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Busan and the United Nations – Is it time to strengthen the ties?

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Busan and the United Nations – Is it time to strengthen the ties?

Bonn, 21 November 2011. At the end of the month more than 2,000 delegates from advanced and developing countries, from emerging powers such as China, India and Brazil (that both give and receive development aid), from private philanthropic foundations, civil society and international organisations will gather in Busan to evaluate the state of the aid effectiveness agenda and come up with a new global partnership for development effectiveness. But it is not the United Nations (UN) that invited them. In fact, it is not even an event organised by the UN (although several UN organisations were involved in the preparation). The Fourth High Level Panel on Aid Effectiveness in Busan, South Korea, instead, is closely linked to the Organisation for Economic Cooperation and Development (OECD) and its Working Party on Aid Effectiveness (WP-EEF). The WP-EEF was expanded to some 80 members with more or less equal representation of recipient and donor countries, plus representatives of civil society organisations. Yet it remains a forum that is neither universal nor representative of the interests of poorer countries, and was not created by an international agreement or convention. This raises questions of legitimacy and of institutional duplication with parallel UN-structures. In the mid- to long-term, steps should be taken to more closely interlink the WP-EEF with the UN. The move from an aid effectiveness focus to the broader topic of development makes this step more urgent.

From aid effectiveness to development cooperation

What began as a process of Aid Harmonisation in Rome in 2003 with 24 core members and some 28 partner countries and a handful of multilateral organisations in attendance, expanded to over 100 signatories for the Paris Declaration in 2005, and has continued to grow. The five Paris principles – ownership, alignment, harmonization, results and mutual accountability – were extrapolated as lessons from years of traditional development cooperation between members of the OECD development assistance committee (OECD-DAC) and developing countries. Yet the traditional aid paradigm is now being called into question. Investment, trade and development assistance

provided by emerging economies for other developing countries are rapidly growing in importance for international development. In Busan, there will be a two-track approach. On the one hand, the traditional aid effectiveness agenda needs to be further advanced, especially in the light of the sobering results of the evaluation of the Paris Declaration. It shows that especially donors need to make much greater efforts to implement their commitments. On the other hand, the intention is to go beyond the traditional aid paradigm and engage emerging economies, which so far have not accepted the Paris principles as a basis for their cooperation with developing countries.

Why is it that the UN is not central to the process?

The commitments made by the international community to the Millennium Declaration and the Millennium Development Goals (MDGs) at the beginning of the century made it clear that it was vital to increase aid and improve its effectiveness through better management and delivery. It was, however, at the OECD/DAC that the international debate on aid effectiveness started. Here, donor countries had been debating related issues since the 1960s. The OECD/DAC became the preferred venue for the aid effectiveness process; advanced states deemed the organisation effective and did not need to face criticism on principal questions concerning the asymmetric aid relationship as they might have elsewhere. At the UN, to concentrate solely on aid would have posed a challenge, since many developing countries have been underlining the importance of a holistic approach to development, including issues such as trade and finance. This might have prevented the drafting of something akin to the Paris Declaration that, despite the continuing implementation challenges highlighted by recent evaluations, has had positive effects, for instance in increasing the ownership of developing countries.

Legitimacy Issues

The consequence of the UN not being central to the aid effectiveness agenda raises questions of legitimacy. These mostly concern the venue of the OECD-DAC, perceived as being dominated by

advanced countries, and without universal membership. Although the WP-EEF was greatly expanded, the Paris/Accra/Busan process cannot deny nor fully overcome its exclusive origins.

Some developing countries have not signed on to the aid effectiveness agenda, making it difficult to implement it worldwide for development actors like the UN. Other developing countries, while signatories, do not consider the agenda valid for how they co-operate with their peers (south-south cooperation). Moreover, they do not see themselves owning the policy process; for instance, China is hesitant to send a high-ranking minister to the High-Level Forum in Busan. Countries from Latin America demand that a more inclusive institution handle the follow-up to Busan. Likewise, civil society organisations such as BetterAid argue for a more inclusive, effective and powerful, implementation-oriented successor of the WB-EEF. Nonetheless, the aid effectiveness process draws some legitimacy from its results. While most of the Paris Declaration targets have not been met, the overall validity of the principles have been confirmed, and many developing countries signatories are keen on a continued implementation of the aid effectiveness agenda. Yet they also argue that it is time to go beyond the aid paradigm and talk to all development actors about the relevant forms of development. The WP-EEF is not perceived as the appropriate venue for this.

It's time to forge links...

The arguments above suggest that it is time to forge stronger links between existing development institutions and make better use of the UN system. The UN is "natural venue" for addressing development cooperation and greater development and aid effectiveness. States established it to cooperate in order to solve international social,

cultural and humanitarian problems. Due to its membership structure, the UN is endowed with a unique legitimacy and convening power that is able to set universally valid norms and standards. A UN Development Cooperation Forum (DCF) already exists, although unfortunately does not currently enjoy the greatest support of key advanced or emerging countries. The DCF's support structures are no match to what the institutional structure of the OECD can offer. This reinforces current suspicions concerning the UN's effectiveness in managing international policy processes, as well as the outdated North-South divide that, paralyses many UN negotiations and limits attempts to forge links.

This makes it important to continuously remind advanced states that they hold the key for unlocking the greater potential and effectiveness of organisations like the UN. It may seem easier to maintain exclusive memberships or create new organisations and 'clubs' for negotiation, but in the long run it does not benefit any side to continue to marginalise the UN as being ineffective in these processes. The cumbersome process of negotiating the outcome document of Busan demonstrates that new institutions are not a panacea for overcoming conflict of interests that inevitably go together with heterogeneous groups of actors. The UN stands for the idea of a world governed by universal rules and standards instead of the law of the most powerful. In times of changing power constellations and tectonic shifts in the global economy it is imperative that traditional donor states harness the inclusive structure of the UN. The UN provides both the forum and mechanisms with which to constructively engage emerging powers in order to pursue not just aid effectiveness but comprehensive development cooperation.