

## **NATIONAL CONSULTATION**

**For the development of a proposal for the**

**IV High Level Forum in Busan**

**September 26th and 27th, 2011. Lima-Peru**

### **CONCLUSIONS**

**I. Approaches, mechanisms and procedures to move towards inclusive and democratic ownership of aid for development and the role of CSOs in this perspective.**

1. Progress made in the appropriation of the contributions of development cooperation is constrained by the existence of a weak State in terms of its institutionality to plan and formulate national and decentralized strategies for the medium and long term.

The Peruvian State's capacity to guide and drive national development, as well as to design policies, was weakened in the 1990s with the adoption of the neoliberal economic model. The elimination of the government entity in charge of planning in the country, the National Planning Institute (INP), is the best example of the fundamentalism that led to this action and the loss of perspective on the importance of planning as a State policy.

The recovery of the planning function of the state is still in an initial stage. The National Strategic Planning Center (Ceplan) was created in 2008 with very limited power to play an effective role in driving the government. This is worsened by the lack of progress on the mandate of designing and setting up a national and decentralized planning system. The National Development Plan to 202 prepared by the institution has not turned into a benchmark for all levels of government, not even for the sectors within the national government. In this context, it is clear that the Ceplan is not a benchmark for international cooperation institutions either. This situation limits the effectiveness of the contribution of international cooperation, both public and private, since it cannot assess the country's needs and approach in the absence of a strategic framework for national development.

One factor that explains this reality is the limited participation that went into the development of the plan. The only actors involved, in a very restricted way, were civil society organizations (CSOs) and subnational entities of the government itself. On top of weak public institutionality, there is also a lack of interest from the State to

strengthen mechanisms for inclusion, such as consultations and consensus based planning, which are essential in the perspective agreed in Accra.

In this scenario, we consider it is indispensable to strengthen the Ceplan and to build plans in a participatory manner, in the three levels of government (national, regional and local) and in the different sectors with the State. These plans should guide the private sector and society as a whole. The improvement in the quality of aid must be based on a national strategic plan.

2. The Peruvian International Cooperation Agency (APCI), created in 2002 to act as a regulatory agent for international cooperation in Peru, has been losing importance in this role, since in the last few years it has been used increasingly as an instrument to control and supervise non government organizations (NGO) that were critical of the Government. The resources allocated to this aim have not shown any significant finding that justifies the effort carried out in this field.

Additionally, standards have been enacted to regulate NGOs, their sources of funding and activities. All these actions express the tensions and conflicts between the state and civil society, responding to a culture of secrecy and a negative view of the role of NGOs.

This attitude has also extended to social movements. One key factor that explains this attitude is the government policy focused on promoting large scale extractive investments as the main driver of economic growth. The previous government had a confrontational attitude towards most social movements, arguing that they were not representative of the majority or that they seek to destabilize the country. The sectors that were most criticized by the government, as well as by many of the major media outlets, have been the agrarian movement, coca-related movements, environmentalist, feminist, human rights, indigenous and regional movements, as well as unions.

We need to strengthen the APCI in its capacity to generate proposals and to formulate and manage the national policy on aid for development, as well as in its role to join together sectors and territories with the priorities set for cooperation. It is crucial to change its profile from an entity that supervises NGOs to one that defines, based on consensus, the key issues for cooperation.

3. In relation to the objective of alignment, once again we find the absence of a strategic plan and policies that can act as a framework for cooperation. This leads donor countries to implement their strategies on the basis of criteria that have been agreed on with specific public and private actors. Often, these institutions implement their projects in areas where there is little government presence or reduced state capacity to deliver goods and services.

One additional fact that limits the progress in alignment is the rent-seeking behaviour or patronage system that persists in the culture of many public officials and authorities. This attitude is still present strongly in the national political system and this leads to the implementation of criteria that are neither local, regional or national priorities for the use of public funds available, which are always insufficient to close the social, political and economic gaps that exist in our society. Furthermore, there is still a general distrust of the State, not only from civil society and citizenship, but also from international cooperation.

4. In Peru, international development cooperation has a relatively low weight in relation to the national budget and the gross national product: the total amount is around 500 million dollars; the per capita figure has been approximately 15 dollars in the last decade; it represents 2% of central government spending and 0.4% of GDP.

The definition of our country as a middle income country hides the structural complexity of inequality and poverty, as well as the need to develop long term strategies, which take into account our diversity and multiculturalism, promoting an adequate coordination between programs and strategies implemented from the “top-down” and from the “bottom-up”, seeking to take advantage of the comparative advantages regarding resources, networks and institutions.

Given these factors, funds from cooperation should not be simple considered as “complimentary” to government spending and strategies. They should be used to try out public policies, to seek new forms and alternatives to development, which are flexible and sensitive to the country’s particularities, with the participation of the main actors, both public and private.

Different experiences show that some programs and initiatives from cooperation have reached sectors, areas and issues or populations which receive the least attention from the state or the private business sector. They have even allowed improving the performance of the different public institutions.

5. Despite the low relative weight of the cooperation in national accounting, its importance is high in funding the work of NGOs and other civil society organizations. Close to 50% of the resources from international cooperation goes to the non-government sector. Furthermore, almost one third of the aid received comes from non-government sources, many of which are not convinced and have not participated systematically in the denominated search for harmonization with a weak state institutionality and the problems that we have mentioned in terms of the focus of their intervention.

Looking at these figures, we affirm that the importance of international cooperation in Peru does not relate to the amount, but to its use as an element to strengthen civil society and its advocacy on the Peruvian society. In other words, its contribution lies in its aid to the democratization of the society, economy and the State in its different levels.

6. The NGOs work in networks, but in a discontinuous way and around particular initiatives. For CSOs, work in networks should be a priority; they should further discuss the issues of cooperation policy and share more in joint spaces. In some cases, the cooperation agencies themselves contribute to fragmentation. Just as the state has to join together to meet the purpose of improving the efficacy of aid, civil society should come together too.

CSOs must better analyze the viability of its initiative and must be realistic in its proposals. There are experiences regarding the conformation of agendas in civil society, but they often don’t get past the agenda to the development of public policy proposals aimed at achieving specific changes in the levels and sectors where they carry out their activities.

We must re-launch and institutionalize the entities or permanent spaces between the State and CSOs, where they can discuss and agree on policies that allow them to more adequately frame development cooperation. The International Cooperation Roundtable

on Gender issues (Mesagen) is one interesting example of consensus building between the State, civil society and cooperation agencies to do follow up on the commitments adopted in the International Women's Conference in Pekin in 1995, as well as any other agreement or international pact related to young girls and women.

This effort is essential because, in the Peruvian case, the international cooperation is strongly related to strengthening and broadening citizenship and inclusion.

7. It is necessary to strengthen the presence of CSOs in the design, planning and implementation process of development strategies at the regional and national level. The road to ownership must begin in the spaces in which CSOs have the most reach and impact: the local and regional level.

It is important to link their work to consensus based processes and plans. In this perspective, participatory budgets, oversight committees and sector specific consensus building spaces are very important. There needs to be a higher presence in the regional planning processes, seeking to coordinate the use of resources from international cooperation in the best possible way. An assessment should be made of the initiative taken on by APCI titled "National Decentralized System of Non-Refundable Cooperation" (SINDCINR) to develop proposals for its adequate operation and legitimacy. It is also crucial to re-launch and strengthen the National Accord, linking it to the process of developing a national strategic plan, which is decentralized and has a territorial approach.

## **II. Measures and policies to improve the quality of aid in a perspective of national development based on rights, inclusion and sustainability.**

8. It is necessary to promote the coordination between the different levels of cooperation organisms that work in a specific territory. It is crucial for them to harmonize their offer to achieve coordinated objectives and shared programmatic approaches. CSOs must responsibly take on the construction of a basic agenda and a development strategy based on deepening of human rights. Achieving this requires building proposals that come from CSOs and that are based on consensus with the main public and private actors.
9. The Development Plan to 2021 developed by Ceplan should be revised through a far reaching national consensus, where the three levels of government, CSOs, social and institutional actors, business and academic groups all participate.

This management instrument must come from regional and local spaces, so that the objectives and priorities respond to our geographic, economic, cultural and institutional diversity. One relevant step in this direction is the development of a territorial land use plan in each space.

We need an information system that integrates the various existing databases, so as to facilitate the development of more precise diagnosis to obtain integrated and comprehensive knowledge of each of the realities of our country. This is a strategic starting point for planning and prioritization of cooperation.

This information system is an important aspect for the approach based on human rights, gender equality, climate change challenges and strengthening public and social institutionality.

10. Many interventions from the state and NGOs have chosen strategies based on the struggle against poverty which tend to ignore its structural causes and insist on pragmatic solutions focused on immediate and measurable changes while the project lasts (two or three years). In this framework, the development agenda loses all its intention of universality of rights for all citizens. Directly or indirectly they assume that economic growth is enough to achieve development and that those excluded should cover some of their basic needs with social programs.

While it is good to define goals and indicators for this intervention, this approach may limit and take away the necessary structural change approach that should be a part of the strategies of NGOs oriented towards development promotion. CSOs should be political actors, advocate and support processes of social change. In this perspective, the proliferation of ways to support specific and short term projects guides NGOs towards a role of "efficient" providers of social services.

Together with the form of project financing, the increased emphasis on bids and contests to access funds is presented as a means to select the best proposals and as a way to encourage the formation of partnerships between organizations with different comparative advantages. But in most cases, they are ways to impose, since the beginning, the priorities in terms of the population and geographic priorities, the issues to be worked on, the strategies to be developed, the expected results and the planning, monitoring and evaluation systems, among other things.

11. The National Plan for Equal Opportunities should be a benchmark for cooperation in the perspective of gender equality. Late last year, the implementation of the second plan (2006-2010) was completed, and it is vital to move forward in formulating a new one, to guide the aid according to national objectives. This requires evaluating what has been done. The new plan should articulate the regional and local level, so it is an effective instrument of state management at different levels

It is necessary to link the PEO to the allocation of budget resources and, accordingly, define the cooperation priorities in this field. Territorial and national development plans should include gender equality in its different aspects and levels.

### **III. Proposals, mechanisms and alliances needed to overcome the asymmetries and face the complex institutional architecture of development cooperation.**

12. There is insufficient knowledge in the country on the structural asymmetries of cooperation, we know very little about the current state of international development aid, the role of countries in the northern hemisphere and southern hemisphere and, inevitably, there is little critical analysis of this situation.

Work is needed for the dissemination and critical analysis of the current architecture of aid, the role of the northern countries and the rights available as a developing country within the framework of international cooperation. It is important to actively involve the public in this dialogue; the Peruvian Agency for International Cooperation (APCI) could play an important role in this task.

An additional factor does not favor the wider dissemination of the process is the poor call from the State to CSOs and subnational governments to work on the assessments of progress on the commitments of the Paris Declaration. One problem is the short time the work schedule of the OCDE for the review and comment phase for CSOs to the documents.

We need to define the priorities and emphasis of development cooperation for both official aid and private aid, setting up a national civil society platform. These spaces of dialogue should involve social movements, business sectors, professional associations and NGOs.

This process should create conditions for NGOs to form partnerships with organizations and social movements in order to strengthen the capacity to build relationships with the cooperation agencies. One role of NGOs is to develop and strengthen capacity building on project formulation and management for the actors and social movements. In this perspective, building alliances with professional associations and universities is an important factor

- 13.** State representatives in Peru have had very little participation in the international discussion process on the changes in the architecture of international cooperation.

It is essential to establish effective coordination mechanisms among the countries of the south, in order to define an agenda for development assistance in accordance with the interests of our countries. In the case of Peru, strategic spaces with that goal may be the Andean Community or the Union of South American Nations (UNASUR).

The changes in the architecture of international cooperation need to enhance the role of emerging countries in this field, which can help establish new terms which can lead to more horizontal negotiations. Emerging initiatives should be placed in the context of wider integration processes.

It is crucial to coordinate the various networks and platforms of civil society in Latin America in order to build an agenda of priorities for development cooperation and have a more active role in the international debate.

- 14.** In the context of the global economic crisis, it is important that the Peruvian delegation participating in the HLF in Busan brings up the issue of moving forward in defining the commitments from developing and developed countries, which should be reflected in goals and measurable outcomes.

In the same vein, the Peruvian delegation attending the HLF in Busan should propose the implementation of an international mechanism to monitor the commitments made in relation to development cooperation. One option to take on this monitoring is the United Nations system, which would be an instrument to press for their enforcement.