

GEG Memo

Principles without commitments? Welcome to the brave new aid world

Paolo de Renzio – 1st December 2011

By the time I got to the Bexco Conference Centre, in the morning of the third and last day of the Forum, the outcome document had been finalized, translated, printed and posted on the official website. Arm-twisting, hand-wrangling and last minute negotiations were over, and spirits were high: China, Brazil and India had all agreed to endorse the document. A New Global Partnership for Effective Development Co-operation, the promise of Busan, was born, but only after the introduction of a paragraph in the preamble that makes principles, commitments and actions agreed in the document valid for so-called 'South-South partners' only on a voluntary basis.

So what is new in the document that will guide aid effectiveness efforts over the next few years? And what is different from previous ones? First, the document rightly recognises that today's world is very different from the world of Paris in 2005. New actors have taken the global stage, and are affirming their views. Mentions of South-South and Triangular Cooperation are numerous. The Brazilian delegation had a very full agenda of bilateral meetings, with everyone scrambling to collaborate and sign agreements with their cooperation agency. Moreover, the role that foreign aid can play is seen as changing from transformational to 'catalytic', ensuring that ever larger alternative sources of development finance are better harnessed to promote development and reduce poverty. Second, as already mentioned, the document talks of 'shared principles', similar to those of the Paris Declaration, but 'differential commitments' for emerging donors, in an effort to gradually bring China and the others into the donor club. The Chinese, in fact, were conspicuous for their absence. No Chinese government speaker was seen on any panel. And apparently Andrew Mitchell (the UK Secretary of State for International Development) had to fly to Beijing himself to talk the Chinese into endorsing the document. Third, while the Paris Declaration had 12 indicators and specific targets set for 2010, the Busan outcome document contains hardly any specific time-bound commitments except for those related to improving aid transparency. This will seriously limit the degree to which the donor community can be held accountable for any of the promises that are in the document. Finally, and perhaps most importantly, the document calls for the establishment of a new and more inclusive body to oversee the implementation of the document's commitments at political level, phasing out the role played by the OECD and its Working Party on Aid Effectiveness. This potentially creates the space for a more legitimate and effective arrangement, but the document lacks any

detail on what it will look like, simply setting a deadline of June 2012 for its establishment.

As I read through the document and wrote down these few thoughts, I was left wondering what this 'Brave New Aid World' had to offer poor people in low-income countries... not much, is my disappointed answer. While the outcome of the Busan HLF4 is a good mirror of the ways in which the aid landscape has changed over the past few years, it is long on principles and short on commitments, high on rhetoric and low on accountability. For all those preoccupied with the role that foreign aid can play in fighting poverty, and who used to think of Busan as a hopeful destination, the flight home will be spent focusing on a long 'to-do' list to make sure previous efforts don't go to waste. Welcome to the brave new aid world...