

Effective aid in a complex environment

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The 4th High Level Forum on Aid Effectiveness planned to take place on 29 November to 1 December in Busan, Republic of Korea, convenes an expanding network of global development actors to re-examine aid effectiveness.¹ This review of global progress includes examining the breadth of aid partnerships, processes and progress on the United Nations Millennium Development Goals and the principles that are integral to their achievement. Five years after the Paris Principles on aid effectiveness (ownership, alignment, harmonization, managing for results and mutual accountability)² were established, only one of 13 targets – coordinated technical cooperation – has been met. However, positive progress has been made: 86% of aid is now fully untied to any procurement agreement (against an 89% target), and use of local public financial management systems is approaching the target of 55%.³

While the Paris Declaration permeates development rhetoric, donor implementation of its targets has been “highly uneven”.⁴ Donors continue to laud harmonization but maintain parallel funding, and claim that they are working towards alignment while implementing “transitional mechanisms” that hamper the development of partner systems. Donors delay transferring to local ownership to reduce their own risk and preserve leverage, thus allowing corruption, ineffectual systems and project perks to continue unchallenged.⁵ These must be high among the “policies that present obstacles to development results” that the forum in Busan will commit to eliminate.¹

This is not the first attempt to coordinate global development – and will not be the last. In each iteration, there is greater awareness of the complexity of the task and its context.⁶ The 4th High-Level Forum has clearly registered Severino and Ray’s redefinition of the scope of development, its current and potential partners, and the difficulties in harnessing their collective resources.⁷ Opening

up the development partnership to include “nations at all levels of income and development, as well as private and non-governmental organizations”¹ should capture development contributions that are not currently measured by the Organisation for Economic Co-operation and Development’s Creditor Reporting System, or by other methods of monitoring aid effectiveness. But these newly recognized donors – including countries such as China, Brazil and the Bolivarian Republic of Venezuela, emergent partnerships, foundations and philanthropies – are so diverse that their “different legitimacies, motivations, understandings, assumptions and discourses coexist, interact and often oppose one another”.⁸ We cannot assume that they will automatically embrace the “clear division of labour and transparent communication” proposed in Busan,¹ given the patchy engagement of key donors in previous attempts at coordination such as Sector-Wide Approaches (SWAs) to development.^{9,10}

But, while each iteration of the aid effectiveness agenda repackages the constituent elements of aid effectiveness, earlier versions continue to maintain their claims along with substantial transaction costs. Coordination mechanisms for development are increasingly recognized as players in their own right – competing for resources, policy engagement, positioning within global, national and sectoral hierarchies.¹¹ Over the first decade of the millennium, significant new approaches to coordination have been developed in the health sector. The International Health Partnership promotes donor engagement around health systems strengthening through country compacts and the Joint Assessment of National Strategies.⁶ At sub-sectoral level, the H4 (World Health Organization, United Nations Population Fund, United Nations Children’s Fund and The World Bank) and the Health Systems Funding Platform seek to catalyse collaborative funding. Alongside these, SWAs and

earlier coordination mechanisms persist: allocation of geographic zones or specialist programmes to donors; earmarking budgetary support; creating donor consortia; sharing evaluation and assessment; and co-financing projects, harmonizing procedures and agency reforms.¹⁰ While there are synergies between all these processes, there are also, inevitably, duplications.

While the coordination agenda grows, many problems it sought to address remain. Sectoral coordination units struggle to manage the surfeit of project proposals from multiple donors, and much development assistance fails to register in national budgets. Membership overlaps in sectoral coordinating committees designed to meet specific donor requirements. The “division of labour”, intended to eliminate duplication, at times creates unpredicted gaps.

If we are to broaden development assistance to include partners with different views, steering this collective action towards common goals will demand initiatives that integrate a variety of collaboration modes including: “rules and engagements, norms and standards, systems of incentives, information and discourses as well as networks and partnerships”.⁹ The aid effectiveness agenda, in its current form, has created the environment for health outcomes with its focus on strengthening national systems, sector planning and budgeting, and increased – and more efficient – donor and domestic resource allocation.¹² Having recognized the complexities of development assistance,⁷ the challenge for Busan will be to provide a model that can track the collective momentum towards increasing effectiveness while being sufficiently flexible, adaptive and inclusive to suit the diversity of an expanded partnership. ■

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