid’s efforts to shift the focus to development, not aid effectiveness.

Oxfam argues donors must instead prioritize the ‘right’ results:

- a. measuring outcomes and impacts rather than inputs and outputs, and being more innovative in how they measure change like budget support and empowerment
- b. providing development cooperation that is needs-based and demand-driven, even if results can be harder to measure here eg. fragile states
- c. defining the results in collaboration with the people being measured
- d. using aid to address unequal power dynamics, including protecting the enabling environment for civil society, directly supporting civil society, in particular women’s groups, and supporting mechanisms that strengthen citizen oversight of country systems.

Recently Oxfam International issued a [joint appeal](#) with the Chairperson of the DAC, Brian Attwood, calling for an ambitious outcome for Busan.

[Save the Children International](#)

Save the Children, also consistent with BetterAid demands, is taking a rights-based approach to development but largely focuses on deepening and strengthening Paris and Accra commitments. This includes recommendations on increasing mutual accountability, local and national capacity and use of country systems, transparency, and harmonisation (along country and sectorial lines). It also recommends bringing new actors into the aid effectiveness tent.