Busan and the donor dilemma

WHY MORE EFFECTIVE AID IS NEEDED TO REACH THE MDGs

Gregory Adams
Director of Aid Effectiveness
Oxfam America

February 25, 2013
CONTENTS

• The Aid Effectiveness Dilemma
  • Development is local; aid is not

• The Paris Grand Bargain
  • Donors promised to localize aid; but have not yet delivered

• The Legacy of Busan
  • How Busan can bring new actors along to better cooperate to achieve MDGs and other development outcomes
THE DEVELOPMENT COMPACT

Active citizens

> Basic public goods
> Security
> Human rights
> Functioning markets
> Accountability

Effective states

> Taxes
> Votes
> National needs
THE DONOR DILEMMA

- Development requires **indigenous**, i.e. **local accountability**.
- Donors require **exogenous**, i.e. **backward accountability**.
- Donor efforts to secure backwards accountability too often come at the expense of local accountability.
WELCOME TO HAITI

- Donors accuse government of dysfunction, refuse to work with government.
- Lack of government capacity leads citizens to turn to donors & INGOs for basic services.
- Political debates & elections become unmoored from questions of performance; become contests for personal gain.
- Donors accuse government of dysfunction, refuse to work with government . . .
- Wash, Rinse, Repeat . . .
THE PARIS GRAND BARGAIN:

• Partner governments will take specific steps to govern better, more transparently and accountably;

• Donor governments will trust them more & defer to local leadership;
  • Ownership, Alignment, Harmonization, Results, Mutual Accountability

• And we are all going to be held accountable to numbers
  • Monitoring Framework
SO WHO DELIVERED?
2011 PARIS SURVEY:

• By and large, partner countries did what they promised;

• Out of thirteen criteria, donors made real progress on only one: Harmonization.

  In other words . . .

  Donors only learned to talk to each other better.
DONOR RESPONSE:
TRY TO MOVE THE GOALPOSTS
PARIS BLINDSPOTS

• More Actors
  • South/South, Civil Society, Private Sector

• More Contexts
  • Fragile states, Triangular Cooperation

• More Tools
  • Data, Technology

None of this is new; but much of it was not reflected in the simplicity of Paris.
BUSAN CHALLENGE:

Can we *widen* Paris without *breaking* Paris?
HOW WELL DID BUSAN GO?

• We didn’t break Paris!
  • Fundamental principles & remain intact;
  • Stronger commitments in some areas:
    • 100% untying
    • New joint transparency standard
    • Country systems as “default” for local investment

• New actors joined the conversation: Will they join the process?
  • South/South, Private Sector, Fragile States

• New monitoring framework will hold everyone accountable
WHAT MUST BE DONE?

• Steering Committee:
   Keep it inclusive!

• New actors (i.e. South/South, private sector):
   Define your engagement!

• Everyone:
   Play by the rules! You are being measured . . .
WHAT’S NEXT?

• 1st Steering Committee Meeting held December 2012;
• 2nd Steering Committee Meeting expected late March 2013, to coincide with post-2015 meeting in Bali;
• 3rd Steering Committee Meeting expected June or July 2013, possibly in African country;
• 1st Ministerial Meeting of Global Partnership expected September or October 2013, most likely to coincide with World Bank Annual Meetings in Washington, October 11-13, 2013
TO LEARN MORE:
BUSAN IN A NUTSHELL

• Oxfam’s briefing paper on next steps for the Global Partnership for Effective Development Cooperation.

• Available online at http://www.oxfam.org/en/policy/busan-nutshell in English, French, & Spanish (Polish available on request)
THANK YOU!

Gregory Adams
Director of Aid Effectiveness
Oxfam America

gadams@oxfamamerica.org