

# The Future of Aid – Thought Leaders Retreat

## South Lodge Hotel, West Sussex, UK: 9th - 11th January, 2018

### Meeting report

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#### 1. Background and context

The world of aid and international development is in flux, of that there is no doubt. But while some frame the problem in terms of communication, the organisers of this retreat argue that the problem goes deeper. It is not just about how we talk about aid, but what aid actually is and does in the 21<sup>st</sup> century. As set out in the background paper for the retreat, the current “aid” narrative is misleading in a number of important ways and doesn’t facilitate the ambitious goals we share.

The current dominant understanding of aid, which has endured since the 1940s, has certainly helped facilitate significant successes in development. And it retains some important elements to be preserved, including a call for global solidarity with the world’s poorest people. But in other ways it is no longer fit for purpose. While the global development agenda has evolved to reflect the changing realities and priorities of countries, aid has failed to evolve along with it. Rather than facilitate the ambitious 2030 Agenda, it may in fact be holding back progress by failing to inspire key stakeholders or to reflect the changing reality of development finance.

- An emphasis for aid on ending extreme poverty persists, failing to take into account that increasing global equality is central to the 2030 Agenda and implying restrictions to investments in some countries (e.g. so-called middle-income countries).
- An ‘us and them’ optic continues to be applied to aid, casting countries as recipients of aid rather than the partners suggested by the 2030 Agenda.
- And a strange dichotomy lies at the heart of aid: ambitious global goals exist and total funding for aid is at historically high levels, but discussions persist around transitioning out of, and ending aid to, some countries.

An evolved vision for aid would emphasise increasing global equality, not just ending extreme poverty; it would address mutually beneficial global public goods; it would bring to an end persistent “us and them” implications; it would be a permanent mechanism for the correction of distributive asymmetries and market failures at international level; it would incorporate sharing knowledge and experiences and promoting standards and rules rather than emphasise only financial transfers. Its objectives would be threefold: to guarantee minimum social standards for all people, wherever they live (national inequality); to reduce international inequality; and to provide global public goods. Such a vision could garner broad support nationally and internationally, but it needs to be championed.

## 2. Purpose

The purpose of this Thought Leaders Retreat was to develop and hone this new vision and to begin the process of championing it. It was designed to provide an opportunity for the co-hosts to gauge the reaction of senior experts, academics and campaigners to such a shifting understanding, and to get their insights for how to gain support for it.

It succeeded on both fronts. On the one hand, by inviting experts from a host of different backgrounds (broadly divided into health and general development experts) feedback was garnered on what works in the proposed new narrative and what needs more honing. While on the other, as the meeting went on, a growing consensus was built around the overall direction of travel, and initial thoughts on the leadership needed on this issue.

The retreat was co-hosted by International Civil Society Support (ICSS), Open Society Foundations (OSF) and The Global Fund to fight AIDS, Tuberculosis and Malaria (Global Fund) with support from Equal International. It was part of an ongoing process to build new and renewed understandings of the role of aid and other forms of international public finance (IPF) consistent with changing global realities and expectations.

This report provides a summary of the discussion and of the main outcomes of the retreat.

### 3. The proposal

Discussions at the retreat centred around a proposition being shared with participants by the co-hosts, that a bold new understanding of the role of aid and other kinds of International Public Finance (IPF) is required. The main tenets of this proposal were set out in presentations by Gail Hurley (UNDP), Jose Antonio Alonso (Universidad Complutense) and Jonathan Glennie. According to them, key features of a renewed vision for aid and IPF include:

- A focus on overcoming inequality, rather than a singular focus on poverty reduction.
- A greater focus on collaboration and partnership, ending the persistent ‘us and them’ optic.
- A shift away from the idea that aid is a temporary, charitable, contribution; rather we need a concept of permanent and ongoing ‘International Public Finance for Development’.
- A focus on mutually beneficial global public goods and global solidarity.
- A rejection of the idea that countries can “graduate” from international cooperation; rather we need a gradation of countries depending on their own specific and evolving needs.

The table below is an edited version of Alonso’s presentation of the differences between traditional understandings of aid and the new vision being proposed. It suggests a new policy framework for aid with characteristics that are different to the current ODA framework, and better aligned with the thinking behind the SDGs:

<b>Traditional understanding of “aid”</b>	<b>New vision for International Public Finance</b>
<i>Differentiation</i> : North and South are two very different realities	<i>Complexity and interdependency</i> among countries
<i>Convergence</i> : South (with support) can converge to the North conditions	Both North and South have <i>to move towards a new</i> (and as yet unknown) <i>sustainable and inclusive</i> model
<i>Poverty trap</i> : mainly, the financial poverty trap	Many kinds of <i>market failures</i> (including failures of coordination)
Fighting <i>extreme poverty</i> (mainly after the 90s)	- Assuring <i>minimum social standards</i> for all people (national inequalities) and - Reducing <i>development gaps among countries</i> (international inequalities) - <i>Providing international public goods</i> (governing the interdependencies)
<i>Temporary</i> : Big Push up to put countries on self-sustained growth	<i>Permanent</i> : correcting asymmetries and market failures
<i>A hierarchical and unilateral</i> North-South relation	Building a <i>collective and cooperative action</i> at international level, through more horizontal relationships among all countries and actors
<i>Redistribution</i> at international level	<i>Redistribution</i> at international and national level
<i>Based on a moral duty of solidarity</i> (charity): developed countries contribute to solve problems that affect developing ones	Based on the principle of <i>common but differentiated benefits and responsibilities</i> : shared problems and solutions that benefit all of the involved countries (mutual interest)

#### 4. The response

Discussions in response to this proposal were rich. Broadly speaking participants backed the central insight that we need a new vision and understanding of aid, as well as a new narrative and vigorous public communication and engagement. There were, of course, given the range and experience of the retreat participants, a range of critiques, additions and suggestions. Here we present some themes that became central to the retreat.

##### *Public comms or policy debate*

One issue that emerged early on was the difference between on the one hand a narrative, or perhaps vision/understanding/conceptualisation to make sense of aid in high-level policy debates, and, on the other, a public narrative to translate the ongoing need for aid to a sometimes sceptical public. These endeavours are related but quite different. The former is more academic, based on empirical research and theory, and is more factual; the latter relies on effective communication techniques and depends a great deal on understanding the target audience. Both are needed, but there is far less debate over the former i.e. the sector is over-focused on comms and not enough on evolving substance. That is why this former issue is the focus of the work of this retreat.

##### *Public perceptions*

Survey data from the UK confirmed that aid is of low salience to the general public, suggesting that there is considerable political scope to be bold and to lead, rather than be subject to, public opinion. Support for aid emerges in terms of halting the spread of disease and demonstrating aid is in our political interest. And a moral argument that ‘people have a right not to suffer’ struck a particular chord with survey participants. Public communications on aid must, however, also navigate possible negative drivers. Cynicism around NGOs is increasing, with a growing perception that NGOs are businesses ‘in it for themselves’.

##### *Accountability and results (i.e. making clear when aid works)*

A new bold public communication strategy must be grounded in accountability and evidence of results. In a climate where aid is sometimes made responsible for everything when it fails and nothing when it achieves, it is important to be proactive in shaping the debate and telling the stories of what can be achieved. While it remains critical to distinguish between public communications and policy debate (see above), any public communication regarding a new understanding of aid must utilise key positive drivers. Elected officials care personally about results and the general public wants to know that aid is fixing a real problem.

##### *The political opportunity*

Important opportunities exist now to reshape aid. For example, definitions of ODA are currently being reviewed to reflect the Sustainable Development Goals. Convening a conversation between African Ministers, civil society and DAC donors is essential as part of this process, to improve the effectiveness of aid. DAC donors must be challenged and not left to redefine aid in isolation. DAC delegates are open to ideas and suggestions for strengthening the existing aid narrative. To utilise the opportunities available now, and to shape the aid narrative in the future, it is necessary to articulate a clear problem statement and solution.

### *South-South Cooperation*

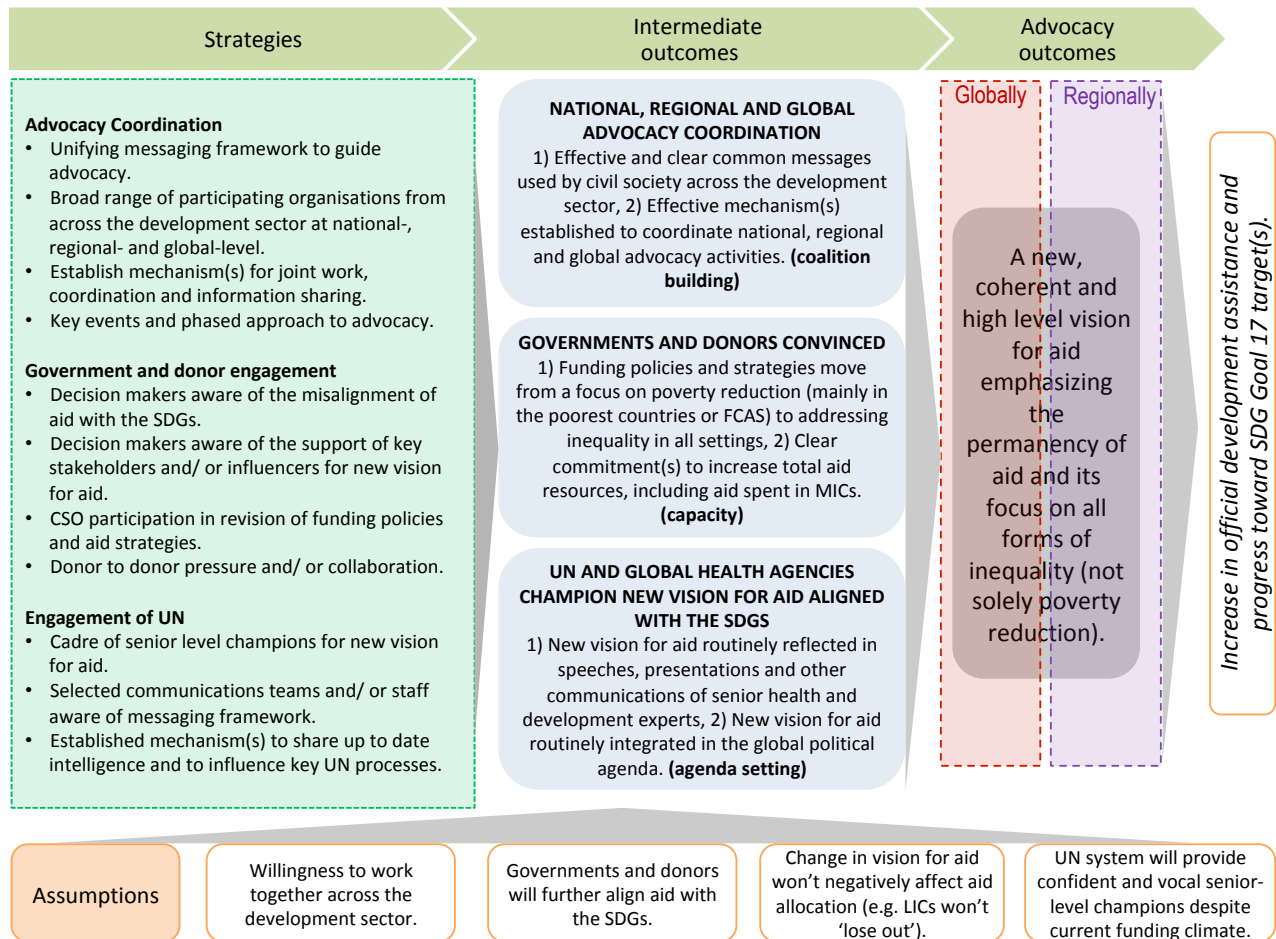
Participants reflected on how a new aid narrative might better reflect South-South Cooperation (SSC), given that much SSC includes technical support and knowledge sharing rather than money. Colombia, for example, which was represented at the meeting, provided US\$29 million worth of SSC in 2012 focused on peace and security, food security, disaster risk management, health, rural development culture, education and transportation. In other words, we need to find a way to take better account of the value and complementarity of non-financial support.

### *The importance of public money for development*

The Addis Ababa Action Agenda from the Third International Conference on Financing for Development included very little on official ODA giving the impression that development finance is now mostly about private sector finance and loans. A new aid narrative must work against this shift, which has also been noted in other fora, to ensure governments do not step away from grants. Private finance and loans have a role in development finance, but unblended aid is still required.

### 5. Next steps

As the retreat drew to a close participants made a range of proposals for next steps. These ideas complement a detailed Theory of Change that was drafted before the retreat and finalised with participant involvement.



This Theory of Change will underpin a process for moving forward with a new aid narrative by identifying key stakeholders, events and opportunities, maintaining the momentum achieved at this retreat.

#### Broader engagement

Given the enthusiasm generated by the meeting, broader participation was proposed among key influencers and decision makers. In particular, participants called for better engagement of colleagues from the global South, including from politics and civil society. Representatives of aid recipient countries were expected to be particularly vocal champions for the new narrative, but they will want to be engaged early on to help the process of identifying the problem and shaping the solution. Existing donors also need to be engaged to ensure they feel ownership of a new vision.



### *Reporting back*

This retreat was part of a larger process that got underway in early 2017 which a number of organisations and networks are already heavily bought into, in particular the Global Fund Advocacy Network (GFAN). Outcomes and key points of this meeting will be taken back to GFAN and other selected networks for further planning and input.

### *Further research*

It was recognised at the retreat that while the foundations for a new approach to aid and IPF had been articulated, more work was required to develop them and apply them to a range of circumstances across the world, from donor decisions to programme management to advocacy and campaigning. As such any programme of next steps must include a research and writing aspect.

### *Future meetings*

A number of options were discussed regarding future meetings and engagements, large and small, at which the ideas discussed at the retreat could be further discussed, refined and championed.

### *Links to the health sector*

While any new vision for aid and IPF is cross-sectoral, there are strong reasons to focus future efforts in the international health sector for the time being. First, many of the participants and drivers of this agenda come from that sector, meaning there is already a large base of support. Second, tying the very broad idea of “aid and IPF” to a particular sector grounds it in reality and facilitates real life conundrums and case studies to be discussed and played out. Third, health is an immediate and concrete subject to which all stakeholders will relate.

- A problem statement will be finalised in collaboration with meeting participants. It is envisaged that the problem statement will consist of a short summary (a paragraph) and a more detailed background note (one page).

## Annex 1: In their own words

In a final meeting, participants rallied around the need for a shifting understanding of aid and shared a range of insights both into the policy debate (i.e. what role aid and international public finance should play in supporting development) and how to communicate that to the wider public. Here we present some of those reflections, organised around categories suggested by a meeting participant (Chris Collins): Anger, Hope, Action.<sup>1</sup>

### *Identify the problem and opportunity (anger)*

- “Start with people. There has been unprecedented progress for individuals to date but we are at a turning point now. Millions are suffering from lack of access to health, education, equality etc.”
- “Recognise that aid has achieved great things, but that aid now needs reframing to achieve Agenda 2030. The Sustainable Development Goals present a broad, bold vision of equitable development but there is no adequate plan to finance it.”
- “Recognise that public sector aid is essential to success in development”
- “Emphasise that the decline in aid needs to be reversed; Addis and other statements undervaluing aid need a rebuttal”
- “Identify that more funding is needed from multiple sources; this is not a zero-sum game. This includes increased financing from private and domestic sources; public, private and domestic financing each have unique benefits and limits.”
- “Emphasise that income categorisation/ use of GNI to inform aid allocations is not helping UMICS, marginalised groups and aid orphan countries. Donors are exiting countries based on this and losing valuable progress/ undermining investments.”
- “Link specifically to healthcare, to use health as a case study but also to leverage the innovation and activism in the health sector.”
- “Recognise the challenges and volatility that exist in old conceptions of aid and development.”

### *Provide a new vision for aid (hope)*

- “Focus on people wherever they are; fairness, equality and solidarity – aid must meet the needs of all people including those in middle income countries.”
- “Recognise that aid is essential and needs to increase/ be maintained but also evolve to reflect the changing context - emphasising evidence, results, learning.”
- “Emphasise that ODA can learn from success in the health sector.”
- “Embrace the changing financing landscape, including working with and catalyzing domestic investment and private funding.”

### *Identify next steps in a new vision for aid (action)*

- “Emphasise that the new aid narrative makes political sense and that aid is an essential component in building a more equitable, more interconnected world.”
- “Call for action on upcoming specific opportunities such as GAVI eligibility; polio funding transition; Global Fund eligibility; and, multiple upcoming replenishments (including the Global Fund).”
- “Identify the need to build a movement championing the essential value of aid; the need for it to grow; to be accountable for results; and, to evolve to reflect the changing financing landscape.”

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<sup>1</sup> Note – these are not precise quotations but give a flavour of the comments made by participants



- “Recognise that focus must not just be on development finance, but also about mobilising domestic resources and ensuring there is country ownership of the ‘pot’.”
- “Emphasise the need to Increase aid to leverage other support/ instruments/ strengths; ‘leave no resource behind’. Messaging should not just be ‘more aid’, it should speak about global development/ health cooperation, so it covers all support (including non-financial) for development;”
- “Recognise that there are many narratives in place. It is necessary to distinguish between the narrative used to frame relationships with partners, and the narrative used with the public

## Annex 2: Meeting participants

1. Chris Collins	President, The Global Fight
2. Guido Schmidt-Traub	Executive Director, Sustainable Development Solutions Network
3. Jesse Griffiths	Director, Eurodad
4. Christoph Benn	Director of External Relations, Global Fund
5. David Hudson	Professor of Politics and Development, University of Birmingham
6. Michael Anderson	Visiting Fellow, Centre for Global Development
7. Gail Hurley	Development Finance Policy Specialist, UNDP
8. José Antonio Alonso	Professor of Applied Economics, Universidad Complutense de Madrid
9. Jonathan Glennie	Director, Ipsos Sustainable Development Research Centre
10. Allan Ragi	Executive Director, KANCO
11. Irene Keizer	Manager Policy and Grants, Aidsfonds
12. Juanita Olarte Suescún	Chief of Staff, Presidential Agency for International Cooperation, Colombia
13. Tony German	Co-Founder and Strategic Advisor, Development Initiative
14. Alise Abadie	Program Officer, Open Society Foundation's Public Health Program
15. Kerstin Åkerfeldt	Health Policy and Advocacy Advisor, MSF
16. Mabel van Oranje	Co-Founder and Executive Chair, European Council on Foreign Relations
17. Mikaela Gavas	Head of Development Strategy and Finance, ODI
18. Hannah Ryder	CEO, Development Reimagined
19. Jamie Drummond	Co-Founder and Executive Director, Global Strategy, ONE
20. Asia Russell	Executive Director, Health GAP
21. Peter van Rooijen	Executive Director, International Civil Society Support (ICSS)
22. Brenda Killen	Deputy Director, Development Co-operation Directorate, OECD
23. Jason Gagnon	Economist, OECD Development Centre
24. Anton Ofield-Kerr	Director, Equal International
25. Signe Gosmann	Associate, Equal International
26. Nick Corby	Associate Director, Equal International
27. Mike Podmore	Director, STOPAids
28. Aaron Oxley	Executive Director, Results UK
29. Javier Hourcade Bellocq	Founding Member, Argentinian and Latin American PLWH Network
30. Mohga Kamal-Yanni	Senior Health and HIV Policy Advisor, Oxfam
31. Camilla Bune Sørensen	Global Fund Advocacy Officer, Stop AIDS Alliance
32. Kanna Dharmarajah	Global Fund Lead, International HIV/AIDS Alliance
33. Kirsty McNeill	Executive Director, Policy, Advocacy and Campaigns, Save the Children