

First ministerial-level meeting of the Global Partnership for Effective Development Co-operation: Draft concept note and outline agenda

Proposal by the Co-Chairs for discussion

Third meeting of the Global Partnership Steering Committee 25-26 July 2013, Addis Ababa, Ethiopia

This paper is presented by the Co-Chairs of the Global Partnership for Effective Development Co-operation <u>for discussion</u>. It develops the elements of a storyline for the first ministerial-level meeting of the Global Partnership (to be held late 2013 / early 2014) and proposes an outline agenda for the meeting.

<u>Particular attention is drawn to the preliminary nature of these proposals. This draft – along with stakeholder feedback – will be shared with the host government (currently being confirmed), which would be expected to play a lead role in shaping the agenda further.</u>

In proposing an outline agenda for the ministerial-level meetings, the Co-Chairs have built on the discussions of the Steering Committee at its second meeting (Indonesia, March 2013) as well as the various written submissions provided through Steering Committee members since that meeting. Steering Committee members are invited to consult their respective constituencies on this draft with a view to providing feedback at the third meeting of the Steering Committee.

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I. Overview

- 1. The Busan agreement committed stakeholders to forming the Global Partnership for Effective Development Co-operation (hereon "the Global Partnership") as a forum to support and ensure political accountability for the implementation of commitments at the political level, and to facilitate the exchange of knowledge.
- 2. Inclusive ministerial-level meetings every 18-24 months are a central feature of the Partnership's work at the international level. The Global Partnership's steering committee met for the second time in Indonesia (March 2013) and agreed that the first ministerial-level meeting of the Global Partnership should be held late 2013 or early 2014.
- 3. A compelling political narrative (developed further in section II of this paper) highlights the relevance of the Global Partnership and its first ministerial-level meeting in the context of a changed development landscape and efforts to design a post-2015 global framework for development.
- 4. Section III presents an initial proposal for the agenda of the ministerial-level meeting, while section IV summarises the issues that could be addressed in each session, drawing on the various contributions made by members to date. Next steps are identified in section V.

II. Half way from Busan to 2015: elements of a political vision for the Global Partnership and its first ministerial-level meeting

- 5. As the 2015 target date of the MDGs approaches, the international community is faced with a global development landscape that has changed radically in several ways:
 - the world's poor live in a range of countries, with varying levels of economic development and development challenges, and with a majority now living in middleincome countries;
 - the location of poverty is shifting towards urban areas rather than traditional rural areas, with rates of urbanisation often outstripping rates of GDP growth;
 - growing links between low-income and middle-income countries offer economic opportunities and insurance against country-level shocks, but interconnectedness also increases exposure to global price volatility, epidemics, conflict, financial crises, and climate change shocks;
 - climate change and resource scarcity are affecting poorer countries, and will exacerbate the fragility that many conflict-afflicted states already face;
 - the various development paths that have been followed in recent years, and new opportunities such as improved technologies and innovation, suggest that there is no single path to growth.
- 6. These changes present a more complex world for development co-operation to help reduce poverty. The eradication of poverty should remain our goal, but we need a new "global business model" for development co-operation. The UN Secretary-General's High Level Panel of Eminent Persons on the post-2015 Development Agenda recently delivered its report, in which it sets out the need to forge a new global partnership for development. Such a partnership would be inclusive and bring together a wide range of actors. The panel calls on the international community "to use new ways of working, to go beyond an aid agenda and put its own house in order: to implement a swift reduction in corruption, illicit financial flows, money-laundering, tax



evasion, and hidden ownership of assets." It also points to the need for partnership approaches to fighting climate change, the promotion of free and fair trade, and several other important areas of international collaboration.

- 7. Aid volumes and quality in line with existing international commitments remain vital. Aid will be critical for many fragile and conflict-affected countries, for example, despite the greater risks of failure faced in some of these settings. Effectiveness demands that we continue to focus on driving results, country ownership, transparency and inclusivity for development and humanitarian aid, including improving how citizens interact with their governments:
- 8. Other sources of finance such as export earnings, domestic taxes, remittances, and foreign and domestic investment are critical for countries to reduce their aid dependency. Aid needs to be tailored to leverage these sources of finance, including to improve industry and technology. In this way, fostering partnerships between actors such as governments, the private sector and civil society will be critical;
- 9. Knowledge is essential alongside financial resources for reducing poverty. The experiences of a much broader range of countries, actors and localities in achieving growth and poverty reduction need to be shared. The traditional donor community in particular needs to make more space for actors such as emerging economies and other southern Partners to help shape development cooperation going forward;
- 10. Policies in areas outside of aid have more impact on global poverty in a world where the majority of poor people no longer live in poor countries. Effective policies are those that have a positive impact domestically and abroad.
- 11. The Global Partnership for Effective Development Co-operation is a unique coalition of partners, bringing together all development actors at country and global levels. Founded at the Busan High Level Forum, it has as its foundations four shared principles country ownership, results, inclusive partnerships and transparency and accountability. These form the guide for "how" effective development cooperation should be taken forward within a post-2015 framework and a broader global partnership for development. The Partnership can help further develop and build consensus on approaches to development cooperation that utilise and live up to these four shared principles, incorporating lessons learned from efforts made to date.
- 12. The Partnership's first Ministerial will thus aim to generate consensus around these intersecting areas, as well as share ideas around and make specific, targeted agreements so as to make a real, practical difference on the ground. Specifically:
 - We will review progress since Busan, examining case studies and our progress on transparency, inclusivity, and the new deal for fragile states, while also focusing on remaining challenges, including commitments made in Paris (2005) and Accra (2008);
 - We will partner to strengthen the role of business in supporting development;
 - We will look at ways to scale up development knowledge transfer, especially among developing countries and emerging economies;
 - We will look at how countries' domestic resource mobilisation efforts can be strengthened by, for example, addressing tax, illicit flows, and transfer pricing practices.
- 13. We hope that these areas of work will gain traction this year, providing a coherent framework for future co-chairs and steering committee members to identify future areas for progress, for more partners to join the partnership, and to continuously drive change as we move towards and beyond international consensus on the post-2015 framework.



Outline agenda for the ministerial-level meeting III.

14. A draft outline for a two-day ministerial-level meeting is presented in Box 1 below. Session-specific descriptions then follow in section IV of this paper.

Box 1. Proposed agenda for the ministerial-level meeting

Day 1

High-level, to include statements by participating heads of

state and government, heads of international

organisations and lead figures among non-state participants, including on links to post-2015 agenda

Session 2: How can we partner for effective taxation domestic resource mobilisation development?

Aims:

• Promote more and better development co-operation to strengthen developing countries' tax policies and administration; identify "non-aid" forms of cooperation that can be scaled up to support development.

Possible outcomes:

- Agreement on international means to tackle corruption and illicit flows; promote transparency around natural resource revenues; transfer pricing..
- · Announcements of selected national reforms.
- Agreement to scale up development co-operation in support of effective tax policy and administration e.g. through the launch of Tax Inspectors Without Borders or similar.

Session 3: Promoting effective knowledge sharing for development

Aims:

• Increased awareness of existing platforms for knowledge sharing and results they have contributed to, share lessons.

Possible outcomes:

- Pilot activity to scale up.
- Discussing challenges, or agreeing principles for effective knowledge sharing?

Session 1: How far have we come in implementing the vision set out in Busan?

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- · Showcase how development outcomes are enhanced when all stakeholders are involved, and transparency and accountability are promoted.
- Demonstrate what an inclusive post-Busan partnership means in policy and practice, and what it might offer for the future (post-2015).
- Take stock of progress and challenges in implementing the vision set out in Busan (including but not limited to targets through global monitoring framework).

Possible outcomes:

Opening ceremony

- Agreement on / announcement of one or two high profile breakthroughs to implement commitments (e.g. on "unfinished business" from PD/AAA).
- Launch of compact, roadmap or similar initiative(s) to accelerate aspects of democratic ownership and inclusive partnerships in development co-operation.

Session 4: Effective development co-operation and business

Aims:

- · Raise awareness of role and impact of responsible, sustainable and inclusive business as a partner.
- Agree on ways development co-operation can be provided / used to both (i) leverage private investment and (ii) strengthen the environment for all business.
- · Identify more systematic approaches to publicprivate co-operation that "create shared value".

Possible outcomes:

• Endorse an action-oriented "roadmap" to advance the objectives set out above.

Closing ceremony / adoption of communiqué

Plenary format, followed by press conference etc.



IV. Session objectives and potential deliverables

Opening ceremony

- 15. A high profile opening ceremony will offer the opportunity to show why the Global Partnership and effective development co-operation matters, making the link with the international community's efforts to develop a post-2015 framework for development, and emphasising the role that a global political alliance can play in eradicating poverty. In doing so, leaders will both set the scenes for a forward looking, ambitious ministerial-level meeting as well as help to position the Global Partnership as the "go-to forum" to support the implementation of post-2015 framework.
- 16. Participants could include the host country's head of state / government; the Global Partnership Co-Chairs; other heads of state / government; the UN Secretary-General; leading private sector figures, philanthropists and foundations (e.g. Bill Gates, Mo Ibrahim), and other eminent persons in the sphere of international development (e.g. Graca Michel, Hillary Rodham Clinton). Participants should be reflective of different development constituencies.
- 17. The opening ceremony could also be the appropriate point to welcome new members of the Global Partnership.

Session 1: How far have we come in implementing the vision set out in Busan?

- 18. One of the key features of the meeting will be its emphasis on evidence of progress and challenges, which will offer a starting point for deliberations and decisions over the two days. The Co-chairs propose that the first session brings together in a holistic way two "streams" of work that were the subject of discussion by the Steering Committee at its last meeting:
 - Mainstreaming inclusive partnerships, policies and practices across development activities (building on initial inputs under the working title "Transparent, inclusive development"); and
 - Results of country and global efforts to monitor Busan commitments focusing on the global indicators of progress, as well as other relevant evidence.
- 19. This scene-setting session will allow for reflection on how far we have come in advancing the principles agreed in Busan, and will provide an opportunity to showcase inclusive, multi-stakeholder approaches to supporting development that have been successful. Participants might, for example, reflect on questions such as "how have new approaches to partnership promoted democratic ownership of development efforts?", "how has greater transparency resulted in better development outcomes?", "what can we do to advance whole-of-society approaches to supporting development?" and "what more can be done to advance effective development co-operation in fragile states?".
- 20. At the same time, the session will allow participants to dig deeper into a selected set of commitments through the presentation of evidence of progress against ten global indicators. In doing so, they will have the opportunity to identify some of the bottlenecks faced in implementing their respective commitments on development co-operation. For those stakeholders that have volunteered to participate in the global monitoring process, this exercise is intended to support political accountability, and stimulate action backed by political leadership where an extra push is needed for targets to be met.



21. Structuring the session in this way allows for some of the fundamentals agreed in Busan – inclusion, accountability and transparency – to form the backbone of a successful meeting and serves to elevate the importance of these principles as overwhelmingly *political* ones, rather than reducing them to a technical set of issues. Bringing evidence from the global monitoring process into this broader political discussion – rather than treating it as a stand-alone agenda item – helps to put it in context and stimulate a discussion on the behaviour changes and systemic issues that matter most for development. Box 2 identifies a limited number of deliverables that stakeholders could work towards as this session is prepared.

Box 2. Possible deliverables

The session on progress in implementing the vision set out in Busan could see ministers and heads of delegation agreeing to:

- Implement a limited number of immediate actions to accelerate progress or remove blockages to the achievement of stakeholders' respective targets on effective development co-operation.
- Put in place or strengthen inclusive partnerships and transparent mutual accountability mechanisms at the country level.
- Launch an international "roadmap" to improve the enabling environment for civil society organisations (CSOs).
- Agree a "compact" to help ensure the democratic ownership of development processes, built on existing commitments and mechanisms to ensure human rights.
- 22. Format and participation: Steering Committee members have suggested a range of high profile speakers from both within and beyond the membership of the Global Partnership that could be well placed to set the scene or challenge ministers and leaders in this discussion. Specific processes would need to be launched and led by members to develop initiatives in advance of the meeting, most likely requiring detailed analytic work and consultation. Stakeholders could use the session itself to signal their endorsement of these efforts, or showcase examples of these successes.
- 23. Preparatory processes: this session will draw heavily on evidence generated through the global monitoring framework, related country-level monitoring efforts and other stakeholders and processes (e.g. analysis undertaken under the auspices of the UN Development Co-operation Forum; the New Deal for Fragile States and g7+ group; Busan "building blocks" on results and aid fragmentation; the International Aid Transparency Initiative, the Pan African Parliamentary Summit, the Africa Platform for Development Effectiveness, and others). The Co-Chairs invite these and other groups to submit their ideas through the Steering Committee.
- 24. Additional background work may need to be commissioned on some of the major issues of interest not covered sufficiently for the indicators (for example, case studies or other types of evidence on inclusive development partnerships; evidence on efforts to improve transparency going beyond aid data; analysis on the state of mutual accountability, etc.).

Session 2: How can we partner for effective taxation and domestic resource mobilisation for development?

25. Steering Committee consultations to date have emphasised the importance placed by all stakeholders on boosting domestic resource mobilisation efforts in developing countries, and the



role that the Global Partnership can play in advancing international co-operation that is effective in promoting this goal.

- 26. Specifically, the added value of the Global Partnership lies in the interface between development co-operation and efforts to strengthen tax policy and administration in developing countries, as well as efforts to tackle illicit flows. It benefits from wider participation than G8 and G20 initiatives in the taxation and illicit flows arena.
- 27. Deliberations in this session will place an emphasis on ways that development cooperation in support of developing countries' domestic resource mobilisation efforts can be scaled up and its quality improved, as well as exploring non-aid forms of co-operation and collaboration that strengthen domestic resource mobilisation and help tackle illicit flows. Both international and national efforts and reforms could feature in the discussion.
- 28. The range of suggestions received from Steering Committee members to date suggests that further discussions are needed to identify a prioritised set of deliverables for this session (a consolidation of suggestions received since the last meeting points to no fewer than 18 possible outcomes for this session). In suggesting an initial prioritisation (Box 3), the Co-Chairs have sought to identify items that are action-oriented, forward looking and that play to the strengths and comparative advantages of the Global Partnership.

Box 3. Possible deliverables (tax and domestic resource mobilisation)

Ministers and heads of delegation could agree to:

- Scale up development co-operation in support of tax administration.
- Launch or endorse a specific international initiative in this area e.g. Tax Inspectors Without Borders.
- Support or adopt international initiatives linked to domestic resource mobilisation and combatting illicit flows – e.g. those in discussion in the G8 and G20.
- Build consensus around particular types of domestic policy reform or recommendations that can lead to increased domestic revenue mobilisation.
- Suggest ways in which taxation, domestic resource mobilisation and international co-operation in support of these goals might feature in a post-2015 development framework.
- 29. Format and participation: Steering Committee members have identified a promising list of potential high profile speakers on these themes, including a former head of state; several current serving ministers from both developed and developing countries involved in country, regional and international programmes on tax and domestic resource mobilisation; heads of revenue authorities and regional organisations. The session could provide a platform to showcase work led by a range of initiatives, such as the African Tax Administration Forum (ATAF), the OECD Task Force on Tax and Development, the Collaborative African Budget Reform Initiative (CABRI) and the Extractive Industries Transparency Initiative (EITI).
- 30. Preparatory processes: the Steering Committee could consider opportunities for bringing together stakeholders involved in work on tax / domestic resource mobilisation in a range of fora to better identify where the Global Partnership ministerial can add value to or complement existing initiatives (rather than duplicating them). Forthcoming opportunities include the launch of the Africa High Level Panel on Illicit Financial Flows (mid 2013), the meeting of the OECD Task



Force on Tax and Development (late 2013) and meetings of other regional and international initiatives.

31. The Steering Committee could commission further analytic / scoping work on, for example, ways in which domestic resource mobilisation, illicit flows and development cooperation might be addressed in a post-2015 framework; a review of evidence of the impact of different types of investment on domestic resource mobilisation efforts. The Busan "building block" on effective institutions could also provide insights into implementation issues, and is invited to share inputs with the Steering Committee.

Session 3: Promoting effective knowledge sharing for development

- 32. Consultations to date have pointed to the interest among Global Partnership stakeholders in exploring ways in which knowledge can be better exchanged and harnessed to support development. This could include South-South co-operation where the exchange of knowledge is often an important feature and capacity development and technical assistance efforts. In this way, the Global Partnership will lend its support to identifying ways in which forms of development co-operation other than "traditional" (largely financial) aid can be enhanced and scaled up.
- 33. Members have suggested that the ministerial-level meeting might be used to showcase successful approaches to knowledge sharing; address systemic bottlenecks to effective knowledge sharing; encourage an exchange of experiences and good practice; and advance a prototype for a new platform for a knowledge sharing hub for development cooperation. Consultations to date have pointed to the convening role that the Global Partnership might play in these areas, while recognising that the other platforms, fora and tools exist to facilitate the sharing of knowledge. Further work may be needed to clarify a limited set of deliverables for this session. Initial suggestions are summarised in Box 4 below.

Box 4. Possible deliverables (knowledge sharing)

Ministers and heads of delegation could agree to:

- Showcase and scale up support for existing hubs and platforms that promote knowledge sharing for development (e.g. World Bank, UNDP, G20 and sector-specific initiatives).
- Showcase initial progress on and support pilot activities for a prototype hybrid platform involving a range of stakeholders, e.g. building on country hubs.
- Explore the characteristics of effective knowledge sharing with a view to (in the medium- / longer-term) suggesting principles or measures of quality in such co-operation.
- 34. Format and participation: inputs received to date suggest that this session could be of particular interest to developing country stakeholders as well as middle income countries, foundations and other organisations that place a particular emphasis on the exchange of knowledge in their development co-operation efforts. Indonesia, which has been leading knowledge sharing work within the Global Partnership, is keen to present its proposal of an online platform, as well as to invite potential speakers from other emerging economies, the private sector and civil society organisations to introduce a number of pilot knowledge-sharing projects.



- 35. Preparatory processes: further work is likely to be needed to clarify and further focus the aims of this session and, on this basis, the ways in which different stakeholders can contribute and any analytic work that may need to be commissioned. Specific opportunities to advance dialogue include preparatory workshops or side events organised by the Global Partnership. The co-Chairs are currently considering holding a knowledge sharing workshop around a future Steering Committee meeting and/or an ad hoc event in the margins of the World Bank/IMF Annual meetings in mid-October 2013.
- 36. Further opportunities to promote dialogue on knowledge sharing in the lead up to the ministerial-level meeting include the Global South-South Development Expo (October / November 2013, Kenya). There are also other groups that could be helpful in this regard: the group of Directors-General of southern partners, the India-Brazil-South Africa (IBSA) forum, the Busan "building block" on South-South co-operation, and others. The Co-Chairs invite these groups to submit their ideas to the Steering Committee.

Session 4: Effective development co-operation and business

- 37. Consultations to date have highlighted interest in strengthening the participation of private sector actors in the work of the Global Partnership. The Joint Statement endorsed by a sub-set of stakeholders in Busan could act as a basis for a scaling up of efforts, framing actions that could be endorsed at the ministerial to further advance the principles agreed.
- 38. The session could advance the role and potential impact of responsible, sustainable, inclusive business as a partner in development; identify ways that aid and innovative financing instruments can help encourage / leverage private sector investment, and promote more systematic approaches to 'creating shared value'.

Box 5. Possible deliverables (private sector)

Ministers and heads of delegation could agree to:

- Endorse and implement a roadmap / guidance that sets out what different stakeholders will do to advance their Busan commitments in relation to public and private co-operation (responsible, sustainable business; creating shared value...).
- Support (on an individual / voluntary) basis specific initiatives or ideas at the country level to stimulate a positive role for business *e.g.* country hubs for increasing public-private dialogue and engagement.
- Support (on an individual / voluntary basis) specific initiatives or ideas to leverage private investment e.g. development impact bonds.
- 39. Format and participation: further work will be needed to engage relevance business leaders and stakeholders, who should play lead roles in both shaping the agenda for this session and in the discussion itself. This session could focus mainly on generating ideas and showcasing innovative practices.
- 40. Preparatory processes: further efforts are needed to consult fully with business stakeholders. A dedicated process would need to be put in place to develop a roadmap or similar framework to be presented and ensure broad consultation and support. The UNGA business day



has been identified as a particular opportunity that might be seized to engage a range of stakeholders in work on a roadmap / framework and raise awareness. The post-Busan "building block" on the private sector could also inform discussions on implementation of Busan commitments in this area.

General points on session formats and preparatory work

- 41. Advance preparation will be needed for all of these sessions, including various initiatives, analytic work and consultation. The Co-Chairs propose that countries and organisations beyond the Steering Committee membership should be invited to contribute to these as mentioned above.
- 42. The Co-Chairs also take note of the various suggestions by Steering Committee members for specific formats for the various sessions. They propose that each session could:
 - showcase ideas and examples which might lend itself well to "TED talk"-style presentations;
 - allow participants to signal their endorsement of such efforts e.g. through interactive tools; and
 - stimulate interactive debate on challenging issues through discussions which could be moderated by well-known journalists, for example.

Communiqué or similar outcome document

- 43. Further consideration should be given to the type of outcome document or communiqué that is desirable. Such a document can be useful as a means of summarising and communicating the meeting's achievements, as well as helping to frame future discussions. At the same time, it will be important that this does not lead to a proliferation of principles and commitments. A short document (e.g. two pages) could focus on summarising agreements made, actions that will be taken to advance the implementation of existing commitments, and a degree of guidance or future direction to the work of the Partnership, including in relation to the post-2015 development agenda.
- 44. The Steering Committee should consider the process and timing for developing a communiqué / outcome document with a view to ensuring broad consultation and ownership. It could also explore opportunities to consult more broadly with the public and civil society in developing such a document considering, for example, the use of online collaborative tools, crowd-sourcing etc.
- 45. Finally, in addition to substantive decisions, the ministerial-level meeting will be expected to take decisions on the future functioning of the Partnership, to include any changes to chairing arrangements and Steering Committee membership as well as the timing of the next ministerial-level meeting and any other recommendations. The Steering Committee will need to agree a process for presenting recommendations to ministers in a way that ensures broad support and buy-in prior to the meeting itself.

V. Next steps

46. This is not a final proposal. The host country or organisation will need to be able to shape the agenda and the outcomes of the meeting, using this proposal as an input. The Co-



Chairs will engage with the host and, more widely, with a range of countries and organisations over the coming months. Specific consultation efforts taken forward by Steering Committee members will be essential as they represent broader constituencies in the process. In their consultations and deliberations, Steering Committee members may wish to structure their feedback to the Co-Chairs on:

- The overall narrative and political vision articulated in section II of this paper;
- The outline agenda and suggested sessions for the ministerial-level meeting (section III);
- The specific session deliverables (section IV, boxes 2 to 5) and proposed session formats, as well as the preparations underpinning each session. Consideration should be given to specific organisations or others that may want to join the Partnership and/or that have exciting initiatives or analysis to contribute.
- The format and approach to developing a communiqué or outcome document for the meeting, including ways of engaging a wider set of stakeholders.

