



## Plenary Session on Conflict and Fragility

4<sup>th</sup> High-Level Forum on Aid Effectiveness  
Busan, Republic of Korea  
30 November 2011

### *I. Objective*

More than 1.5 billion people live in fragile and conflict-affected countries. Caught in cycles of poverty and violence, few of these countries will achieve a single Millennium Development Goal by 2015. The New Deal for Engagement in Fragile States sets out five goals — legitimate politics, justice, security, economic foundations and revenues and services — to give clarity on the priorities in fragile states.

This plenary session was used to present and endorse the New Deal, and allowed delegates the opportunity to propose specific commitments to implement it.

### *II. Participants*

#### *Moderator*

**H.E. Ben Knapen**, Secretary of State for Development Co-operation, the Netherlands

#### *Panellists (in order of intervention)*

**Dr. Mustafa Mastoor**, Deputy Minister of Finance, Afghanistan

**H.E. Emilia Pires**, Minister of Finance, Timor-Leste

**Hon. Kevin Rudd**, Minister of Foreign Affairs, Australia

**H.E. Sylvain Maliko**, Senior Minister of Planning and Economy, Central African Republic

**H.E. Kosti Manibe Ngai**, Minister of Finance and Economic Planning, South Sudan

#### *Interventions from the floor*

**Hon Andrew Mitchell**, Secretary of State for Development, United Kingdom

**Ms. Josette Sheeran**, Executive Director, World Food Programme, United Nations

**Amb. Martin Dahinden**, Director-General, Swiss Agency for Development and Co-operation, Switzerland

### *III. Key issues discussed*

**H.E. Ben Knapen, Secretary of State for Development Co-operation, the Netherlands.** The Netherlands endorsed the New Deal on Engagement in Fragile States and, among others, will support efforts to ensure the new Deal, and the Peacebuilding and Statebuilding Goals inform the post-MDG development context. Three key areas that should receive more attention, in line with the priorities in the New Deal are: i) Prioritise underfunded areas like security, access to justice, (youth) employment, agriculture and livelihoods; ii) Support conflict prevention and dialogue by firstly building local capacity to manage conflicts peacefully and secondly set up inclusive development programmes; iii) Strengthen the role of women in peace building. The Netherlands will work with the Government of Afghanistan, and with other partner countries, to implement the New Deal.

**H.E. Emilia Pires, Minister of Finance, Timor-Leste.** The New Deal is a product of all member countries and organisations who came together under the banner of the International Dialogue, and a key response to the recognition that fragile states have different requirements than other



developing countries, as highlighted by the Fragile States Principles (2007). The International Dialogue and the g7+ group of fragile countries came together to have a hard look at what is working and what is not working in the way national and international partners work in fragile states. The New Deal which builds on the Dili Declaration and the Monrovia Roadmap, through its three pillars – the Peacebuilding and Statebuilding Goals, the FOCUS principles for engagement, and the TRUST commitments - provides a new framework for working more effectively and achieving better results in fragile states. Many countries have already endorsed the New Deal, the key challenge will be to make it real.

**Hon Kevin Rudd, Minister of Foreign Affairs, Australia.** Seven of the top ten countries recipient of Australian aid are considered fragile or conflict-affected and over half of Australia bilateral aid goes to fragile states. Fragility and conflict are therefore key issues for Australia's development assistance program. Australia supports the International Dialogue, endorses the New Deal and has already started implementing it, by agreeing to a new development agreement with Timor-Leste, through which Australia will align its assistance with Timor-Leste's own Strategic Development Plan and will work closer together to improve aid effectiveness, increase transparency and find better strategies for developing capacity. Australia will continue to work with the Government of Afghanistan and the Fiji interim government, among others.

**H.E. Sylvain Maliko, Senior Minister of Planning and Economy, Central African Republic.** In a country like Central African Republic, undergoing a fragile transition, effective collaboration with international partners is critical. The International Dialogue and the g7+ provide important channels for strengthening such collaboration. The New Deal responds to key interests of the Central African Republic including clear responsibilities of all partners to provide sustained support in the risky and long post-conflict phase, to focus on enhancing economic growth, and to provide adequate support to key areas like security. The New Deal is also important because it gives the right importance to the State and the exercise of its core functions. The Central African Republic welcomes the support from Belgium in their position as Chair of the Peacebuilding Commission country configuration for the Central African Republic and expects the New Deal to help channel more support to countries that, like the Central African Republic, are aid orphans and at high risk.

**H.E. Kosti Manibe Ngai, South Sudan, Minister of Finance and Economic Planning.** In supporting the New Deal, South Sudan focuses on implementation, the critical first step of which should be for countries to establish a single vision and plan. South Sudan has aligned the Development Plan with the goals, the principles, and the commitments of the New Deal. It has started implementing commitments on transparency and accountability in the use of funds (i.e. legislation for managing oil revenues), ensuring that funds are spent on priorities, and ensuring transparent financial management including by publishing budget data monthly, and measures to combat corruption. Development partners must improve predictability of aid and transparency by implementing the IATI standards and reporting on their disbursement on a quarterly basis, and that they must use country systems, as articulated in the New Deal. A good initiative being implemented in South Sudan is an agreement on a set of benchmarks that can be used to trigger the release of aid through country systems.

**H.E. Andrew Mitchell, Secretary of State for Development, United Kingdom.** In expressing support for the New Deal, the United Kingdom underlines the importance to work with governments even when fragile. The United Kingdom will do so, including by supporting special programmes and providing effective technical assistance in South Sudan (i.e. support to the national development Plan and the 5 goals in the New Deal) and Afghanistan based on the concept of the New Deal.

**Ms. Josette Sheeran, Executive Director, World Food Programme, United Nations.** The United Nations support the International Dialogue, the New Deal and its implementation. The five



Peacebuilding and Statebuilding Goals provide an important framework for close cooperation between development, security and political actors and to strengthen coherence in these efforts. The UN will support the establishment of compacts that foster mutual accountability.

**Amb. Martin Dahinden, Director-General, Swiss Agency for Development and Co-operation, Switzerland.** Switzerland supports the New Deal and will increase by 15-20% its support to development and humanitarian cooperation in fragile and conflict affected situations.

#### **IV. *Main conclusions and next steps***

The New Deal was welcome as a necessary and innovative agreement to improve collaboration and achieve better results in conflict affected and fragile states. The innovative elements of the New Deal, in particular the Peacebuilding and Statebuilding Goals, and the FOCUS part on enhancing country owned-led transitions out of fragility received great support. Clear commitments were also made on stepping up the implementation of key aid effectiveness principles in fragile states. The overarching message from this Building Block was that focus must be at the country level, and that country ownership and leadership, through such groups as the g7+, are the critical elements for success