

The Reality of Aid

An Independent Review of Poverty Reduction and Development Assistance

A New Global Partnership for Ending Poverty and Reducing Inequality

The Reality of Aid International Coordinating Committee

UN Secretary General, Ban Ki-Moon, is pressing the international community “to redouble our efforts and make inclusive partnerships -- a core aspect of the Busan Partnership agenda – a reality.”¹ Nothing short of a renewed and transformed globally inclusive partnership will enable the achievement of the post-2015 Sustainable Development Goals (SDGs). Building on the leadership of member states, the Secretary General points to important private sector roles in contributing to development, to civil society’s efforts as a partner in delivering services, monitoring progress and strengthening accountability, to parliamentary oversight, and to the contributions of aid providers from both the global North and global South.

This *2014 Reality of Aid Report* brings together civil society experience and perspectives on recent trends in partnerships and development cooperation. It points to some essential conditions that may determine the effectiveness of global, regional and country level partnerships in achieving the post-2015 SDGs. And it makes a series of recommendations for structuring partnerships that are informed by the *Millennium Declaration* commitment “to spare no effort to promote ... respect for all internationally recognized human rights and fundamental freedoms, including the right to development.”²

What can we learn from previous partnerships? In what ways can diverse partnerships with a broader array of development actors contribute to achieving the post-2015 goals? How do we ensure that these partnerships are consistent with human rights standards and the goals of eradicating poverty, inequality and social injustice?

In recent years, a new set of principles has helped shape the way we need to think about such partnerships. At the 2013 UN Development Cooperation Forum (DCF), all development actors affirmed the essential importance of renewed global partnerships, “based on the principles of solidarity, equality, national ownership and self-determination, mutual respect and global responsibility.”³

The *Busan Partnership for Effective Development Cooperation* is itself a voluntary and global multi-stakeholder partnership involving traditional donors, civil society, parliamentarians, local government, southern aid providers and the private sector. In 2011 this highly inclusive partnership established four important principles to guide development cooperation practice – democratic country ownership, focus on results with a long-term impact, inclusive partnerships, and mutual accountability and transparency, including to citizens – “consistent with our agreed commitments on human rights.”⁴

In combination, the full implementation of the DCF and Busan principles form crucial benchmarks for the achievement of the goals of the post-2015 period. For their part, civil society and global leaders have affirmed and acknowledged the importance of the eight *Istanbul Principles for CSO Development Effectiveness*, which include a focus on pursuing “equitable partnership and solidarity.”⁵

Given this normative context for reforming development cooperation, and an acknowledgement of important roles for a broad set of actors in development, authors in this *2014 Report* reflect on a number of questions, including the following:

- What principles should guide governments, CSOs, and the private sector to ensure an inclusive global partnership for the post-2015 agenda?
- How do South-South Cooperation (SSC) aid providers change the development landscape in terms of the principles for a global partnership?
- As outcomes for poor and vulnerable people are realized mainly at the national and local levels, to what degree are global principles for inclusive partnerships reflected at the national level?
- Given the changing context for Northern CSOs, how are they redefining their relationships with Southern CSOs, and vice versa?
- What is the experience with private sector partnerships on the part of donors and other actors?

The various contributions in turn inform the key messages and recommendations that the global Reality of Aid Network bring to the final months of deliberation on the post-2015 development goals and the means to implement and achieve the targets. These messages are set out in the concluding section of this chapter. In many respects they are consistent with recent civil society proposals for the post-2015 development agenda.⁶

Partnerships and the Millennium Development Goals: Foundations for success?

“Partnership” has become a much-repeated and ill-defined buzzword in the global arena. The word alone assumes a joint initiative between two or more *equal* participants. It also presumes that participation in, and the sharing of, benefits to all parties are transparent and equitable. Taurai Chiraerae, writing from AFRODAD, referencing the OECD approach to partnerships, points to a potentially more instrumental donor rationale as “an agreement to do work together in ways that will benefit all involved, bringing results that could not be achieved by a single partner operating alone, and reducing duplication of efforts.”⁷

Shannon Kindornay’s contribution goes a bit further, usefully parsing four types of actual partnerships in current practice, providing examples of each:

- Philanthropic partnerships limited to one-way transfer of resources;
- Transactional partnerships involving a reciprocal contribution/exchange of resources;
- Integrative partnerships bringing together multiple ways of working together on a specific common initiative; and
- Transformative partnerships based on mutually agreed social goals and working together towards a medium-term change process.

Current international discourse presumes that working in partnership is an implicit good and can better achieve development outcomes than actors working alone. However, as Kindornay highlights,

“partnerships in and of themselves do not necessarily guarantee sustainable development outcomes or that benefits translate to marginalized populations. Indeed, the extent to which partnerships lead to sustainable development outcomes, such as the realization of human rights, poverty reduction and environmental

sustainability, is an obvious and critical determinant of success. In the excitement of the post-2015 discussions, stakeholders should not develop partnerships simply for the sake of partnership. ... [B]enefits from partnership are not automatic nor are they necessarily equally shared among partners.”

Indeed, “partnerships” in the context of development cooperation have had a long and troubled history. In the name of “partnership,” poverty-focused development outcomes have often been severely distorted and compromised by self-serving motivations on the part of more powerful donors, by the unilateral imposition of severe policy conditions on developing country governments and implementing partners, and by the absence of serious attempts to fully include poor and vulnerable people in setting development priorities. The post-2015 development framework must acknowledge and address these structural issues and the actual political experience of partnership on the part of many counterparts in the global South.

Following the adoption in 2000 of the *Millennium Declaration*, the global community established eight Millennium Development Goals (MDGs) to be achieved by 2015. Goal Eight was distinct, calling for a reciprocal “global partnership for development,” which was to address the means for achieving the first seven Goals. While some modest progress has been made since 2000 on cancelling unpayable debt and on initial increases in Official Development Assistance (ODA) – see the Global Aid Trends chapter in this *Report* for further details – civil society has been highly critical of both the formulation and weak donor commitment to Goal Eight. Unlike the other Goals, Goal Eight had no specific, measurable benchmarks, was disconnected from the targets for the other Goals, and was not considered time-bound (i.e. to be achieved by 2015). More recent rising debt levels in many developing countries, and the abandonment by many donor countries of the 0.7% aid target, is a testament to this.⁸

At the global level, and parallel to the MDGs and the weak donor commitments on Goal Eight, a series of informal High Level Forums on Aid Effectiveness (HLFs) – Rome in 2002, Paris in 2005, Accra in 2008 and Busan in 2011 – identified key areas for aid reform, including norms and voluntary commitments to improve the quality of aid practices, alongside the global calls for increased aid quantity. Key among these proposed reforms have been donor commitments on the following:

- Directing aid to areas of development priorities determined by partner country governments and their citizens (democratic ownership);
- The use of partner country budgetary systems as the default option for aid disbursements;
- Engagement in mutual assessment of results based on country priorities;
- Making transparent the full range of development activities; and
- Providing regular, and timely indicative forward expenditure and/or implementation plans.

Starting in Accra in 2008 and culminating in Busan in 2011, donors and partner countries also acknowledged civil society organizations (CSOs) as independent development actors in their own right. They committed to create an enabling environment, based on their existing human rights obligations, which would maximize CSOs’ contributions to development. Strongly related, the Busan HLF stressed the need to “accelerate our efforts to achieve gender equality and the empowerment of women through development programmes grounded in country priorities, recognizing that gender equality and women’s empowerment are critical to achieving development results.”⁹

The Busan HLF created a unique opportunity to fully include a diversity of development actors – CSOs, parliamentarians, local government, the private sector, trade unions, women’s and grassroots organizations – in launching the multi-stakeholder Global Partnership for Effective Development Cooperation (GPEDC).

Together, the full implementation of these HLF commitments over the past decade could have strengthened MDG Goal Eight in real terms towards a truly inclusive partnership for development. But while there have been some improvements in aid transparency and mutual assessment of development results, for the most part only very modest improvements have been documented in other areas of aid practice.¹⁰ For example, Ahmed Swapan Mahmud and Farjana Akter, VOICE Bangladesh, point out in their chapter that to date there is little evidence of effective donor/government partnerships at the country level. Despite the creation in Bangladesh of a Local Consultative Group mechanism and a Joint Cooperation Strategy (JCS) in 2010, donors remain divided, wedded to their own aid management systems and have failed to translate the JCS into a practical action plan. With respect to commitments to CSOs and women's empowerment, the evidence suggests that the legal and regulatory environment and space for inclusive CSO dialogue has deteriorated in many countries since Busan.¹¹

While recognizing these limitations in progress, Alex Shankland and Jennifer Constantine, from the Institute of Development Studies, argue in their chapter that the GPEDC may nevertheless be well positioned to make a contribution to the post-2015 agenda. Its comparative advantage may be so “because of the way that development cooperation is changing – and in particular because of the growing importance of multi-directional knowledge exchange and multi-stakeholder partnerships involving non-state actors.”

Partnerships in Development Cooperation

Indeed development cooperation has been changing over the past decade, not least in the growth of various forms of partnerships through which aid providers are working to maximize both resources for development and the achievement of globally agreed development goals. What are some of the forms of these partnerships? How effective have they been in advancing the rights of poor and marginalized people?

The contributors to this *Reality of Aid Report* focus critical attention on three major areas of partnership: 1) Civil society partnerships; 2) Private sector partnerships; and 3) South-South Cooperation (SSC) and Triangular partnerships.

Civil Society Partnerships

Partnerships with and among civil society organizations (CSOs) have had a very long, and sometimes challenging, history in development cooperation. Today CSOs are major development actors in their own right. Civil society partnerships support on-the-ground service delivery, strengthen accountability of development actors to beneficiary populations, and engage in policy dialogue at all levels based on a wide diversity of experience and in-country knowledge and research.

The “Global Aid Trends” chapter in this *Report* estimates that CSOs are managing approximately US\$65 billion in development assistance annually (equal to more than 50% of DAC Real ODA in 2013). Eight of the largest global International NGO families (for example, Oxfam International and World Vision International) had an estimated US\$11.7 billion in global revenue in 2011, up more than 40% since 2005. This chapter also points to a growing body of Southern NGOs raising funds domestically and regionally.

While a number of donors such as Denmark and Belgium have adopted strong policies governing their partnerships with civil society organizations, CSO platforms from New Zealand, Australia, Canada, the Netherlands, and Japan report a deterioration in conditions governing donor partnerships in recent years, which has profoundly affected the capacities of CSOs to maximize development outcomes.

In the Netherlands, for example, the government's budget for CSO co-financing partnerships has been reduced by 50%. Support is now available only for lobbying and advocacy roles, with no resources for service delivery,

irrespective of the necessary linkages between these roles in the practice of many CSOs. While there have been recent increases in available ODA resources for Japanese CSOs, these CSOs state that new financing schemes now require a much closer alignment between CSO projects and specific priority areas set by the government, with a corresponding loss of CSO program autonomy. As this report went to print, the Japanese government was considering revising their ODA Charter to shift support away from civil assistance projects in developing countries to support foreign militaries.¹²

The Canadian chapter demonstrates the essential linkage of enabling funding modalities and CSO development effectiveness. In 2010, the Canadian government reverted from a history of sustained and responsive program funding for CSOs to an exclusive government-directed call-for-proposal approach, with a focus on government priorities, one-off project funding, and highly unpredictable and sporadic calls. Canadian CSOs have documented the resulting widespread disruption on their capacities to sustain programs and long-standing partnerships. Declining revenue and uncertainty over three years has led to cuts in CSO partnerships in developing countries and significant reductions in staffing on the part of almost half of Canadian CSOs surveyed in 2013.¹³ The situation may be shifting now. Following this period of tense relationships with Canadian CSOs, the government launched consultations on a draft Civil Society Partnership Policy in June 2014. Canadian CSOs are eager to restore a productive and respectful partnership with the Department of Foreign Affairs, Trade and Development – something that the new Policy could be set to do.

Inclusive partnerships that engage poor and vulnerable people in their communities often benefit from engagement with a diversity of CSO actors in development cooperation. The contribution by the Trade Union Confederation of the Americas highlights the importance of broad coalitions of trade unions, grassroots peasants, women, and indigenous organizations, alongside other CSOs, to engage governments in political debate on policies for development alternatives based on fair income distribution and social protection measures.

Women's organizations have stressed the importance of deepening an inclusive engagement on the manifestations of gender issues and women's empowerment at the national and local levels. The "Global Aid Trends" chapter, however, points to a worrying decline in the value of donor funding support for women's rights organizations – a trend that is evident between 2008 and 2012. Partnerships with women's rights organizations are essential to the full inclusion of women in development activities and to assure accountability to stated goals for gender equality and women's empowerment on the part of all development actors.

In another example, Laura Becerra Pozos, from Equipo Pueblo (Mexico), highlights in her contribution the engagement of CSOs in complex partnerships in rural/urban settings with municipal authorities, community-based organizations, and other local economic actors. CSOs have deep experience in local social processes. CSOs bring this experience to policy dialogue, alongside a solid commitment to strengthening capacities for local actors, local knowledge, and accountability in democratic governance – factors that Pozos notes CSOs often have to struggle to assert in national debates on development priorities.

The inclusion of CSOs as equal partners in implementing a post-2015 agenda requires not only appropriate, diverse and flexible modalities for partnerships with donors in terms of resources, but also measures to address the deteriorating enabling environment of CSOs as development actors in an increasing number of developing countries. In the absence of an enabling environment, in Pozos' words, "the circle of partnership" cannot be complete.

Among other impediments to CSOs realizing their full potential as independent development actors, CSOs are facing increasing numbers of legal and regulatory constraints on registration, restrictions on receipt of foreign funds, attacks on human rights defenders, including women's rights defenders, and limited access for a diversity of

CSO dissenting voices to policy dialogue at country and regional level.¹⁴ This is an underlying, if not always explicit, theme in many of the chapters included in this report.

While CSOs are facing multiple barriers in fulfilling their mandates and roles, several contributing chapters acknowledge that CSO partnership practices are also characterized by unequal and paternalistic relationships, often constraining the work of local partners on the ground. The Australian theme chapter suggests that traditional partnerships of Australian CSOs may be ill equipped to deal with a changing development environment. They may need new skills to transforming themselves, to promote learning and mediation roles, so that they may work in more complex and unusual partnerships and coalitions. The latter are needed to more effectively address key CSO concerns for the post-2015 agenda – inequality, local empowerment and the inevitable political challenges to redistribution of power relations on the ground.

Similarly, the Japanese theme chapter points to increased interest among Japanese CSOs to promote more equitable partnerships with developing country partners. The latter are sending a strong message that the operational presence of Japanese CSOs on the ground is no longer required and is becoming a significant issue. On the other hand, consideration of operational reforms is limited by the Japanese government's continued insistence for Japanese staff on the ground to manage activities.

Several chapters (Bangladesh, Mozambique, Canada) call attention to the importance of the *Istanbul Principles and the International Framework for CSO Development Effectiveness* as a framework for addressing CSO issues in governance, accountability and effectiveness. All development actors in the Busan Partnership have recognized the *Istanbul Principles* as important norms that should guide CSOs as development actors. These *Principles* call on CSOs to “commit to transparent relationships with CSOs and other development actors, freely and as equals, based on shared development goals and values, mutual respect, trust, organizational autonomy, long-term accompaniment, solidarity and global citizenship.” CSOs in many countries have reflected on their current partnership practices in light of these principles, and the guidance provided for their implementation.¹⁵

Private Sector Partnerships

Proposed Sustainable Development Goal (SDG) number 17, calls for strengthening the means for implementing the SDGs through the mobilization of additional financial resources from multiple sources. In this regard, expanding partnerships with the private sector have been identified repeatedly in support of different SDGs, in UN processes, and in bilateral donor policies and practices. (See examples in the chapters for the Netherlands, Japan, New Zealand, Australia, Canada, Finland, the United Kingdom and the Philippines,).¹

Facing ODA levels that have been stagnating, governments are looking to the international private sector, and in particular multinational business and finance corporations, to increase resources for the SDGs and to contribute private sector initiatives and skills to achieve development outcomes. Whether in the UN, among bilateral donors, or multilateral finance institutions, the private sector is seen as a crucial development actor to promote “inclusive growth” and expand job opportunities.

Rajiv Shah, as USAID Administrator, is characteristic of the strong push towards private sector partnerships: “The new model of development requires us to do things differently – to be more nimble and more flexible, to reach out to private sector partnerships at home and abroad, and to bring more engagement to tackle the kinds of problems we want to solve.”¹⁶ Similarly, Justine Greening, UK's Secretary of State for International Development, noted in a speech before the London Stock Exchange in March 2013:

“[W]e can’t just see business as a risk to developing countries. We must also see it as an opportunity. Business interests and developing country interests can align far more often than not. ... I want to see far more (British) businesses joining the development push with DfID. ... We’re not doing anyone a favour leaving the economic coast clear to those with lower standards than our own, and I believe British companies can have a real role in growing developing economies through trade. ...

Finally, expect to see my department looking at innovative financing approaches to help support this new style of development investment. ... And I want to look at other innovative ways to do more direct investment, including more projects based on returnable capital This is good for investors, who earn a financial return. It’s good for the poorest, who receive jobs and support. And good for DFID as it allows us to leverage in far more private sector finance, meaning each pound of our budget has even more impact.”¹⁷

CSOs in Canada, Japan, Australia and New Zealand have highlighted the many ways in which their donor policies have also more closely aligned ODA priorities with donor investment and commercial interests in developing countries. Many CSOs are deeply concerned about the growing corporate influence at the United Nations, pointing to the Global Compact and a trend towards the “privatization of the UN agenda”.¹⁸ Critics suggest that MDG 8 and its Global Partnership, which focuses on the accountability of governments in developed countries for their policies, may be shifting in the post-2015 agenda towards multiple corporate partnerships with various private sector stakeholders.

The responsibility and accountability for implementing the SDGs as an agreement between sovereign governments at the UN is being replaced in practice by multiple private-public “partnerships” with various “stakeholders.”¹⁹ Not only are these arrangements over-riding political decision-making by governments, through unaccountable access and lobbying, they also weaken an accountable and transparent multilateral system. On this front, the Communiqué from the first Ministerial meeting of the Global Partnership for Effective Development Cooperation in April 2014 laid the stage for further emphasis on such private-public partnerships. But it also at least recognized the need to “put in place platforms and hubs for inclusive and structured multi-stakeholder dialogue on the broad range of public-private partnerships, including trade unions and civil society organizations, and - for the first time – acknowledged “the importance of private sector accountability.”²⁰ How the Global Partnership, the private sector and other stakeholders respond to these commitments remains an open question. They nevertheless provide an essential minimal framework for implementing private sector engagement with the post-2015 agenda.

For such partnerships not to ring hollow, there is growing pressure to demonstrate concrete evidence that private sector partnerships are “good for the poorest.” The story to date is less than promising. Japanese CSOs report that Japanese companies are now able to make direct proposals with JICA, the Japanese aid agency, for funding the development of their plan for a business opportunity or for the business operation itself, with limited or no reference to development outcomes for the poorest. Canadian CSOs note that the Canadian government is using aid to aggressively push a strong role for the (Canadian) private sector in development, in particular Canadian mining companies. On a more positive note, the Netherlands have created a revolving loan fund for partnerships between Dutch and local small and medium enterprises, although CSOs note there is little knowledge on the impact of such funds on beneficiaries and particularly the extremely poor.

The contribution from IBON International examines public-private partnerships (PPPs) in the Philippines, and asks the question, “development partnerships for whom?” The author of this chapter, Christopher Chanco, highlights the impact of private sector-led development strategies, with its emphasis on PPPs for large-scale infrastructure, which “has often come at the expense of agriculture, public services and other social infrastructure investments critical for broad-based, equitable and balanced economic development.” PPPs are often an avenue for corruption and back-room deals, reinforcing patronage politics, where resulting privatizations leave millions of poor people without access to basic social services.

CSOs also describe some progress among several donors. In Belgium, there have been reforms in the governance of its Development Finance Institution, BIO, which may no longer engage with tax havens, including the practice of transfer of profits to tax havens in order to avoid taxes. A recent strategic note on working with the private sector places less focus on large corporations and more on strengthening the local private sector. While Finland places more emphasis on the private sector in its development strategies, it is implementing an overall human rights based approach. There is strong emphasis on norms for corporate social responsibility, the prevention of tax evasion, the curbing illicit capital flight and actions to close tax havens.

Several donor country CSO reports document increased attention to development-oriented and human rights policy coherence. Belgium has passed a new law for development cooperation, which calls for inter-ministerial meetings and an external Advisory Council that includes CSO membership. Denmark also has a new legal framework focusing on development partnerships with developing countries, guided by a human rights based approach and an action plan for policy coherence. In Japan, it is the CSO platform, JANIC, which has taken the lead to create a network of 30 leading Japanese CSOs with 20 major Japanese companies to share views with the private sector, with a focus on human rights and business practice.

South-South Cooperation Partnerships

The UN Secretary-General has underscored the importance of South-South Cooperation (SSC) in financing and knowledge-sharing to achieve the post-2015 SDGs. Middle income aid providers of SSC are estimated to contribute US\$23.6 billion to development cooperation, an amount that has been growing rapidly in the past five years, during a period when Northern donors have reduced or flat-lined their ODA. More detail on these flows can be found in the Global Aid Trends chapter.

The MDGs have been largely driven by partnerships between traditional donors and developing countries supported by North-South aid flows. The post-2015 SDGs are intended to be a comprehensive agenda, which are universal in their application not only in the poorest developing country, but also in emerging and industrial countries. Making progress will therefore be increasingly determined by the degree to which the new SDGs are also embraced by emerging developing countries, target the poorest and most marginalized in their practice, and inform their partnerships in SSC.²¹

CSOs are devoting increasing attention to understanding the nature of SSC and its implications and impacts on development outcomes for poor and marginalized populations. Vitalice Meja, Reality of Aid Africa, in his chapter, examines the growing political motivations and challenges among African governments to promote SSC and partnerships. He asks whether African countries really benefit from SSC. He concludes,

“The challenge for Africa in SSC seem to revolve around Africa’s political and emotional approach to SSC partnerships, rather than focusing on the actual strategic, economic and technical interests such partnerships can generate. The effect has been a lack of relevant institutions in Africa, both technical and academic, to facilitate and deepen and more substantially benefit from these partnerships.”

He suggests that evidence to date indicates highly unequal state-driven SSC partnerships with African counterparts, ownership only at the highest political level of the state, and limited one-off dialogue on the challenges of SSC among African leaders at either the regional or Africa Union level.

On a more positive note, Meja points to increasing numbers of examples of CSO SSC, with partnerships that are embedded in human rights-based approaches to development, and that as such work within a framework of solidarity, justice and mutual benefit. Shankland and Constantine also identify the gap between the practices of

SSC as government-to-government partnerships and the norms for good aid practice emerging from the GPEDC. They suggest that Southern CSOs and think tanks may be an acceptable bridge to stimulate discussion with the different SSC stakeholders to promote reflection and reform on current SSC practices.

Bianca Suyama and Melissa Pomeroy, writing from Articulação SUL in their chapter on Brazilian SSC, highlight the tensions and potential contradictions between the principles of SSC – horizontality, non-conditionality, and responsiveness to the demands of partners – and the economic and political interests that inform Brazilian foreign policy and development cooperation. They suggest that there is not one single partnership model in Brazilian development cooperation, but rather many policies and multiple practices, deeply influenced by the implementing agencies and involved partners, including participatory processes inherent in recent Brazilian national development. Brazilian SSC can enhance a pluralisation of voices in the post-2015 debate and the potential emergence of new paradigms of development. But in order to realize such outcomes, it will be essential to systematize evidence on SSC impact in relation to human rights and social justice.

The contribution by the Voluntary Action Network India (VANI) focuses specific attention on the growth of Indian SSC since the 1960s. A mixture of diplomatic, security and economic interests has motivated Indian development cooperation. Development cooperation policy has combined economic cooperation (trade and technology flows) and technical cooperation (sharing technical experience through training and exchange of experts). A lack of coherence in Indian aid architecture was addressed in 2012 with the creation of the Development Partnership Administration (DPA) within the Ministry of Foreign Affairs. VANI suggests that the DPA would benefit from learning from other donor expertise on project impact analysis and other practices to improve the quality of delivery and better assessment of SSC modalities. They also point to a common theme in SSC – the failure to date to take advantage of the tremendous development experience of Indian CSOs, calling for better mechanisms for consultation and partnerships with CSOs in Indian SSC.²²

Conditions for Effective Partnerships for the Post-2015 Agenda

A renewed post-2015 global partnership must be capable of meeting the urgent challenges of a world at the crossroads of ecological, political and socio-economic crises. The global community will assemble in September 2015 to agree on a new set of sustainable development goals. But will these SDGs and their related targets galvanize people and governments to address both poverty and growing inequality? Will the SDGs create the basis for strong, diverse and well-resourced partnerships to mobilize action? Under what conditions can such partnerships be effective in realizing peoples' human rights?

1. The international human rights regime establishes the framework that structures the post-2015 SDGs and their implementation.

An agenda that addresses poverty and inequality is already inherent in legally binding international human rights commitments. The question is the level of effort and the timeframe for protecting and fulfilling peoples' human rights. CSOs are therefore advocating for a post-2015 development agenda closely aligned with international human rights standards:

“At its essence, a post-2015 framework anchored in human rights moves from a model of charity to one of justice, based on the inherent dignity of people as human rights holders, domestic governments as primary duty-bearers, and all develop actors sharing common by differentiated responsibilities. [...] The post-2015 framework must then *at the very least respect and reflect pre-existing human rights legal norms, standards and political commitments* to which governments have already voluntarily agreed [emphasis in the original].”²³

An enabling environment for implementing sustainable development goals will require not only a diversity of targeted financial resources, but also significant reforms. These reforms must affect change in development cooperation, international investment, trade relations, employment and social protection policies in ways that enable governments to act to respect, protect and fulfil the rights of their citizens and for people to work together to claim their rights.

2. A strong developmental state, which facilitates an enabling environment for a diversity of actors to contribute to development, is the basis for a renewed Global Partnership for SDGs.

All states bear the primary responsibility to promote and protect human rights, including the immediate fulfilment of civil and political rights and freedoms, and the progressive realization of economic, social and cultural rights. Governments are not solely responsible for development, but play a leading role in establishing an environment for different actors to realize their potential roles in development, and in setting priorities and providing resources for development outcomes. Given these human rights obligations, a pro-active and leading role by government – the “development state” – is the starting point for a renewed post-2015 Global Partnership, one that creates the space for diverse development actors to engage their various competencies in the process of development.

While all governments have human rights obligations, an effective Global Partnership for the SDGs recognizes the differential responsibilities and capacities of developed, developing and emerging economies to make progress. In maximizing their efforts for the SDGs, governments, in their joint and separate actions, bring the necessary political, financial and policy resources to bear on measures that truly “leave no one behind.” In doing so, they may work with and/or support diverse partnerships with relevant development actors – civil society, the private sector, local governments, social movements, and parliamentarians, among others.

The Post-2015 Women’s Coalition for example, seeks SDGs, related targets and implementing means, which will lead to government policies that not only fulfil the centrality of gender equality and the human rights of women and girls, but also enable women to fully and actively participate in the economic, social and political life in their community, nation and world.²⁴

3. Inclusive partnerships for the SDGs must integrate key principles and practice that address inherently unequal power relations between different stakeholder groups.

Various levels of government, civil society and private sector stakeholders enter into partnerships with different interests and unequal political/economic power to influence partnership goals and outcomes accordingly. The expressed interests of communities of poor and discriminated populations are often the most marginalized in ‘inclusive’ partnership arrangements. At the other end of the spectrum, the international private sector has access to global political influence, local patronage, levels of resources and multilateral agreements that allow it to shape domestic regulatory regimes, distort national development priorities and avoid local accountability.

The power of donors over both development priorities and the modalities of aid delivery has limited progress in a number of important areas, particularly for the poorest and least developed countries – use of developing country systems, accountability to developing country stakeholders, predictability of available resources. We have already noted similar issues of unequal power in civil society North-South partnerships that also persist in distorting the actual priorities and organizational autonomy of Southern counterparts.

The 2011 Busan Global Partnership established “inclusive partnerships” as one of the four foundational principles that should guide cooperation among development actors for effective development: “Openness, trust, and

mutual respect and learning lie at the core of effective partnerships in support of development goals, recognising the different and complementary roles of all actors.” [paragraph 11] Inclusive participation is closely related to *democratic* ownership of development policies and processes. But, in reality, current discourse on inclusive partnerships often masks or depoliticizes highly unequal power relations among development actors that significantly affect development outcomes.

The Busan principles, openness, trust, mutual respect and democratic ownership, as well as notions of voice, action and results, should be embedded in the post-2015 goals and means of implementation for global, national and local partnership. Inclusion is only achieved when development gives space for “voice” (i.e. democratic processes and fora that provide for diversity of perspectives and priorities) and a place for “action” (opportunities for a range of development actors, beyond the state, to contribute to development). Together inclusive voice and action leads to inclusive “results,” benefiting all segments of society.²⁵ The outcome of the September 2015 Heads of State UN meeting, the future SDGs, and the corresponding accountability and implementation framework, must integrate principles and practice that address equity and inclusivity in future partnerships.

4. Partnerships with the private sector that aim to catalyse private sector resources for the SDGs should take account of human rights standards and other key pro-development criteria, giving priority to the local/national private sector and to social economy partnerships in developing countries.

The determination of priorities for private sector partnerships should be based on an analysis of the specific areas and sectors where poor and marginalized people live and are economically active, and the impact of these initiatives on their livelihood, assets and capacities. Such partnerships must respect international human right standards, including the International Labour Organization core labour standards and the right to free, prior and informed consent. Initiatives to expand productive employment should be guided by the ILO Decent Work Agenda.

A strong and enforceable government regulatory and accountability regime is essential to create the environment in which private sector interests for profitable investments do not distort public/private partnerships (PPPs). The latter must aim to contribute to sustainable development goals and outcomes. CSOs have proposed a number of measures to guide such partnerships, namely that:

- a) clear criteria are in place for due diligence assessment of current and past practices of specific private sector actors and these actors can demonstrate a track record to (potentially) deliver on the SDGs;
- b) partnerships are guided by the Busan effectiveness principles of democratic ownership, inclusive partnerships, transparency and accountability, and lasting results;
- c) binding corporate social and environmental accountability standards are in place, are transparent, and are taken into account;
- d) development outcomes are assessed independently, with a focus on accountability to local partners and stakeholders ahead of accountability to shareholders; and
- e) the use of public resources to catalyse private investment is based on clear and transparent analysis of the financial additionality of the latter (i.e. that the resources would not constitute a subsidy).

Most development projects and programs are already held to such rigorous criteria, and there is no reason why private sector investments or PPPs should be subject to anything less. Donors should be prepared to demonstrate that the allocation of public resources in a PPP is consistent with realizing relevant human rights standards and is a more effective means to make progress on these standards than through public investment alone. A multi-

stakeholder accountability mechanism for PPPs should be transparent and accessible, but also address inherent power imbalances between potential stakeholders affected by the PPP.²⁶

5. Governments must ensure an environment for civil society organizations (CSOs) that maximizes their roles and contributions to development, including enabling legal and regulatory conditions, access to funding, and institutionalized spaces for policy dialogue.

Establishing and implementing an ambitious set of SDGs, rooted in human rights commitments, is nothing short of a far-reaching and ambitious undertaking. A fully inclusive multi-stakeholder dynamic is therefore essential to realize partnerships for meaningful ownership and commitment to this post-2015 agenda by all development actors.

At the 2011 Busan HLF, all actors committed to “enable CSOs to exercise their roles as independent development actors, with a particular focus on an enabling environment, consistent with agreed international rights, that maximizes the contributions of CSOs to development.” [paragraph 22a] These are important principles and commitments that must also shape the implementation of global partnerships for the Post-2015 development agenda.

But rather than witnessing improved enabling conditions since Busan, CSOs have documented in many countries increased harassment, repression and shrinking spaces for policy dialogue, research, advocacy and project and program implementation. Civil society’s ability to operate as independent actors is being compromised. The capacity for CSOs to enter into and shape partnerships with governments, the private sector and others requires that minimum enabling conditions be upheld.

A multi-stakeholder Task Team on CSO Development Effectiveness and Enabling Environment (composed of donors, CSOs and partner country governments)²⁷ have made some widely endorsed proposals to strengthen civil society partnerships to implement the post-2015 SDGs:

- a) Recognize the full diversity of CSOs as independent development actors that play roles that complement, but are distinct from, those of governments and the for-profit private sector, whether in provision of services, enabling people to claim their rights, promoting rights-based approaches, or shaping development policies and partnerships and overseeing their implementation.
- b) Commit to and promote an enabling environment for CSOs as independent development actors, consistent with agreed international human rights commitments that guarantee: freedom of association, freedom of expression, the right to operate free from unwarranted state interference, the right to communicate and cooperate, the right to seek and secure funding, in the context of the state’s duty to protect and promote all human rights.
- c) Affirm the importance of inclusive, transparent and institutionalized multi-stakeholder dialogue between CSOs, developing and donor country governments at local, national and international level.
- d) Strengthen donors’ enabling conditions for CSOs through policies and requirements that effectively promote CSOs’ roles as independent development actors.
- e) Encourage CSOs’ efforts to enhance their effectiveness and accountability through the context-specific adoption and application of the Istanbul Principles for CSO Development Effectiveness.

In advocating partnerships as an essential means for implementing the SDGs, the Secretary General and member states in the UN should explicitly endorse these proposals as the basis for the conditions that enable CSOs to participate effectively in implementing the SDGs.

6. South-South Cooperation (SSC) aid providers should continue to develop partnerships in support of the post-2015 development agenda in ways that focus on the rights of poor and marginalized populations and that advance a development cooperation paradigm based on principles of mutual benefit and equality.

As a growing form of development cooperation, SSC partnerships will be an increasingly important source of development finance and innovative partnerships between developing countries in ways that comprehensively address their development challenges.

CSOs are seeking greater engagement with SSC aid providers to expand and diversify SSC partnerships, respecting the principles of aid effectiveness, human rights and democratic ownership. Authors in this *Report* make a number of recommendations to strengthen the impact of SSC partnerships:

- a) SSC recipient governments should mainstream SSC into their development planning, endeavouring to ensure that SSC partnerships are aligned to their own national development plans and priorities.
- b). Broaden country ownership of SSC by creating space and enabling civil society actors to participate directly in SSC, as well as supporting civil society exchange of their own experiences in SSC.
- c). Increase the transparency and accountability of SSC to ensure that resources will be used in pursuit of national development goals and priorities.
- d) Make resources available through regional and multilateral finance institutions to exchange knowledge and experience and to support SSC partnership projects and initiatives.
- e) Develop a framework for assessing evidence of results and impacts arising from the various modalities of SSC, including a reflection on the responsibility to promote human rights and social justice.

7. Donors and other aid providers should maximize the allocation of grant and truly concessional finance for the SDGs, guided by an assessment of actual conditions of poverty and inequality, not by arbitrary country per-capita income categories, as determined by the World Bank.

As noted in the Global Aid Trends Chapter, increasing public resources are a key means for implementing the SDGs. In their absence, partnerships will be largely meaningless. All aid-providers must be prepared to increase overall aid budgets to reverse recent reductions and flat lining.

CSOs are encouraged by the work of the OECD Development Assistance Committee to clarify what counts as ODA. The expectation is that DAC members will sharpen the definition of ODA as clearly concessional resource flows to developing countries. The overarching purpose of ODA is to enable the realization of the human rights of populations most affected by poverty, marginalization and inequality, wherever they may live. A new metric for “Total Official Support for Development” can include a wider range of (non-concessional) resource transfers, but should also be fully transparent and directly linked to outcomes that advance the SDGs.

ODA is a unique resource that can catalyse development across all developing countries. Aid modalities, different counterparts and levels of funding may vary according to country conditions. But donors should always take account the very significant numbers of people that live in conditions of poverty, including in middle income countries, where most governments have severe limits on their capacity to allocate resources to these ends.

Fully two-thirds of the population of developing countries, or 3.9 billion people, live on less than \$4.00 a day. These populations remain very poor, often highly marginalized, and vulnerable to economic, climatic and political shocks at the household, community, national or global level. Aid resources for achieving the SDGs cannot ignore the human rights of these populations. If we want a truly global post-2015 partnership, it must envisage a comprehensive agenda to end all forms of poverty, not just chronic poverty (living on less than \$1.25 per day).

8. Accountability of all development actors through effective independent mechanisms and institutions is the essential foundation for implementation of significant resource transfers, changes in policies, in political inclusion, and in partnership practices – the types of transformations that are needed to realize the SDGs.

The Millennium Declaration and the MDGs provided no means to distinguish the responsibility, and therefore the accountability, of different actors for realizing these Goals. In practice, accountability has focused on holding developing country governments and CSOs accountable to donor policy agendas and development priorities.

If the post-2015 agenda is to be universal in its application and ambitious in its scope, then it must address the political and structural barriers that sustain poverty and inequality. But a new global agreement that intends to be transformative, will amount to only good intentions in the absence of a robust accountability framework that can hold all actors, and particularly the most powerful, to account for its realization.

Accountability is already well established in the international human rights system. A strong alignment between the SDGs and international human rights norms and standards provides the foundation for people to hold their governments accountable for making progress. The Universal Periodic Review of the Human Rights Council or a similar parallel mechanism, supported by independent expertise, could provide effective monitoring and accountability. But such mechanisms will be effective only when accompanied by strong human rights/SDG accountability bodies at the country level, with measures for full transparency and access to relevant information, which ensure effective participation of, and opportunities for legal redress by, all actors and affected populations at the local level.²⁸ National implementation of the SDGs can also be held to account through parallel independent shadow reports produced by national and local civil society.

CSOs suggest, “a new accountability framework, rather than a new partnership for development, should be the priority for the post-2015 development agenda.”²⁹ In the words of the 2014 Social Watch Report, accountability is only meaningful if it includes the powerful – donor governments, transnational corporations, international finance institutions and some of the largest NGOs and foundations. Heads of State, meeting in the UN in September 2015, must approve not only new SDGs, but also an intergovernmental accountability framework, with robust mechanisms to ensure transparency and comprehensive monitoring, as well as commit to similar mechanisms at the national level.

As noted above, such a framework should be closely aligned to the international human rights good practice. The UN Office of the High Commissioner for Human Rights summarizes the essence of such good practice:

“While their functions and mandates vary, accountability mechanisms should monitor adherence to human right standards, independently review Government performance, and recommend measures for remedy, redress or other corrective action in the case of non-compliance. ... Effective systems of accountability promote systemic and institutional progress that creates conditions in which rights can be more fully enjoyed. Human rights accountability must be integrated into all stages of the domestic policy cycle, from initial planning, to budgeting, implementation, monitoring and evaluation, generating what has been described as a virtuous ‘circle of accountability’.”³⁰

If burgeoning multi-stakeholder partnerships are not to undermine inter-governmental accountability mechanisms, these mechanisms must ensure all stakeholders, and especially the most powerful, are transparent and demonstrably align with many of the principles and approaches we have highlighted in this chapter. The fabric that informs such accountability at all levels are human rights standards, which are inherent in Sustainable Development Goals that are truly transformative, planet-friendly and people-centered.

Endnotes

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