



AFRICAN CONSENSUS AND POSITION ON DEVELOPMENT EFFECTIVENESS

AID REFORMS FOR AFRICA'S DEVELOPMENT

Fourth High Level Forum on Aid Effectiveness, Busan, Republic of Korea

Preamble

- 1. We, the representatives¹ of the Member States of the African Union, Parliaments, Regional Economic Communities and institutions, Civil Society including Women and Youth groups, Business and Academia are presenting *for the first time*, a common Position and Consensus on Development Effectiveness in Africa;**
- 2. *Underscoring*** that Africa is inspiring change through comprehensive political and socio-economic reforms driven by the shared prime values of ownership, leadership and partnership in the transformation agenda, based on the African Union vision of “an integrated, forward-looking, prosperous, dynamic and peaceful Africa, representing a dynamic force in global arena”;
- 3. *Reiterating*** that the Continent is an indispensable resource that has served humankind with global public goods for centuries, bringing to the world invaluable human and natural assets, which include the rich complex of land, agricultural, mineral, oil and gas deposits as well as the ecological lung provided by its rain forests;
- 4. *Emphasizing*** that, over the last decade, African Governments have accelerated reforms and created the enabling environment that have led to unprecedented high growth rates while making significant progress in governance policies culminating in sound macro-economic performance, despite the adverse impact of the current global financial and economic crises;
- 5. *Noting*** that democratic, just and accountable governance is pivotal to the attainment of Africa's Development Effectiveness agenda, including the critical role of the African State and non-state actors;
- 6. *Recognizing and reinforcing*** the ultimate and indispensable need for the Continent to take full responsibility for its own development, through the effective utilization of both internal and external resources, to attain Africa's development priorities, and international targets including the Millennium Development Goals (MDGs);
- 7. *Recognizing further*** that human rights, gender equality, women and youth empowerment and social justice are cornerstones of an inclusive development agenda for the achievement of Africa's transformation;

¹ Under the umbrella of Africa Platform for Development Effectiveness (APDev), the African Union (AU) established a Continent-wide coordinating and coalition building mechanism aimed at mobilizing and consolidating African participation and voice, towards articulating positions on the inter-related themes of Aid Effectiveness (AE), South-South Cooperation (SSC) and Capacity Development (CD) as core driver. In 2010, the 1st and 2nd Africa Regional Meetings which convened in Pretoria and Tunis, and the 3rd Meeting in 2011 in Addis Ababa, came up with the key messages contained in this Position Paper.

8. **Acknowledging** that Aid continues to play a role in development financing in the short- to medium-term and that African countries are intensifying efforts to enhance domestic resource mobilization and reduce reliance on Aid in the long run²;
 9. **Further recognizing** the improvements in Africa's natural resource management, particularly through the current policy focus on increasing the Continent's capability on value addition, as a means to reduce Africa's dependence on Aid;
 10. **Noting** that the frontiers of development are being re-defined by new opportunities, emerging actors and creative relationships, through increasing South-South exchanges which have given rise to new orientations, innovations and non-traditional forms of development partnerships at all levels;
 11. **Further noting** that Africa's interface with the evolving global development cooperation architecture demands as its central ethos, genuine and value-driven partnerships that requires re-prioritization of relationships aligned to rights-based approaches, transparency and the re-positioning of global structures and targets, towards creating sustainable conditions for Africa's long-term wealth creation and prosperity;
 12. **Also cognizant** that, while we live in a highly integrated global economy, regional integration is a fundamental tool for actualizing Aid and Development Effectiveness in Africa. Advances in national productive capabilities will not happen in isolation, hence the Continent is poised to emerge as a new growth pole on the basis of strong sub-regional potential for mutually beneficial economic relationships in addressing existing global imbalances;
 13. **Recognizing** the importance of taking forward global consensus on Aid Effectiveness as reflected especially in the 2005 Paris Declaration (PD) and 2008 Accra Agenda for Action (AAA) for uniform standards and common basis of engagement on the quality and management of Aid delivery;
 14. **Reaffirming** Africa's commitment to the transformation of its economies to achieve shared and inclusive growth by leveraging national, regional and global resources as well as new partnerships, thereby contributing to global development;
 15. **Appreciating** the increasingly prominent role being played by Africa's domestic private sector in advancing economic development, facilitating Southern-led technology exchanges and investments, expanding the domestic tax base, responding to consumer demands and creating jobs especially for the African Youth and Women;
 16. **Reiterating** our political resolve and commitment to Capacity Development in achieving inclusive growth and development results at country and regional levels, taking into account that development is in essence a process of empowerment and self-reliance;
- We Hereby;**
17. **Call upon** Africa's development partners to align their support to the Continent's priorities in attending to the unfinished Aid agenda, thereby ensuring that Aid complements domestic financing and other alternative sources for effective development;

² Second Joint AU Conference of Ministers of Economy and Finance and ECA Conference of Ministers of Finance, Planning and Economic Development – Cairo, Egypt, June 2009.

3. Reference to "countries" as used is inclusive of domestic stakeholders and supportive regional organizations as these have direct influence on national development

18. **Call on** African countries to scale up “*beyond Aid*” policies through effective and innovative use of domestic resources and appropriate implementing capacities, with the private sector playing a key role;
19. **Reiterate**, therefore, that the global development cooperation dialogue in Busan should shift focus from Aid to the broader context of Development Effectiveness for inclusivity, equity, gender equality, environmental sustainability and better development results.

Key Priorities for Development Effectiveness

20. Africa’s overarching objective is to attain Development Effectiveness by optimizing the management and utilization of all policies, resources and processes. In the African context, for Aid to be effective, it must be fully integrated in the larger development context.
21. Therefore, Africa’s key priorities for the realization of effective development are:

- a. **The unfinished Aid Effectiveness agenda:** An accelerated and comprehensive delivery of outstanding commitments by development partners under the frameworks of the Paris Declaration and Accra Agenda for Action is important. Particularly, commitments around the use of country systems, elimination of conditionality, promotion of transparency, aid predictability and mutual accountability must be fully implemented. Further, as stated in the AAA, the achievement of gender equality, human rights, environmental sustainability, must inform the Development Effectiveness agenda.

There is an imperative for African countries, regional organizations and development partners to find innovative ways to direct Aid towards developing capacity for domestic resource mobilization. Accordingly, Aid should work with other instruments to effectively support development results. To scale up the development impact of aid interventions, Africa reinforces the urgency to reframe the current Aid delivery model for a more context-relevant system that mirrors the Continent’s development landscape.

We therefore call on the full support of development partners in attaining this objective, by aligning aid to both national and regional priorities.

- b. **Capacity for Development Effectiveness:** Capacity Development (CD) is critical for achieving Africa’s renewal based on clear vision, strategic planning, effective and accountable leadership and capable institutions at all levels. It constitutes the ‘how’ for the Continent to exit from Aid dependency towards self-sufficiency and sustainable development. Africa’s development hinges on enhancing available human and institutional assets in adding value to the abundant natural resources and building of sustainable economies. Thus, capable public and private sectors will drive the turnaround of Africa’s economy;
- c. **Regional dimension of Development Effectiveness:** African countries have strongly embraced a regional integration approach to securing development goals based on inter and intra-African partnerships and solidarity in the pursuit of common priorities. Hence, the call for clear incorporation of the regional dimension into the Aid Effectiveness agenda, where the essential role of Africa’s Regional Economic Communities (RECs) and organizations as primary mechanisms for South-South cooperation is reinforced. Regional investments in key priority sectors require the

expansion of innovative financing mechanisms, such as the leveraging of Aid to mobilize private financing and the possibility for multilateral institutions to directly support regional organizations particularly the RECs. Strengthening the capacity of RECs is a major prerequisite to achieving Development Effectiveness in Africa. The emerging global architecture will need to reflect the regional dimension.

- d. **South-South Cooperation:** New forms of South-South Cooperation are evolving as the most promising partnership approach to support African-owned and led processes of building and managing a knowledge economy for development, as well as solidarity amongst developing countries. This fosters institutionalized space for peer review and mutual learning drawing on experiences among African countries and other Southern partners, including emerging economies. To this effect, Africa lends stronger support for horizontal and triangular partnerships.
 - e. **“Beyond Aid”:** Africa undertakes to utilize self-organizing ‘beyond Aid’ mechanisms to reduce Aid reliance and stimulate a strong and varied development financial base for sustainability. Development assistance should particularly be directed to Africa’s real economy to enhance the present growth path, while ensuring the full involvement and participation of an empowered private sector. In addition, development partners should take stronger actions to prevent illicit flows of capital from Africa into their territories and ensure that tax havens are eliminated. This requires the enforcement of policies in developed countries towards an effective repatriation of African resources, which form an important source of development finance for Africa.
 - f. **Towards a new development cooperation architecture:** Africa is committed to building and strengthening coalitions that will consolidate intra African and inter-regional Southern-led cooperation. Realizing Africa’s Development Effectiveness agenda therefore depends on forging creative partnerships that will promote more inclusive, equitable and sustainable forms of development cooperation. This new architecture also calls for the adoption of robust African driven mechanisms to monitor progress and outcomes post-HLF4. It is fundamental that the emerging mechanism does not further marginalize Africa. Rather, the architecture should reflect our realities, specific development needs and voice, with representation by regional governing structures.
- 22.** Overall, Aid should help build, nurture, harness and utilize African capacities in strengthening country and regional systems for development that is effective and can stimulate inclusive and citizen-centred growth, target the productive sectors (especially small and medium scale enterprises), agriculture and food security, infrastructure, trade and market access, extractive industries, regional integration, domestic and foreign direct investment, education, environmental sustainability, and science and technology, with a specific focus on marginal groups, particularly women and youth.
- 23.** Africa underscores that at the centre of Aid delivery should be a more systematic improvement of individual and institutional capacity, supported by enabling policy frameworks, focusing on harnessing local capacities and strengthening Africa’s development finance institutions, research centres and universities in adding value to the Continent’s abundant natural resources.

24. The Unfinished Aid Effectiveness Agenda

25. Aid plays a catalytic role in the pursuit of Development Effectiveness by adding value to national efforts through investments in human development, and productive sectors, knowledge production and social inclusion.
26. Many development partners are yet to meet their commitment to provide 0.7% of GNI as Official Development Assistance (ODA). At the same time, ODA flows are declining in certain countries and regions as a consequence of the global financial and economic crisis creating donor orphans. To fully meet outstanding commitments, in accordance with the 2002 Monterrey Consensus and 2005 G8 Gleneagles Summit, it is critical for development partners to raise levels of aid flows. Thus, Aid reforms remain essential to Africa's DE agenda. Development planning, implementation and monitoring framework should be nationally owned and used by all development partners for coordinating their support.
27. Corruption is a recurring challenge to Africa's political and economic governance reform, including better Aid delivery. A number of African governments have adopted appropriate legislative and specific anti-corruption policy measures to address the abuse, embezzlement or misappropriation of aid resources. This is a major part of renewed efforts to fight corruption in all its ramifications having established the necessary conditions and systems to foster transparency and accountability in the management of public resources including Aid. At the continental level, the Member States of the African Union adopted the Convention on Preventing and Combating Corruption³ in furtherance of the principles of democratic ownership, rule of law and good governance. Development partners should complement African efforts by taking stronger and decisive actions to combat tax havens, and preventing illicit capital flows from Africa and recovery of proceeds resulting from financial malpractices of multinational corporations operating in the Continent.
28. In this regard, we:
- Reaffirm** the primacy of the African country in determining, owning and leading its development agenda ;
 - Recognize** that Africa's economic transformation and diversification requires a fine balance between a capable and well-resourced private sector; an active citizenry and an effective, accountable and developmental state that add value to the real economy as engine for sustainable and inclusive development;
 - Resolve** to programme and manage aid more effectively to achieve development results, accountability and transparency, including by building strong institutions for oversight and implementation, as well as the promotion of greater participation of parliament, civil society and private sector in defining and implementing the development agenda;
 - Emphasize** that Mutual Accountability must embrace the set up and strengthening of African-owned aid information, broad-based ownership of the management and monitoring systems, creation of dialogue frameworks between stakeholders and the integration of human rights and gender equality;
 - Recognize** the need for strengthening and deepening domestic accountability, creation of enabling environment for stakeholders including civil society, achievement of gender equality,

³ AU Convention on Preventing and Combating Corruption in July 2003 with aim of principally strengthening the mechanisms to prevent, detect, punish and eliminate corruption and related offences. The AU has setup an Anti-Corruption Board to this effect

youth empowerment, human rights and environmental protection as cornerstones for Development Effectiveness.

29. *Thereby, we:*

1. **Reiterate** the overarching demand for development partners to honour their ODA commitments to the levels of 0.7 GNP and beyond;
2. **Emphasize** the need for global political commitment at the highest level on the unfinished aid agenda;
3. **Underscore** the necessity for concrete action plan from the development partners in fulfilling the unfinished aid effectiveness agenda, including but not limited to the use of country systems, harmonization, aid predictability, alignment, mutual accountability and transparency and elimination of conditionalities;
4. **Call** on development partners to be responsive to national and regional contexts and needs. It is paramount to harmonize policies and procedures at the global level, including through greater delegation of authority to the country or regional offices, with special attention and support to post-conflict and fragile states in Africa;
5. **Also call upon** development partners to complement African efforts in taking decisive actions on the recovery of illicit capital flows from Africa, particularly proceeds from the financial malpractices of multinational corporations operating in the Continent;
6. **Further call** for concerted efforts towards the adoption of mutual accountability assessment framework, building on mutual trust and strengthening of capacities of all stakeholders in the next dispensation of Development Effectiveness.

Capacity for Development Effectiveness

30. Africa requires 'transformational capacities' for leadership, inclusiveness and effective institutions to adequately respond to its renewal and growth agenda. Building effective and accountable states, capable of translating development policies into practice, aligning Aid resources with national priorities and delivering sectoral, national and regional development results, is therefore fundamental to creating sustainable conditions for development.
31. Capacity Development is the core vehicle to actualize the Continent's exit strategy from Aid and take full control of its development. Africa has recognized Capacity Development as an agenda in its own right and has set its own priorities with the Capacity Development Strategic Framework (CDSF) adopted by the 14th African Union Summit of February 2010, as Africa's common reference and policy guide on building, harnessing, nurturing, utilizing, adding value and retaining capacity.
32. Africa is thereby committed to transforming its leadership at both political and technical levels, while empowering the citizens by effectively utilizing the African potential, skills and resources for domestic and continental growth, as well as, renewal. This is achievable through evidence-based knowledge innovation and enhancing the competency of capacity developers, all geared at integrated planning and implementation capacities for enhanced results. Importantly, a fully engaged and empowered citizenry, with capacity to own and spearhead development, will demand greater accountability and transparency from state institutions and non-state actors. Therefore, a topmost priority is to develop the capacities for demand in shifting the development trajectory.

33. Additionally, for Africa's progressive agenda to be realized, nurturing performance-enhancing institutions, including gender and youth structures, is indispensable to transform national economies. For effective development, Aid should be aligned with this high priority to enhance systems and processes that drive development.

34. Accordingly, we:

- a. **Affirm** that, as standard, ALL investments into development should guarantee and achieve Capacity Development outcomes and results. Capacity Development should consequently be a core measure in assessing the impact of aid delivery in Africa, hence the prerequisite to design and institutionalize capacity development indicators;
- b. **Reiterate** that delivering aid through country systems and strengthening government and non-government institutions is central to improving national capacity for managing development finance and delivering results;
- c. **Urge** our development partners to support the achievement of fiscal transparency and strengthening the oversight function of parliaments, civil society and private sector, for greater accountability of programming and use of Aid and non-Aid resources;
- d. **Reiterate further** that developing capacity is essential to support post-conflict states in their peace and state-building processes and **call for** coordinated global humanitarian efforts focused on harnessing and utilizing requisite local and regional capacities as first preference, as this will allow for the promotion of local ownership and leadership in the transition from fragility to agility;
- e. **Further urge** our development partners to support African institutions' capacity through triangular cooperation, with a view to foster intra-Africa South-South exchanges for the effective deployment of African skills and potentials.

Regional dimension of development effectiveness

35. Regional integration remains high on the Continent's political and economic agenda. Of particular significance is the imperative to develop regional markets to build economies of scale and competitiveness which is fundamental to Africa's future development. The contribution of regional organizations to DE must ensure the principles of complementarity, variable geometry, subsidiarity and policy/regulatory coherence at national and regional levels. This applies to interventions and support of different types of international organizations. Regional aid management shall include effective monitoring mechanisms that enhance mutual accountability for transparency, predictability, ownership, alignment and the use of own systems and procedures.

36. The full maximization of the intra-regional dynamic of South-South Cooperation in addressing development is equally important. Therefore, African countries and development partners should invest more in aligning to and implementing regional initiatives especially the 1980 Lagos Plan of Action and 1991 Abuja Treaty establishing the African Economic Community to spur Development Effectiveness.

37. The regional level is an important building block for Africa's own defined development path. **Therefore, we:**

- a. **Reiterate** our commitment to fully implement the provisions of the Abuja Treaty and Lagos Plan of Action;
- b. **Undertake** to strengthen the capacity of the Regional Economic Communities (RECs) to formulate and implement clear and coherent plans, programmes and initiatives, with due attention to legal, administrative and regulatory systems to function effectively; and
- c. **Commit** to develop effective cost and burden-sharing arrangements and increase implementation at the national level of regional policies.

38. Accordingly, we:

- a. **Call for** the urgent incorporation of the regional dimension in addressing the unfinished Aid Effectiveness agenda for development approaches and Aid delivery that reinforces the essential role of Africa's RECs and similar regional bodies;
- b. **Reiterate** that the policies of the international community should support regional integration in Africa by strengthening the capacities of regional institutions and working with the African private sector to encourage the formation of sustainable regional value-chains;
- c. **Restate** the urgency to honor the conclusions of a development-oriented WTO Doha Development Round as complementary to the benefits of regional integration;
- d. **Urge** development partners to identify new ways of planning, financing and implementing programmes and projects at the regional level, for example, through the establishment of regionally pooled and basket funds, comprising both domestic and external resources;
- e. **Further call for** the emergency of a global partnership linked to both the national and regional development imperatives in Africa and based on mutual interest.

Cross-continental Partnerships and the New Development Cooperation Architecture

- 39. Importantly, Africa remains committed to building value and results-driven partnerships based on equality, mutual respect, trust and accountability, and in support of actualizing its development vision. The most promising pathway to Development Effectiveness is the engagement and empowerment of all sectors and stakeholders of the African society with a support role of development partners for creative partnerships in securing transformation.
- 40. This new architecture requires a stronger Africa, hinged on the strength of self-organization and capable of managing its partnerships. For this purpose, the African voice will continue to be mobilized and consolidated through the coordinating mechanisms of the African Union so as unite countries on shared values and priorities in addressing current global imbalances.
- 41. Emphasis is on cross-continental partnerships and the development cooperation architecture to build and add value to what already exists on the ground in countries and regions. A starting point is for all development partners to support the implementation of existing Continental sector policy frameworks⁴ developed on consensual basis and adopted by the African Union.

⁴ These include the African Peer Review Mechanism (APRM); Comprehensive Africa Agriculture Development Programme (CAADP); Programme for Infrastructure Development in Africa (PIDA); Consolidated Plan of Action for Science and Technology; Environment Action Plan (EAP); Minimum Integration Plan (MIP); Sub-Regional Environment Action Plans (SREAPs); African Action Plan: 2010-2015; Africa-wide Capacity Development Strategic Framework (CDSF); African Mining Vision, AU Social Development Framework; AU Gender Policy and African Women's Decade.

42. Additionally, Africa should construct resilient coordination mechanisms to enable the South to engage in the new architecture. For this to be sustainable, adequate capacity is key. This is essential as the second generation of SSC involves varied global assets and flows, thereby requiring better coherence and coordination. Within the Southern-led process, emphasis is on innovation space for regional and multi-lateral institutions to support South-South exchanges. As a result, Africa should upscale investments in designing corresponding guidelines on ownership to secure national capacities and thereby benefit from new forms of SSC.
43. Africa is also committed to strengthening regional parliaments including the Pan African Parliament (PAP). These regional and continental legislatures are strategically placed to advocate and promote regional and continental legislative harmonisation in favour of integration and overall development.
44. **For transformative partnership to be consolidated**, Africa continue to prioritize South-South collective action, triangular cooperation and North-South engagements to enhance domestic private sector participation in development, distinct from multinationals or their Africa based subsidiaries. In this regard, Africa will establish a charter to govern development partnership for Aid reforms, which will embody the key principles outlined by the African Union⁵.
45. Globally inclusive standards of engagement for both Northern and Southern development partners in the new global order should include:
- a. Strong system of African expertise and experience exchanges, with attributive value, to facilitate engagement and sharing of intra-African knowledge, know-how and technical resources;
 - b. Strengthen existing and emerging African led processes of regional cooperation and integration;
 - c. Institutionalize mutual accountability and ownership as cross-cutting principles, including shared milestone creation for monitoring and evaluation around related programmes of action;
 - d. Expanded focus on domestic wealth and capital formation;
 - e. Develop and capacitate purposeful leadership and a developmental-coalition of African States, citizens and the private sector.
46. For added coherence, effective accountability and local ownership for increased sustainability are important principles to guide the approach of the “new” development cooperation architecture through a global “compact” that defines “development assistance good practice” and supports relationships between countries, regional organizations and development partners. This should form the basis for a new paradigm in development cooperation, assistance and partnership.
47. **With this in mind, we:**
- a. **Resolve** to gather and share African experiences on common sectoral and thematic agendas through the creation and support of learning platforms and networks among countries and across sub-regions, including monitoring and evaluation mechanisms of processes and results that reflect African realities and are tailored to the Continent’s needs and priorities;
 - b. **Underscore** that a competitive market in development assistance, based on genuine partnerships focused on Capacity Development is in Africa’s interest. The second generation of South-South

⁵ NEPAD 2001, para. 149

cooperation, in particular with the BRICs, is complementary to that of traditional development partners and is a welcomed opportunity;

- c. **Commit** to building and strengthening coalitions that will promote South-South cooperation to leverage resources for mutual learning so that African know-how, good practices and innovation can more efficiently contribute to global development thinking and actions;
- d. **Undertake** to assess the true costs and benefits of development assistance by clarifying partnership objectives and verifying the quality of the processes and outcomes;
- e. **In this regard, drawing on existing measures**, Africa requires a consolidated 'Charter⁶' to complement existing national systems, which will specifically articulate 'development assistance good practice' to support relationships between Africa and its development partners in the North and South. This will allow for the creation of norms that incorporate Africa's current reality, partnership principles and aims, and serve as a basis for a new paradigm to promote effective development cooperation.

48. Thereby, we:

- a. **Call** for transformative trilateral and triangular partnerships between the South and North, and between the South and South, that are supportive of existing development initiatives and priorities driven by the African Union and its NEPAD Programme and add value to Africa's natural resources;
- b. **Urge** our development partners to emphasize regional integration as part of bilateral and multi-lateral cooperation, when engaging with Africa;
- c. **Call** for a fundamental reform of the global governance framework that integrates the effective representation and adequate participation of Africa, particularly in the Group of 20 (G20), the IMF, the World Bank, the UN Security Council and the World Trade Organization.

The Post-Busan Agenda

49. The post-Busan Agenda for Africa is in essence a programme to exit Aid dependency and attain Development Effectiveness. Consequently, the agenda should not be viewed as something new, but rather a consolidation of existing African development priorities and development cooperation that have emerged over the last decades.

50. The Post Busan framework should be responsive to current and emerging challenges within the global development landscape. Overall, the African development agenda focusing on the next decade must lead to a substantial reduction on aid dependency, anchored on human and institutional Capacity Development for productive and service sector growth. The focus should, therefore, be on both resilience and adaptability for long-term sustainability in the African development process.

51. Principally, Africa seeks a new consensus frame for global development partnership which is essentially driven by context-specific systems. The changes in the global development environment demand critical review of existing structures for managing aid, requiring joint design of the **new**

⁶ The NEPAD "will establish a forum of African countries so as to develop a common African position on ODA reform, and to engage with the Development Assistance Committee (DAC) of the OECD and other donors in developing a charter underpinning the development partnership. This charter will identify the Economic Governance Initiative as a prerequisite for enhancing the capacity of African Countries ..." *NEPAD, 2001, para 148.*

international development cooperation architecture to adequately and promptly address the unfinished Aid agenda, from the prism of DE.

52. This will help in making development cooperation more inclusive by involving all cooperation providers and demand-based needs of receiving partners, as active participants in the design, functioning, monitoring and evaluation of the new system. This means that the High Level Forum in Busan must be seen as part of a longer term consideration of modernizing the frame and systems of aid delivery.
53. The new cooperation system must build on the experiences gained from existing mechanisms with due recognition of universally acceptable principles to govern development cooperation and contributions of South-South and triangular cooperation through horizontal partnerships alongside North-South cooperation. These efforts should not shy away from explicitly addressing current and entrenched global imbalances, which serve to continuously marginalize Africa.
54. Global initiatives around Aid for Trade and Climate Financing, etc, call for more coordinated actions within the new architecture through working closely with specialized national and regional institutions. This is in recognition that regional bodies contribute added value to Aid reforms and Development Effectiveness, particularly focusing on the real economy spanning national boundaries, including use of innovative financing mechanisms. This will ensure complementarity.
55. The new architecture requires an effective mechanism to monitor progress and assess outcomes. The OECD/DAC has gained experience in conducting monitoring surveys, generating useful field evidence. Building on this experience, we call for the establishment of a more inclusive, compact and strategically-oriented monitoring mechanism with strong Southern ownership and leadership for learning and Africa's continuous improvement. An essential characteristic is an explicit formal interface with developing regions and their legitimate institutions for effective voice and participation.
56. In consolidating Africa's defined and shared development trajectory, the post-Busan agenda should focus on the primary concerns of governing aid for Development Effectiveness, namely:
 - a. Making development cooperation responsive to Africa's desire to ensure structural transformation within its economy and achieve diversification, with emphasis on beneficiation and domestic capital formation, thereby stimulating growth and expansion to create employment, especially for the youth;
 - b. Development cooperation and Aid should reinforce and strengthen regional economic, social and political integration.
 - c. More specifically, the governance of DE goes beyond the token inclusion of Africa in existing global forums. African institutions, citizens and private sector should champion their own development. Hence, the need for Aid delivery approaches to help secure capacities for sustained active engagement as a primary result. Therefore, alongside with other actors, heads of RECs and organizations should be signatories to the BOD as they consistently engage with countries at national and regional development.

54. Key to the objective of an inclusive development cooperation, includes:

- a. Reducing Aid Dependency: Outline an effective strategy for inclusive private sector development and human resource capital base growth, tapping into existing resources of African and international foundations;
- b. Transformative Partnership within Africa: Strengthen the effectiveness of RECs to capitalize on inter- and intra-regional partnerships;
- c. Reforming Global Governance: Ensure Africa's adequate representation, voice and influence in global governance institutions and processes;
- d. Mutual Accountability: Design political, technical and social accountability standards and systems along the lines of existing African governance instruments, such as the African Peer Review Mechanism (APRM);
- e. Development Policy Coherence: Promote synergies between global development policies and existing internationally acceptable instruments governing Aid and other financial flows;
- f. Delivery of Aid commitments: Development partners to meet unfulfilled commitments to guarantee value-based partnership, national ownership, transparency, increased quality and predictability.

In promoting Development Effectiveness, the Continent is making efforts towards:

- a. Institutionalizing an appropriate and shared framework on Development Effectiveness and Aid Management underpinned by values underscored by the African Union Constitutive Act;
- b. Strengthening multi-stakeholder ownership of the DE agenda⁷ and African representation and unified positions in global forums;
- c. Increased focus on intra African cooperation as an integral part of the broader South-South cooperation;
- d. Increase investment in human capital, infrastructure and institutional effectiveness as well as regional value chain development;
- e. Strengthening and empowering regional bodies', especially RECs' capacity to implement and monitor existing African priorities;
- f. Creating enabling regimes to promote both domestic and foreign investments, including from the African Diaspora, as well as increased investment in continental research, knowledge development, management and dissemination capacities;
- g. Put in place processes and mechanisms that ensure that African institutions work in a more coordinated and coherent manner in the promotion and defense of collective interests;
- h. Strengthen public and private sector capacity for growth, retention and utilization by prioritizing the role of the developmental State that is responsive and socially accountable.

As a cross-cutting mechanism for DE implementation, the global monitoring and evaluation (M&E) systems should be nationally driven with clear linkages to the regional level for greater balance between behavioural and institutional change. The M&E systems will foster alignment, quality and effective coordination between providing and receiving Southern partners. South-South exchanges have the potential to enhance social and economic capital development through the establishment of multi-stakeholder networks, essential for tracking progress and carrying forward innovation beyond the life span of individual programmes and projects.

⁷ Through existing mechanisms such as the Africa Platform for Development Effectiveness (APDev)

For the expected historic change in Africa to be a reality, the Continent and its development partners must act in sync towards the desired paradigm shift away from managing poverty to economic transformation by utilizing the emerging abundant opportunities in the new Africa. Thus, the Continent will serve as a growth pole, playing a significant role in the integrated global economy. This will advance development effectiveness in all its ramifications.

The centrality of Capacity Development as the vehicle to Development Effectiveness in Africa demands that capacity outcomes are secured from the use of both domestic and external resources as standard practice. Therefore, CD indicators become a must in measuring Post-Busan commitments and agenda.

The new development cooperation architecture should be based on an intrinsic involvement of countries for development. This calls for a partnership framework that respects Africa's endogenous systems and assets at national and regional levels. Development partners' interface with Africa should serve to consolidate the continued mobilization of emerging regional and national systems and processes, such as APDev⁸ for localized and more effective knowledge sharing, coordinated voice and participation. This should also form the basis for monitoring and evaluating progress of Post-Busan commitments on Aid Reforms and DE.

Addis Ababa, September 30, 2011

⁸ The NEPAD "will establish a forum of African countries so as to develop a common African position on ODA reform, and to engage with the Development Assistance Committee (DAC) of the OECD" **NEPAD, 2001, para 148.** Among specific "Actions" – "constitute an ODA forum for developing a common African position on ODA reform, as a counterpart to the OECD/DAC structure....." para 149.