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Monitor:

The BRICS and the Global
Partnership for Effective
Development Cooperation (GPEDC)

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BRICS Policy Center Centro de Estudos e Pesquisas - BRICS



SSC
South-South Cooperation

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The BRICS and the Global Partnership for Effective Development Cooperation (GPEDC)

Manaíra Assunção and Paulo Esteves*

Introduction

The First High Level Meeting of the Global Partnership for Effective Development Cooperation (GPEDC) will be held on the 15-16 of April in Mexico City. In their last meeting in mid-February in Abuja (Nigeria), the GPEDC Steering Committee released the Draft Zero of the Mexico HLM Communiqué, which set the tone for building towards an Inclusive Post-2015 Development Agenda.

The GPEDC was launched at the Fourth High-Level Forum on Aid Effectiveness, held in Busan (South Korea) in 2011, which proved to be a turning point for the international development cooperation architecture: it recognized the increasingly important role of South-South Cooperation (SSC), and the existence and relevance of diverse actors and practices of development cooperation. The Busan Outcome document highlighted the need for broader participation of actors that are not part of the OECD's Development Assistance Committee (OECD/DAC), making 'inclusiveness' and 'representativeness' some of the GPEDC's main priorities. The commitments in the Outcome document, however, apply to these new actors only on a voluntary basis, recognizing that there are 'common responsibilities with differentiated commitments'¹ by some of its stakeholders, particularly South-South Cooperation partners.

In the process of consolidating the GPEDC, the major critique has been its identification as a DAC-led process that could not be legitimated by actors that are outside OECD/DAC structures. The UN system has been acknowledged as prominent locus to discuss the future of development cooperation². Nevertheless, the GPEDC reiterates that its role is on 'how' to think the implementation of the new global agenda, whereas the UN is responsible for the content of this agenda³.

* 'We thank Paolo de Renzio, João Fonseca for their contribution to this Monitor'

1 The Busan Outcome document states: 'The nature, modalities and responsibilities that apply to South-South co-operation differ from those that apply to North-South co-operation. At the same time we recognise that we are all part of a development agenda in which we participate on the basis of common goals and shared principles (...) The principles, commitments and actions agreed in the outcome document in Busan shall be the reference for South-South partners on a voluntary basis' (Fourth High Level Forum on Aid Effectiveness, 2011). The same position is reinforced in the Draft Zero of the Mexico HLM Communiqué.

2 SAMY, Y.T. & KINDORNAY, S. Will the Global Partnership for Effective Development Co-operation Deliver? Canadian International Development Platform. Available at: <<http://cidpnsi.ca/blog/will-the-global-partnership-for-effective-development-co-operation-deliver/>>. Accessed: 6 Mar 2014.

3 The Draft Zero Mexico HLM Communiqué foresees that 'if the Post-2015 Development Agenda will define the "what", the Global Partnership will play a contributing role in the "how" of the implementation of this new global agenda'.

1. SSC providers' involvement since Busan

In the process of consolidating GPEDC's mandate and working arrangements, led by the Post-Busan Interim Group (PBIG)⁴, SSC providers'⁵ involvement was different among them: Brazil, China and India participated as 'active observers', but gradually decreased participation in PBIG meetings as there seemed to be less interest on how the partnership was developing; whereas South Africa, for example, used the platform to promote a broader African agenda and least-developed countries' priorities⁶. Brazil, China, India, Mexico and South Africa were invited to compose one Co-Chair and one representative of the group providers and recipients of development cooperation (see Table 1 below). However, none of those countries integrated the Steering Committee. Instead, Indonesia and Peru assumed the position as Co-President and representative of provider and recipient, respectively.

Despite the fact that the BRICS countries⁷ signed the Busan Declaration, they insist that SSC should be guided by a different set of criteria from those associated with North-South cooperation. More specifically, they reject the division between donors and recipients, justifying the maintenance of their distanced position⁸.

In the meantime, other important SSC actors are playing a different game. Mexico, South Korea and Turkey are OECD members, and Colombia, Peru and Indonesia have been assuming more active positions since the Task Team on South-South Cooperation (TT-SSC) was established during the run up to the HLF-4. Mexico⁹ as host for the first High-Level Meeting of the GPEDC is also an

4 The Post-Busan Interim Group (PBIG) was established in the first half of 2012 to head consultations, terms, mandate and working arrangements on the GPEDC. It consisted of a group of senior level negotiators selected by the Working Party on Aid Effectiveness (WP-EFF). The PBIG's proposal for the mandate of the GPEDC was approved by the WP-EFF in mid-2012 with a two level structure: 1) high-level plenary sessions and 2) a Steering Committee with 18 members. For more information see: Proposed Mandate for the Global Partnership for Effective Development Co-operation. Proposal by the Post-Busan Interim Group, 28-29 June 2012, UNESCO, Paris; DE RENZIO, P. et al. A Cooperação Sul-Sul na Nova Parceria Global para um Desenvolvimento Eficaz: qual papel para os BRICS? BRICS Monitor, Mar/2013. Available at: <<http://bricspolicycenter.org/homolog/uploads/trabalhos/5987/doc/745721560.pdf>>.

5 The DAC differentiates between emerging donors; Arab donors; and providers of South-South Co-operation, the latter being defined as: 'Providers of South-South Co-operation (SSC) are developing countries, middle income countries and emerging economies that share expertise and financial support with other countries. Many remain recipients of Official Development Assistance (ODA), albeit with diminishing volumes. The most prominent SSC providers are Brazil, China, India and South Africa, but countries such as Colombia, Egypt and Thailand can also be included. Underlining their solidarity with partner countries, they are often hesitant to use terms like "donor" and "aid" to describe their co-operation, and are selective in engaging with the OECD in general and the DAC in particular. Chile and Mexico share many characteristics of this group, but as OECD members, are comfortable engaging with the DAC.' SMITH, K et al. Beyond the DAC: The Welcome Role of Other Providers of Development Co-Operation. OECD Development Co-operation Directorate. DCD ISSUES BRIEF, May/2010. Available at: <<http://www.oecd.org/dac/45361474.pdf>>. Accessed: 6 Mar 2014.

6 BESHARATI, N. A. A Year after Busan: Where is the Global Partnership Going. SAIIA Occasional Paper n. 136, February 2013.

7 Note that Russia has a special status in this context, because it is the only BRICS country that is part of the OECD and reports to DAC, being signatory of the Paris Declaration on Aid Effectiveness. ESTEVES, P. et al. A Cooperação para o Desenvolvimento, os BRICS e a Política Externa Brasileira. In: Konrad Adenauer Stiftung. Série Relações Brasil-Europa. Economia, Paramentos, Desenvolvimento e Migrações: As Novas Dinâmicas Bilaterais entre Brasil e Europa. Available at: <<http://www.kas.de/wf/doc/7516-1442-5-30.pdf>>. Accessed: 6 Mar 2014.

8 But there was no joint articulation of the BRICS countries

9 Mexico defends that the category of countries that are both recipients and providers of co-operation 'has no natural forum or organising entity, and that the self-selection of countries into this constituency [within the Steering Committee] means that its boundaries are less clear than those of other groupings'. Working Party on Aid Effectiveness. Draft Summary Record. Third Meeting of the Post-Busan Interim Group, 21-22 May 2012.

important landmark for SSC actors' interaction with the Global Partnership. Mexico suggested "the inclusion of two topics on SSC and triangular co-operation and challenges for MICs as development partners" on the agenda¹⁰. This scenario may end up creating a split between various SSC actors, with one side emphasizing the distinct nature of SSC and its voluntary engagement in the international aid effectiveness regime, and the other side increasingly engaging with, and therefore legitimizing, existing aid effectiveness forums and OECD structures¹¹. On the one hand, this poses a threat to the legitimacy of the concept of "South" as a suitable category within the field of international development cooperation. On the other hand, it presents a problem of viability of the GPEDC as a legitimate mechanism for coordinating and harmonizing different development cooperation practices. In fact, the relative lack of engagement of BRICS countries, and more particularly China, may hinder the fruition of one of the Partnership's main goals – 'representativeness'.

Table 1: Steering Committee Composition¹²

<i>Co-Chairs of the Global Partnership</i>	
1	Recipient of development co-operation
1	Recipient and provider of development co-operation
1	Provider of development co-operation
<i>Members of the Steering Committee</i>	
5	Representatives of recipients of development co-operation, one of which is a representative of the g+7 group of fragile and conflict-affected states
1	Representative of recipients and providers of development cooperation
3*	Representative of providers of development cooperation
1	Representative of private sector stakeholders
1	Representative of parliamentarians
1	Representative of civil society stakeholders
1	Representative of multilateral development banks
1	Representative of the UNDP/UNDG
1	Representative of the OECD/DAC

* US, Korea, UE, Nordics, Germany and Japan, as providers for development cooperation, called for three seats within the Steering Committee to ensure providers' commitment to the agenda, the mobilization of resources and burden sharing among members in respect to the ambitious work program. Working Party on Aid Effectiveness. Draft Summary Record. Third Meeting of the Post-Busan Interim Group, 21-22 May 2012.

10 Topics and Champions: 1) Busan commitments - EU, CPDE; 2) Domestic resource - Nigeria, AU, UE; 3) Knowledge sharing - Indonesia, World Bank, Korea; 4) Private sector - UK, World Bank MDBs; 5) MICs – Mexico; 6) SSC and triangular cooperation – Mexico, Indonesia, Bangladesh; 8) Inclusive development - US, CPDE.

11 It is important to note, that Brazil, China, India, Indonesia and South Africa are key partners for the OECD Global Strategy Group. In the same direction of efforts for establishing a dialogue, the China-DAC Study Group was formed in 2009 and partners with the International Poverty Reduction Centre in China (IPRCC) on an informal basis. For more information on OECD Global Strategy Group see: <[http://www.oecd.org/mcm/C-MIN\(2013\)13-ENG.pdf](http://www.oecd.org/mcm/C-MIN(2013)13-ENG.pdf)> (May, 2013); on China-DAC Study Group: <http://www.oecd.org/dac/povertyreduction/thechina-dacstudygroup.htm#Who_participates_in_SG>.

12 Working Party on Aid Effectiveness. Proposed Mandate for the Global Partnership for Effective Development Co-operation. Proposal by the Post-Busan Interim Group. 28-29 June 2012, UNESCO, Paris. Available at: <<http://effectivecooperation.org/wordpress/wp-content/uploads/2014/01/Working-arrangements-of-the-Global-Partnership.pdf>>. Accessed: 6 Mar 2014.

2. The road to Mexico

Table 2: Meetings since Busan

Meetings	Date
4th High Level Forum on Aid Effectiveness, Busan	29 November – 1 December 2011
PBIG, OECD-DAC, Paris	13-14 February 2012
PBIG, OECD-DAC, Paris	4-5 April 2012
PBIG, OECD-DAC, Plenary Session, Unesco, Paris	28-29 June 2012
1st Meeting Co-Chairs, Annual WB/IMF meetings, Tokyo	3 August 2012
1st Meeting Steering Committee, European Bank for Reconstruction and Development, London	5-6 December 2012
2nd Meeting Steering Committee, High Level Meeting on Post-2015, Bali	25-26 March 2013
3rd Meeting Steering Committee, Addis Ababa	25-26 July 2013
4th Meeting Steering Committee, Washington DC	10-11 October 2013
5th Meeting Steering Committee, Abuja	13-14 February 2014
1st High-Level Meeting, Mexico City	15-16 April 2014

In two years of the process of consolidating the GPEDC, a broad agenda with key issues on cooperation and development has been widely discussed, including, among others, green economy, civil society and private sector involvement, domestic resource mobilization, knowledge exchange, and South-South and Triangular Co-operation. Additionally, four principles (ownership; focus on results; inclusive development partnerships; and transparency and accountability) are operating since Busan. The GPEDC's fundamental aim is to secure effective development cooperation to eliminate extreme poverty and promote sustainable development¹³. Despite the fact that Busan moves beyond the Paris Declaration, inclusiveness and representativeness are still the critical issues open to debate.

The Draft Zero of the Mexico HLM Communiqué expects to decide upon the election of new Co-Chairs and the inclusion of new representatives in the Steering Committee. The crucial question is if the current 18 seats will be maintained or expanded to 24. The Steering Committee has been highly criticized because relevant constituencies are not directly represented within it¹⁴. Additional seats are planned for Arab aid providers, regional organizations in Africa, Asia and Latin America/Caribbean, and non-governmental actors. The role of regional organizations is to facilitate consultations between aid providers and recipient countries, considering the monitoring process that has been established in Busan¹⁵. At present, there are 5 representatives of recipient and fragile states; 3 of providers of development cooperation and 1 of the provider/recipient status. The change or lack of change in numbers, particularly in relation to MICs/SSC partners, will enable the identification of possible development trends related to the Partnership.

¹³ Draft Zero of the Mexico HLM Communiqué.

¹⁴ Additional seats were already requested in the 2012 London Meeting.

¹⁵ The monitoring framework has been so far considered the greatest success of the GPEDC and established 10 indicators to evaluate cooperation effectiveness. The first progress report on Busan commitments will be released in March 2014 as base for the HLM. However, these monitoring commitments will be reviewed between the end of 2015 and beginning of 2016 to evaluate its contribution and relevance within Post-2015 Development Agenda.

In Abuja, the Co-Chairs proposed additionally to decide upon the role of observers¹⁶, clarifying their role. The 'observer status' has been implemented as solution to ensure involvement of a greater number of stakeholders, particularly emerging economies and non-executive actors, in the Committee meetings. But the ad-hoc process of inclusion led to challenges in transparency about the observers' roles and made the meetings and decision-making process more formal and less efficient in nature.

A review of the OECD/UNDP joint secretariat function mandate is another point on the agenda, especially considering the problem of insufficient financing: instead of US\$ 7.7 million that were originally planned, only US\$ 4.5 million were pledged, confronting both organizations with scarcity of resources, especially within UNDP¹⁷.

3. Final remarks: the future of development cooperation - beyond the North and South divide

While the OECD defends that the GPEDC is a 'coalition of the willing'¹⁸ focused on mutual learning and improvement of development cooperation practices, the above analysis shows that there are different and sometimes divergent views among MICs and SSC providers. Some countries characterize the GPEDC as 'old wine in new bottles' while others identify it as the right forum for standardizing principles on SSC. In general, however, all SSC providers favor UN-led processes in the multilateral fora, where discussions on SSC experiences and practices should ultimately take place.

These actors refer constantly to the Development Cooperation Forum (UNDCF)¹⁹ when it comes to create synergies and convergence of efforts in the multilateral arena. The BRICS have confirmed their engagement within DCF and recognize it as a preferable locus to strengthen and modernize SSC. Interestingly, the next Steering Committee Meeting of the GPEDC is scheduled for July 2014, as part of the side events of the DCF Meeting in Washington. But the DCF has been criticized for slow progress in articulating with the international cooperation and development agenda and in positioning itself in the global arena²⁰.

16 The question of the observer status has already been raised within the PBIG, where Japan claimed that there should not be any observer status in the Steering Committee in order to stimulate active participation of all members. BA Report of the 2nd PBIG Meeting. Available at: < http://www.betteraid.org/en/resources/cat_view/253-post-busan/281-post-busan-interim-group-pbig/283-2nd-pbig-meeting.html >. Accessed: 6 mar 2014.

17 In the Busan Outcome Document, the UNDP has been added as plain member in the GPEDC (joint secretariat with the OECD). Initially they wanted to mobilize US\$ 4 million and US\$ 3,7 million for 2012 and 2013, respectively.

18 ATWOOD, B.J. Creating a Global Partnership for Effective Development Cooperation. Center for Global Development Essay, October 2012. Available at: <http://www.cgdev.org/files/1426543_file_Atwood_Busan_FINAL.pdf >. Accessed: 6 Mar 2014.

19 The United Nations Development Cooperation Forum represents one of the main new functions of the Economic and Social Council (ECOSOC). Its role is to review tendencies and progress in international development cooperation and promote coherence between development practices of the different partners. The next Symposium will take place on March 20-21 in Berlin.

20 PAULO, S. & REISEN, H. Eastern Donors and Western Soft Law: Towards a DAC Donor Peer Review of China and India? Development Policy Review, 2010, 28 (5): 535-552.

Another relevant initiative is the establishment of the United Nations Office for South-South Cooperation (UNOSSC), designated to promote, coordinate and support South-South and triangular cooperation globally and within the United Nations system²¹, which just approved the Strategic framework 2014-2017 in its first regular session at the end of January. The UNOSSC is seen by the G77 and China as a 'neutral' articulator for SCC in the UN system and those countries claim for independence of the Office within UNDP; Brazil advocates that UNOSSC plays a greater role in SCC effectiveness and accountability²².

In sum, what is at stake is: on the one hand, the establishment of a 'new' and revised development cooperation architecture that includes a wide gamut of actors and is seen as legitimate by those (and by so-called recipient countries) in the midst of the Post-2015 agenda; on the other hand, the implicit pressures upon South actors to participate in the definition and design of these 'new' structures and systematize SSC²³. In its effort to create synergies with parallel processes as the UN Post-2015, the GPEDC has a heavy agenda at the same time that it has to deal with the problem of legitimacy and effectiveness (or illegitimacy and ineffectiveness) for the future of development cooperation, issues that go far beyond the North and South.

21 Includes: United Nations Fund for South-South Cooperation (UNFSSC); Pérez-Guerrero Trust Fund for South-South Cooperation. Note that the IBAS Fund is currently managed by UNOSSC. Official website: <http://ssc.undp.org/content/ssc.html>.

22 Karin Vazquez. Approved the UNOSSC strategic framework, what's next? February 6, 2014. Available at: <http://cafezinblog.blogspot.com.br/>.

23 There are some significant developments within domestic institutional structures that point to an effort towards systematizing development cooperation of some SSC providers; for example the Indian Development Partnership Administration and the South African Development Partnership Agency have established; China released its White Papers on Foreign Aid and the Ministry of Commerce established the China Academy for International Trade and Economic Cooperation (CAITEC).

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