

Closing Presentation

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Over the past two days, we have enjoyed a rich and informative discussion. I would like to thank you all – and indeed to congratulate you – for the quality of your contributions. Among the diversity of views that have been expressed, I believe that we can already begin to see the outlines of an emerging consensus on the issues that Africa should be pursuing in the lead up to the next High Level Forum in Busan.

From aid effectiveness to development effectiveness

- The organisers chose as the theme for this event: “from aid effectiveness to development effectiveness.” This theme has resonated strongly throughout our discussions.
- In the past 2 days, we heard a strong affirmation of the need for home-grown solutions to Africa’s development challenges. This is a vision of Africa’s development in which Africa is firmly in the driving seat, and aid is in a supporting role.
- What we are asking from Busan is no less than a paradigm shift for development cooperation. The aid tail mustn’t wag the development

dog. Let us set our own development agenda, and let our development partnerships be structured so as to support us in our goals.

Starting from this overarching principle, we can now begin to specify some of the objectives that we should take to Busan.

1. Africa needs more effective and accountable states

- Africa needs states that are capable of delivering on development results.
- When we talk about strengthening country systems, we are not talking about managing aid flows so as to satisfy donor fiduciary requirements. We are talking about managing all of our development resources more effectively, to better achieve our development goals.
- We need to raise the level of our ambition, and build more committed and effective public administrations. We call on development partners to support us in this goal. And this includes making sure that their aid practices do not distract us from our task by imposing

arbitrary or inconsistent requirements on the use of aid funds.

2. Anchoring development in democratic accountability

- Accountability is a well-established theme from Paris and Accra. But the accountability relationship that matters is not the one between aid providers and aid recipients. What matters is anchoring our development efforts firmly in the democratic process, and making sure our leaders are accountable to the people for development results.
- We need radical increases in transparency in the way development resources are spent. Nothing less than full disclosure is acceptable, from both government and donors.
- And we need a new paradigm for participation, of parliaments, the private sector, civil society and communities. It is not enough to invite them after the event to legitimise decisions taken behind closed doors by government officials. They need to be involved up front, as full partners, in the decision making process.

3. Drawing on Southern knowledge to find African development pathways

- We have heard it many times these past 2 days: in development, there are many ways to Damascus. Africa must stop being a passive consumer of development ideas imported from abroad. Like the inspiring example of Cape Verde that we heard this morning, we need an active learning process – a process of learning by doing, in which we adapt the most relevant lessons from around the world.
- South-South cooperation can help us to do this. We have much to learn both from each other, and from the experience of emerging economies on other continents that have overcome similar development challenges. They represent a key knowledge resource.

4. New rules of engagement for China and the BRICs

- We recognise the potential for win-win cooperation between Africa and the BRICs, in particular China. This is a learning process for both sides, but if we go into the relationship with our eyes wide open to the opportunities

and the risks, we stand to gain considerable benefits.

- But while China has its plans for Africa, does Africa have a plan for China? Do we know the full implications – legal, financial, economic – of the deals we are entering into?
- Let us make use of what all our development partners have to offer – both the new and the old. But let us begin to develop new rules of engagement for China and the BRICs, to make sure we maximise the benefits and minimise the risks.

5. Thinking regionally; acting regionally

- We have been talking about the importance of regional economic integration to Africa's development for 30 years. But national interests have always come first, at the expense of serious action on regionalism.
- We need to start both thinking and acting regionally. Among other things, this means reconfiguring our development partnerships to support action at the regional level.
- We call for more investment from development partners in strengthening our Regional Economic Communities. And we call

for the establishment of new funding mechanisms at the regional level to help us scale up our investments in regional infrastructure.

6. Effective aid is dependence-avoiding aid

- Finally, we have explored the idea that the job of aid is to do itself out of a job. We need to accelerate Africa's graduation from aid by building up alternative source of development finance. Our primary sources of development finance should be our own national resources, through more effective taxation systems and more efficient domestic capital markets. To that we can add trade and foreign investment as key drivers of growth.
- Much has been written over the years about the dangers of aid dependence. It would therefore seem to be logical that effective aid is aid that minimises the problems of dependence.
- Of all the good ideas that we have heard over the past 2 days, this one strikes me as perhaps the most important of all: that effective development assistance promotes self-reliance

by helping us harness our own national resources, capacities and ideas.

Ladies and gentlemen, it is not our task here to reach final conclusions on any of these matters. We have, I believe, played our part very well – we have explored the contours of a new development effectiveness agenda, raising many challenging ideas that need further discussion and debate. The African Union and NEPAD will be taking this forward over the next year. As Dr Kaberuka said in his opening address, the African Development Bank stands ready to help this process however we can. We also look to each of you in this room to support this process of consensus-building by taking the ideas – and the enthusiasm – that you have encountered here back to your home countries.

Thank you once again for your fine contribution, and I wish you all safe travel back to your homes.