



## How to Shape Development Cooperation? The Global Partnership and the Development Cooperation Forum

### Summary

2014 will be an important milestone for shaping the policy field of development cooperation in a post-2015 context. Two central events are taking place. The Global Partnership for Effective Development Cooperation (GPEDC) will convene for its first High-Level Meeting in April 2014 in Mexico City. The United Nations (UN) Development Cooperation Forum (DCF) will hold its biennial meeting in July 2014 in New York. How will these two platforms shape development cooperation and its future governance architecture?

Development cooperation, as a policy field dealing with the mobilisation of budgetary resources for the purpose of promoting development, is in a transition phase. For a long period, development cooperation has been closely linked to “aid”, a concept developed by the Development Assistance Committee (DAC) of the Organization for Economic Co-operation and Development (OECD). However, this system has increasingly come under pressure to adapt to a more differentiated global landscape characterised by newly emerging actors, new forms of cooperation and a growing awareness of global challenges such as climate change, financial regulation and security.

The shifts in the policy field have given rise to competing global platforms for development cooperation and incentives for “forum shopping”. Still, any global platform to manage development cooperation needs to provide a set of principles, norms, and mechanisms for knowledge exchange around which actors’ expectations converge.

In order to adequately fulfil this function, it will have to be **legitimate**, **effective** and **relevant**. Applying these criteria to the GPEDC and DCF, three models are possible:

- 1) **Each platform for itself:** This model describes a perpetuation of the status quo, characterised by a lack of cohesion between the GPEDC and the DCF. The continuation of parallel efforts on competing platforms will not sufficiently enable current challenges to be addressed.
- 2) **Two platforms, different functions:** Under this model, stakeholders in the GPEDC and the DCF agree to clearly describe their functions in support of the overarching post-2015 agenda. This model would mark an improvement over the status quo; however, challenges in day to day coordination between both platforms would remain.
- 3) **One platform for all:** This model envisions a merger of both platforms to consolidate discussions around the functioning of development cooperation. The platform would have universal membership and strong monitoring, evaluation and accountability mechanisms, combining the best features of DCF and GPEDC. It would draw on a clear UN mandate to manage development cooperation towards implementing the post-2015 agenda. *Only such a common platform would be legitimate, effective and relevant at the same time.*

## A global platform for development cooperation?

The international community has set up an array of systems, processes and organisations to structure the policy field of development cooperation, including the GPEDC and the DCF. Against the background of a shifting landscape, the character and purpose of the overall system need to be clarified: How will development cooperation be defined in the future? And which function does its platform need to fulfil in this regard?

Development cooperation as a policy field is in a transition phase but it is still closely related to the concept of “aid” provided by OECD-DAC donors. This system has increasingly come under pressure to adapt to a more differentiated global landscape characterised by emerging actors, new forms of cooperation and a growing awareness of global challenges such as climate change and security. Together, these trends have forever altered the policy field of development cooperation.

Development cooperation as a policy field therefore faces the double challenge of preserving certain elements proven to be effective, while at the same time being sufficiently flexible to adapt to larger structural shifts. Current institutional structures of development cooperation address this challenge in a partial manner only which calls for a reform. Ultimately, the main function of a global platform for managing development cooperation should be to provide a set of principles, norms, and mechanisms for knowledge exchange around which actors’ expectations converge. We argue that three main criteria demonstrate whether a specific global platform lives up to these functions:

- **Legitimacy:** Any credible international platform needs to be backed by an inclusive membership. Expressed in traditional terms, this includes “aid providers”, those who are “aid recipients” and emerging countries in their double role as “providers and recipients”. Because the importance of non-state actors, including civil society, private sector or academia, is growing, a global platform might also address non-aid-based ways of cooperation and therefore stakeholders from other policy areas.
- **Effectiveness:** A global development cooperation platform has to provide a set of rules and standards. This “soft law” should lead to tangible consequences. An effective platform therefore needs to provide an accountability mechanism that improves the impacts of development cooperation. Furthermore, it should maintain a concrete set of effectiveness indicators for those actors ready to commit to additional efforts, as well as a monitoring and evaluation tool for enforcement in the peer group.
- **Relevance:** A global development cooperation platform also needs to be able to connect to broader debates on development. The Millennium Development Goals (MDGs) strongly shaped the global agenda on aid and human development challenges. At the same time, a number of separate global platforms dealt with implementing the agenda or its parts, often leading to a

disconnection between goal-setting and implementation. After 2015, a new set of universal sustainable development goals is set to replace the MDGs. These are likely to increase the scope and ambition for global cooperation and go beyond the narrow aid and MDG focus, thereby underscoring the need for more integrated approaches. Development cooperation – often termed the “how” of achieving these goals – will be one important part of such an integrated approach. The future platform therefore needs to be closely linked to the post-2015 agenda to ensure the platform’s relevance.

## GPEDC and DCF

Two existing platforms, the GPEDC and the UN’s DCF, are major pillars of the global institutional framework for managing development cooperation. Both platforms have undergone adjustments over the past years, and developed complementary as well as competing qualities.

### *Relatively effective, but not legitimate*

In the 2000s the global aid architecture, although already fragmented, was clearly divided. Through a series of High-Level Forums on Aid Effectiveness (Rome 2002, Paris 2005, Accra 2008) OECD-DAC donors agreed with partner countries and other actors on common principles of aid effectiveness. While independent evaluations showed that donors, in particular, made little progress in this respect, the system of clear standards and regular peer reviews nonetheless is seen as a milestone in managing aid. However, criticism of the predominant role of donors and the OECD-DAC was constant, with little progress made in including emerging economies. Overall, the OECD’s aid architecture was therefore seen as relatively effective but not legitimate.

### *Legitimate, but with limited effectiveness*

At the same time, the UN rallied around the 2002 Monterrey Consensus on Financing for Development and MDG-8, the goal to develop a global partnership for development. Since 2008 the DCF has convened every two years. It is the lead intergovernmental body within the UN for coordinating development cooperation. The DCF’s main advantage is the beneficial link to the UN’s universal legitimacy, and to its power to convene meetings and build consensus. Some DAC donors, however, have shown indifference to the DCF, which they associate with the G77 bloc and China. Also, the DCF has no mandate (yet) to negotiate political outcomes and has achieved few tangible results. Overall, the DCF, contrary to the DAC, can therefore be seen as legitimate but its effectiveness has been limited.

### *Since Busan: The GPEDC*

In 2011, at the Fourth High-level Forum on Aid Effectiveness, held in Busan, the existing aid architecture became more complex with the establishment of the GPEDC. For the first time, governments of leading emerging economies signed up to the outcome document as donors on a “voluntary” basis.

	<b>United Nations Development Cooperation Forum</b>	<b>Global Partnership for Effective Dev't Cooperation</b>
<b>Mandate</b>	<b>World Summit 2005</b> <ul style="list-style-type: none"> <li>– Review trends in international development cooperation, including strategies, policies and financing</li> <li>– Promote greater coherence among the development activities of different development partners</li> <li>– Strengthen the normative and operational link in the UN's work</li> </ul>	<b>Busan Outcome 2011</b> <ul style="list-style-type: none"> <li>– Maintain and strengthen political momentum for more effective development cooperation</li> <li>– Facilitate knowledge exchange &amp; sharing lessons learned</li> <li>– Ensure accountability for implementing Busan commitments</li> <li>– Support implementation of Busan agenda at country level</li> </ul>
<b>Areas of Work</b>	<b>Focus Areas 2012-2014</b> <ul style="list-style-type: none"> <li>– The future of development cooperation</li> <li>– Global accountability in development cooperation</li> <li>– South-South and triangular cooperation</li> </ul>	<b>Mexico High Level Meeting 2014</b> <ul style="list-style-type: none"> <li>– Development cooperation with middle-income countries</li> <li>– Progress since Busan</li> <li>– Partnering for effective taxation / domestic resource mobilization</li> <li>– Business as a partner in development</li> <li>– South-South, triangular cooperation and knowledge-sharing</li> </ul>

Source: Authors' representation

The GPEDC adopted a multi-stakeholder structure for itself, portrayed as "global-light and country-heavy" with high-level meetings every 18 to 24 months. Interested actors were invited to meet in nine additional "coalitions of the willing" ("building blocks") to tackle more concrete issues. The new structure, which has not been subject to an encompassing intergovernmental negotiation, is directed by a Steering Committee composed of United Kingdom, Nigeria and Indonesia as co-chairs, and 15 members representing various constituencies. Constituencies will rotate membership. The GPEDC support team is led by the OECD and the United Nations Development Programme (UNDP).

Overall, this new structure is more legitimate than it used to be. Still, the GPEDC has never been endorsed by the UN membership, and scepticism persists among several emerging economies in terms of the continued association with the OECD-DAC. At the same time, some members of the GPEDC feel that it has been significantly less effective than the previous structures and to date has had limited impact on the ground. Finally, substantial work started only slowly and it is uncertain whether the GPEDC will be able to guarantee implementation of the Busan principles. Moreover, the link to the post-2015 process remains unclear.

#### **The DCF towards 2015**

The DCF has inclusive membership from all UN member states; representatives from civil society organisations, parliamentarians, local governments and the private sector also take part in the proceedings. Staffing and capacity of the DCF support at UN headquarters is more limited than the GPEDC. Over the past years the DCF has improved its effectiveness in influencing development debates through

analytical work and providing a neutral space for discussion. Overall, the DCF can be characterised as more effective than during its inception but it continues to be hampered in shaping development cooperation. Despite its roots in the UN, the MDGs and its inputs to the post-2015 process, there is little clarity on its contribution to the future post-2015 agenda, in part due to potential competition from other UN bodies and processes, including the UN High-level Political Forum, the Open Working Group on Sustainable Development Goals and the Financing for Development Process.

#### **Overlaps between GPEDC and DCF**

Significant overlaps further exacerbate challenges. The GPEDC's mandate and the areas of work it entered into overlap with the DCF mandate and focus areas previously agreed for 2012–14 (see table). Even usage of the term "global partnership" is ambiguous. With the term being a longstanding "UN trademark", the GPEDC has added to the cacophony by calling itself "the Global Partnership". Overall, arrangements for linking both platforms in order to coordinate them better are still rudimentary, and to avoid duplication there is an urgent need to ensure a consistent and mutually supportive agenda.

#### **Future of Development Cooperation: Three Models**

In principle, three models for the future development cooperation platform are possible:

**1) Each platform for itself:** This model describes a perpetuation of the status quo characterised by a lack of cohesion between GPEDC and DCF. In the run-up to Busan, there was much debate about how to restart a more inclusive process towards development cooperation.

While the Busan outcome document invites the DCF to play a role in consulting on the implementation of the Busan commitments, their relationship is devoid of clear linkages.

Without decisive action by the GPEDC steering committee and the DCF's membership, a unique opportunity to reduce fragmentation will be missed. There is a risk that both platforms will continue to carve out their roles without coordination, and overlapping meeting agendas and areas of work will continue (see table). Such inefficiencies can be ill afforded. One major adverse effect would be borne by the group of aid-dependent developing countries. Already, these countries have lost an important tool for holding donors to account through the increasing disregard of the aid-effectiveness principles. While both platforms already struggle with being legitimate and effective, their relevance will decrease as well if their role in implementing the post-2015 agenda is not clarified.

**2) Two platforms, different functions:** Under this model, stakeholders of both platforms would agree to clearly coordinate their functions. Several ways are possible: by level of engagement (global, regional, national), according to being either political (e.g. norm setting) or technical (e.g. monitoring), or according to themes or sectors of engagement. Another potential option would be to divide functions by country groups. For instance, the GPEDC could focus on those countries with continued need in concessional financing, and the DCF could become the institutional home for debates on South-South and triangular cooperation. DAC donors within the GPEDC have been reluctant to take on these issues for fear of diluting their traditional aid engagement, duplicating the work of other organisations, and of losing influence in the Bretton Woods institutions, where they enjoy a strong voice. A mix of these would also be possible.

In essence, this model accommodates different speeds of convergence, as well as making the most of comparative advantages, allowing the platforms to specialise. The GPEDC could provide a platform for countries willing to agree on common principles, norms and mechanisms for monitoring and evaluating the effectiveness of their development cooperation. The DCF could be a platform for exchanging and sharing knowledge among a broader

membership. However, coordination needs, mandate overlaps and "forum shopping" would remain challenges.

**3) One platform for all:** This model envisions a merger between both platforms. It would have universal membership and strong monitoring, evaluation and accountability mechanisms for ensuring effectiveness. The single platform would therefore combine the best features of DCF and GPEDC.

Based on a strong mandate from the UN's post 2015 agenda, it would focus on how development cooperation could contribute to achieving universal goals. Here, agenda-setting and implementation would link within the UN, thereby bridging previous disconnects. Such a mandate would also clarify how development cooperation as a policy field would continue to evolve, including through offering practical steps in integrating sustainable and human development goals. The close link to the post-2015 agenda would ensure the continued relevance of the new platform. Although ambitious and faced with significant political obstacles, this model would also offer the highest return. Only this model would simultaneously fulfil the criteria of legitimacy, effectiveness and relevance.

### Development Cooperation in a Post-2015 Context

It is clear development cooperation is in a fundamental transition phase, and the old "aid narrative" needs updating. The situation at the dawn of the post-2015 period resembles that at the beginning of the 1990s, when the continuation of aid looked increasingly bleak in the wake of "structural adjustment" politics and dwindling public support after the end of the Cold War.

The post-2015 agenda is expected to provide the policy field with that needed new narrative. To give it "teeth", UN members will consider mandating a platform to support their efforts. Invariably, this platform would face the challenge of adapting to a dynamic global landscape. Development cooperation today is much broader than former aid approaches and increasingly has a role in the provision of global public goods. In order to stay relevant, the enlarged scope of the emerging narrative will have to be reflected in its setup. This is why the debate about the GPEDC and DCF is a crucial element of the broader reform of development cooperation associated with the post-2015 agenda.

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