



ICY RECOMMENDATION





On China's Participation in the "Global Partnership for Effective Development Cooperation"

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Held in Mexico City on April 15th and 16th, 2014, the first High-level Meeting of "Global Partnership for Effective Development Cooperation" (GPEDC) was well attended by more than 1,500 participants from around 130 countries. At its opening ceremony, UN Secretary-General Ban Ki-moon delivered a speech that touched on issues including the post-2015 framework for development financing, development aid, trade, debt and macroeconomic stability. The President of Mexico, Enrique Peña Nieto, also addressed the opening session. This two-day meeting included five plenary sessions and 28 focus sessions on a range of critical themes for development: progress of commitments for GPEDC made at the Fourth High Level Forum on Aid Effectiveness in Busan, Korea (HLF-4, 29 November-1 December 2011), domestic resources mobilization, South-South cooperation, delivering development effectively in middle-income countries (MICs) and improving the role of business in development. A Communiqué "Building Towards an Inclusive Post-2015 Development Agenda" was adopted in the Mexico Meeting which had an annex of 39 voluntary initiatives proposed by different countries, international organizations, NGOs and think tanks. These initiatives illustrate ongoing efforts to meet Busan commitments, and provide support for implementation in new areas. The Mexico Meeting is broadly representative although the level of participation of BRICS countries' varied. While China had no official presence at the Meeting and India only sent its in-Mexico diplomats to attend. Brazil and South Africa did send their development cooperation officials to the Meeting. There was speculation on China's absence during the Meeting. One opinion was that China and India objected to equating South-South cooperation with North-South cooperation and they were boycotting the meeting. Another opinion was that China questioned the legitimacy of the Mexico agenda and the wording of the role of South-South cooperation in its supporting documents. Other voices said that China was not planning to attend in the first place because its opinions had already been accepted by the organizer of the Meeting after rounds of communication on relevant documents through Mexico's ambassador to China.

As independent scholars, we attended the Mexico Meeting as well as the 2011 Busan Forum, since we do research on international development policy and observe events that happen in this field. Based on our observations, we hereby put forward some suggestions on how China could manage the changes in the international development landscape.

First, the rise of non-member states of the Development Assistance Committee (DAC) under OECD challenged the established framework and agenda of international development cooperation dominated by the DAC full member states. Even though the 2003 High-level Forum on Aid Effectiveness in Rome engaged almost all the parties including the developing countries, it was the Busan Forum that made a real difference. The latter had two positive impacts: first, it shifted the theme of international development from aid effectiveness, mainly the concern of developed countries, to development effectiveness mainly the concern of developing countries; second, it shifted the aid effectiveness agenda led by the "Working Party on

Aid Effectiveness" with DAC at its core to a more open agenda of "Global Partnership for Effective Development Cooperation" which is now collectively led by the developing, emerging and developed countries. The Mexico Meeting was the first in its kind under the new agenda and membership structure. Although not under the UN framework and still under significant influence of the DAC, the new agenda has seen great changes in the topics and representativeness of participation and in particular, the increasing impact of the developing countries. We thus believe, as a representative for the developing world and emerging powers, China's proactive participation in this new agenda would be conducive for it to voice its development initiatives on many international occasions and increase its influence on the global development agenda.

Second, in the past decade, the decision-making process of international development cooperation was changed under pressure from the developing countries. Recipient countries had a greater say in the way development aid is received and implemented.



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This trend was one critical geo-political factor behind the establishment of the global partnership for effective development cooperation. To some extent, the construct of the new agenda may dismantle the dominance of OECD-DAC, in the same way that G20 did to the G7/8. The Busan Forum also passed a resolution that the Minister of National Development Planning of the Republic of Indonesia, the Finance Minister of Nigeria and the Secretary of State for International Development of the UK would cochair the agenda of Global Partnership for Effective Development Cooperation. At least the structure of the partnership illustrates a broader representativeness. which was accepted by most developing countries and MICs. Hence, if the international community has a negative view that China is against this agenda. China's international image would be damaged and anti-China forces might take advantage of its absence to criticize China as not fulfilling its international obligations.

Third, China and many other emerging countries do share common interests in dealing with many international political affairs like the BRICS agenda. They have however, varied political and economic considerations as for the international governance structure. The economic power of many emerging countries remains weak and the sheer size of their foreign aid is much smaller than that of China. It is thus understandable that they worry about increasing international pressures for them to ramp up aid contributions to other developing countries. Since China faces the same pressure, those emerging countries might want to ally with China to resist such calls that emerging countries should assume greater responsibilities. As a prominent representative of the emerging powers, it's rightful for China to make active and positive response to this call and coordinate different voices. However, one fact that we cannot ignore is, as a developing country, China has done its part in foreign aid in terms of both volume and influence, which have already exceeded the scope of responsibilities that it agreed to assume. Unfortunately so far, the international community still has very limited knowledge or understanding of China's contribution in this field. Greater publicity on China's contribution in a more objective and sound way may thus ease the "greater responsibility" pressure. Therefore, we suggest China enhance transparency of its foreign aid programs and use this ready GPEDC platform to publicize its foreign aid achievements, to showcase its experience and to communicate more effectively with the developed and other developing countries.

Fourth, the governance of international development cooperation is a crucial part of the global governance structure. In this area rather than other areas of governance. China has much fewer fundamental disagreements with other countries. Besides, the international community has acknowledged China's remarkable development achievements and its long-time contribution of foreign aid to international development. Although the developed countries in the West want to use this new platform to influence and pressure China, they also hope to cooperate with China and learn from China. We thus argue that on the one hand, to cooperate with Western countries in an area where China has an edge may help increase China's voice in the global governance arena; on the other hand, cooperation in this area may offset China's disagreements with the West in other areas.

Fifth, one thing that needs to be recognized is the unique nature of China's development experience and its effectiveness in offering foreign aid. While capturing global attention, the uniqueness of China's experience is widely acknowledged by the Western developed world given its relevance to other developing countries and even the world at large. However, differences of development knowledge, strategy and ideology between China and the West, and the existence of some anti-China factors may diminish the effectiveness of this East-West cooperation. Our suggestion is that China's participation in the new global partnership agenda should be based on its own experience and principles, be driven by the real demands of the developing world, and could thus help to re-shape the global development governance structure.

Substantial changes are taking place in the landscape of international development cooperation, as illustrated by the dwindling dominance of Western countries. In this new context, China should study, from a holistic point of view, emerging issues like relations with the OECD-DAC, response to the financing of UN post-2015 development agenda, cooperation with the developed countries and the way to adapt to aid requests from other developing countries, so as to avoid policy inconsistency and uncertainty in different international arenas.





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