

The Busan Partnership for Effective Development Cooperation

July 2012

At the Fourth High-Level Forum on Aid Effectiveness the Busan Partnership for Effective Development Co-operation was endorsed. This agreement marks the evolution of international development co-operation.

Shared principles to achieve common goals

The Busan Partnership document specifically highlights a set of common principles for all development actors that are key to making development cooperation effective.

- **Ownership** of development priorities by developing countries: Countries should define the development model that they want to implement.
- **A focus on results:** Having a sustainable impact should be the driving force behind investments and efforts in development policy making
- **Partnerships** for development: Development depends on the participation of all actors, and recognises the diversity and complementarity of their functions.
- **Transparency and shared responsibility:** Development co-operation must be transparent and accountable to all citizens

These principles are recognised and accepted by all those involved in development co-operation, from donor and recipient country governments to providers of south-south cooperation, international organisations, civil society, parliamentarians and local government. The wide participation of a range of actors with differentiated responsibilities and shared goals is one of the notable characteristics of this partnership.

A new impetus to the efficiency agenda

The Paris Declaration and Accra Agenda for Action defined principles and established commitments that have contributed to improving the quality of aid. However, as the 2011 Survey on Monitoring the Implementation of the Paris Declaration showed, there remains much to be done in order to fully put these principles into practice.

Those present in Busan went further than simply reiterating their commitment to Paris and Accra, they also agreed to a series of concrete action points to accelerate the implementation of these commitments, such as:

- **Use results frameworks** designed with the needs of the partner country in mind as a common tool, and **using country-led co-ordination arrangements.**
- **Untie aid** to the maximum extent possible and - in 2012 - **review plans** to achieve this.

The Fourth High-Level Forum on Aid Effectiveness (HLF4)

HLF4 - which took place in Busan, Korea from 29 November to 1 December 2011 - aimed both to evaluate progress already made towards achieving more effective aid, and to define an agenda for the future. The international socio-economic climate has changed greatly since the Paris Declaration for Aid Effectiveness was endorsed in 2005: the economic crisis, the increasingly prominent role played by emerging economies, and the diversification of development co-operation flows all mean that focus needed to be widened.



- International co-operation can no longer be understood as simply a relationship between “rich” and “poor” governments, but rather it is a complex network that includes middle-income countries that are both donors and recipients (South-South co-operation), multilateral organisations, international financial institutions, and non-governmental bodies such as the private sector and civil society organisations.
- International development needs to open up to the wider development context; one that also takes into consideration the role of the private sector, the fight against corruption, preventing tax evasion. In these areas countries most in need suffer considerable losses of their domestic resources.

After a lengthy and highly participatory negotiation process, the HLF4 concluded with the endorsement of the “Busan Partnership for Effective Development Co-operation” by over 160 countries and around 50 other organisations.

- **Use country public financial management systems as the default option** for development financing, and **support the strengthening of these systems** where necessary.
- Strengthen transparency and **approve a common standard** for the electronic publication of data on development co-operation, to be fully implemented by 2015
- In 2012, establish common principles to **prevent the proliferation of multilateral organisation and global programmes and funds**, also in 2012 establish common principles to tackle the issue of **countries that receive insufficient assistance (aid orphans)**.
- By 2013, provide recipient countries with **regular, timely, indicative three-to-five-year forward expenditure plans**.
- **Increase support** given to parliaments and local governments in carrying out their functions. **Foster an environment** for civil society organisations as independent development actors.

It was also agreed in Busan to step up efforts towards gender equality, including the disaggregation of data by gender, and setting targets to guide public policy making. Likewise, it was agreed to improve support for promoting sustainable development in situations of conflict and fragility and strengthening resilience to disasters.

Finally the Busan Partnership recognises the fundamental contribution of South-South and triangular co-operation to sustainable development, which goes beyond financial cooperation.

From aid effectiveness to effective development co-operation

One of the main characteristics of the Busan Partnership is its emphasis on the role of aid as a complement to other sources of development financing, since aid on its own cannot break the poverty cycle. Consequently, development co-operation should be a catalyst to mobilise resources to achieve development goals. Development partners are urged to reconsider how - and for what purpose - aid is invested, ensuring that it is in accordance with commitments towards human rights, decent work, gender equality, environmental sustainability and disability.

The Busan partnership proposes:

- That domestic resources be mobilised to increase government resources. To do so, it urges development partners to fight more directly against corruption and tax evasion.
- Taking a strong position on strengthening national institutions under the leadership of developing countries.
- Building stronger relationships between development co-operation and the private sector, by supporting the creation of a favourable environment for the different partners and fostering public-private partnerships
- Sharing experiences between actors involved in climate change financing to optimise the use of resources in a manner coherent with development policies.

Monitoring frameworks at the country and global level

One of the lessons learned between Paris and Busan was the importance of monitoring as a tool for partners to hold each other accountable for their commitments.

As a result, in Busan, three processes were defined that, together with other initiatives, would enable the monitoring of these commitments:

- The establishment of indicators and goals at the country level defined according to the country's own priorities. These will be used to evaluate the progress made by different development actors on their commitments. The results will be made publicly available.
- A global monitoring framework with indicators and common goals that will enable cross-country comparison and foster international accountability. A report will be published periodically.
- The creation of a "Global Partnership for Effective Development Co-operation" as an inclusive, representative forum that will supervise and give political support to the accomplishment of the agreements.