

BI-LATERAL AID, GOVERNANCE AND AFRICA'S DEVELOPMENT AGENDA – IMPLICATIONS FOR BUSAN 2011

November 21-22, Yaoundé - CAMEROON

CONCEPT NOTE

I) CONTEXT

As a follow-up to the discussions at Monterrey and Kananaskis, developing and developed partner countries agreed in the 2003 Rome Declaration on Aid Effectiveness that there was an urgent need to make aid effective if the fight against poverty was to be won and the MDGs achieved. Since 2003, the Development Assistance Committee (DAC) of the Organization for Economic Co-operation and Development (OECD) has organized three forums to assess the effectiveness of development aid – with the third culminating in the Accra Agenda for Action (AAA). The fourth, which will take place between November 29 and December 1 in Busan, South Korea, will be a political, multi-stakeholder event with up to 2000 participants from over 150 countries.

The organizers intend it to mark a milestone in international development cooperation and represent a culmination of the collective efforts of donors, partner countries and other stakeholders to tackle the question of managing the aid process. But how and where will capacity development feature in the forthcoming debates on aid effectiveness?

Capacity development will be one of the many themes being debated in Busan, and one of the questions being tackled will be how to forge a South–North consensus on approaches to capacity development – a question that no one is naive enough to believe will be easy to answer. And therefore require serious prior reflections.

ACBF recognizes the need for a **stronger Southern voice**. Over the past two years, The Foundation has joined a partnership comprising the OECD, the Learning Network on Capacity Development (LenCD) and a nascent Southern political advocacy group, CD Alliance, has been working to highlight priority areas. The aim is to move the capacity development agenda from the donor–donor discussion that has characterized it over the last 50 years to an agenda with a stronger Southern voice – perhaps even the voice of a transformative leadership..

This partnership is not the only group intent on enlarging the circle of Southern involvement. The New Partnership for Africa's Development (NEPAD), an African Union program, is also pursuing new priorities and approaches to the political and socio-economic transformation of Africa. The African Capacity Building Foundation (ACBF) has a memorandum of understanding with NEPAD to help implement the principles of the Capacity Development Results Framework. These two agencies are working with African countries to develop and promote an African position in Busan.

These preparations have the potential to raise the visibility of Southern perspectives in Busan, foster better support for capacity development and translate collective knowledge about capacity development into local action. More partner country ownership will foster better donor support. Capacity is the flip side of ownership – and ownership is a precondition for capacity development.

Although, it is too early to be clear about what to expect from Busan, but already, the principles of good capacity development have helped to influence the direction of the aid effectiveness agenda: greater partner country ownership and leadership of aid; greater donor interest in using and supporting country systems; greater attention to the strengthening of local capacity as the foundation of sustainable development action.

It is ACBF's considered hope that after Busan, capacity development will be more strongly Southern-focused than before – and will present a range of political and strategic opportunities. Some of the issues on the horizon are:

- The placement of Southern leadership at the forefront of capacity development
- Agreement on a more 'joined-up' approach to capacity development – a vision, language and approach that are common to both North and South
- Greater agreement to use the principles of capacity development in all key aid agency business processes, and to encourage mutually supportive learning
- Making reforms to technical cooperation that are sensitive to capacity development
- Making sectors a primary entry point for joint approaches to capacity
- Agreement to better link capacity development thinking on fragile situations with the leadership of the g7+ International Dialogue on State-building and Peacekeeping
- Reforming international donor business systems to be more in line with capacity development principles: more collaborative strategic planning and results measurement; more flexible project implementation; the sending of more resources into the field; and a reduction in agency fragmentation

From and using the Busan process, it is possible to call upon emerging Southern voices to seek more joined-up and united (North and South) learning and action in some of the above areas.

It is within this context that the African Capacity Building Foundation (ACBF) has responded favorably to the request by the AU to lead the discourse and bring together a wide range of lessons and international best practice for aid effectiveness. The Foundation plans to organize a Round Table (RT) during the meeting of its 7th Annual Meeting of the ACBF Technical Advisory Panels and Networks (TAPNETs) in Yaoundé, Cameroon. This Round Table is consistent with the ACBF strategic plan (2012-2016) which has as one of its strategic priorities working together with state and non-state

actors to strengthen national capacities in the formulation and implementation of development policies.

The preparation of the strategic plan, which is the third for ACBF, provided the Foundation with the opportunity to assess what has been learned since its creation in 1991. During the past two decades, ACBF has, with the support of its donors, committed more than USD400 million to capacity development interventions in the African continent. These interventions have strengthened capacity in several priority areas, particularly in economic policy management. ACBF was happy to detect that in spite of the difficulties it caused; the African continent demonstrated greater resilience to the global economic crisis than other regions. This could be explained to a large extent by the well-designed economic policies in place in many African countries.

One of the main challenges identified in the strategic plan is the need for African countries to develop qualified and competent human resources, capable of adapting to the rapid technological change required to make African economies more competitive. Another difficulty identified in the strategic plan is the development of capacity to formulate and implement policies to promote mobilization as well as rationalization of resources.

To address these difficulties, ACBF plans to increase its support to public administration and research institutions to strengthen their capacity to formulate and implement policies that promote aid effectiveness and local ownership of development results.

The proposed Round Table (RT) will present a platform to share experiences and best practice on policies that work. It will also help to increase awareness of the various dimensions of the problem of donor coordination and enhance aid effectiveness for development results. The EPANET study on 'bilateral aid governance in Africa' will form the main focus for discussion.

2) ROUND TABLE OBJECTIVES

The main objective of the Round Table is to provide a platform for discussion and exchange of information, knowledge and experiences on donor coordination and aid effectiveness in Africa. It is expected that this will improve the design and implementation of policies to improve development outcomes and results.

The Round Table will specifically aim to:

- Increase awareness of state and non-state actors of the various dimensions of aid effectiveness so that they can be fully considered in the design of policies;
- Bring together experts and decision makers concerned with the problem of donor coordination to facilitate exchange of lessons and experiences;
- Improve ACBF's understanding of the capacity needs associated with the donor coordination and aid effectiveness so that the Foundation can fund more relevant interventions;
- Develop and strengthen strategic partnerships to support initiatives in this area.

3) METHODOLOGY

The Round Table will feature presentations of country experiences, lessons and case studies by various national agents and national and international bodies working in this area. These presentations will be followed by questions and discussions.

4) EXPECTED RESULTS

At the end of the Round Table it is expected that participants would put into use acquired information, knowledge and partnerships to develop better solutions to the problem of donor coordination. The papers and documents presented during the Round Table would be compiled in one final report.

5) PARTICIPANTS

Participants will include decision makers in government departments and agencies, university professors and researchers, and representatives from civil society.

6) DISTINGUISHED RESOURCES PERSONS

Moderator: **TBA**

Speakers:

- **George Kararach**, Knowledge Expert, ACBF – ‘Importance Country Ownership in Aid Effectiveness’
- **Warren Nyamugasira**, Member, VOICENET- ‘Role of CSO’s in Aid Delivery’
- **Kwabena Gyimah-Brempong**, University of Florida, & Member, EPANET – ‘Aid, Good Governance & Africa’s Development Challenge’
- **Mike Plummer**, Head Development. Division, OECD & EPANET Member – ‘the Role of Donors in Enhancing Aid Effectiveness’
- **Rene N’guettia Kouassi**, Director, Economic Affairs Dept., AU & Member, EPANET – ‘Aid, Africa’s RECs & Governance’