

**First High Level Meeting of the Global Partnership for Effective Development Cooperation:
Building towards an Inclusive Post-2015 Development Agenda**

I. The Global Partnership for Effective Development Cooperation and the implementation of the Post-2015 Development Agenda

1. We, Ministers and leading representatives of developing and developed countries, multilateral and bilateral development and financial institutions, parliaments, local governments, private sector, philanthropic foundations and civil society organizations, met in Mexico City on 15-16 April 2014, in a spirit of full inclusion and solidarity, for the First High Level Meeting of the Global Partnership for Effective Development Cooperation, to build upon our voluntary adherence to the shared principles, common goals, and differentiated commitments that unite us in our collective pursuit of inclusive and sustainable development worldwide.
2. Global development is at a critical juncture. Poverty and inequality, in their multiple dimensions and across all regions, remain central challenges. Health pandemics, slow economic growth, food and energy insecurity, lack of quality education for all, conflict, fragility and vulnerability to shocks and natural disasters are also pressing concerns in many areas of the world. Climate change and managing the global commons add further complexity to our global agenda. At the same time, humankind technological achievements and potential to act together have never been so promising. The possibilities for human development are immense and for the first time in history we have at our disposal the means to end poverty at global scale in the course of one generation. But to achieve this, we must muster our political will for bold and sustained action for shared development. We are determined that our Global Partnership contribute to this effort.
3. As the global community strives to maximize progress towards the Millennium Development Goals and works at the United Nations to design a new, universal agenda for inclusive and sustainable development in post 2015, our Global Partnership will continue strengthening effective development cooperation, with poverty eradication, gender equality and the respect of human rights at its core, as an essential component of the international enabling environment for development, in synergy and cooperation with other convergent efforts, such as the United Nations Development Cooperation Forum. If the Post-2015 Development Agenda will define the “what”, the Global Partnership will decisively play a contributing role in the “how” of the implementation of this new global agenda.
4. Critically, our Global Partnership is building upon a transformative paradigm shift from aid effectiveness to effective development cooperation, geared to activate the long-term and broad developmental impact of strengthened reliance on domestic resources mobilization and the systematic leveraging of aid and other resources of all stakeholders in the public and private domains, at all levels, in support of development. The more effective our development cooperation is, the faster we can eliminate extreme poverty and secure a sustainable future that leaves no one behind. That is the fundamental aim of our Partnership.
5. With this conviction, we undertake to fulfill all our collective and individual commitments in support of financing for inclusive and sustainable development, particularly those agreed in the Monterrey Consensus, and upon this foundation, we reaffirm our determination, as articulated at the Busan High Level Forum on Aid Effectiveness, to generate sustainable and tangible results and opportunities for the benefit of all people at global scale, with a special attention to poor and vulnerable communities.

II. Concrete actions towards socially inclusive and sustainable development results

II.A. Progress since Busan and inclusive development

6. We welcome the evidence provided by the global monitoring report on the implementation of the commitments undertaken at the Busan High Level Forum on Aid Effectiveness in 2011, building upon the 2008 Accra Agenda for Action and the 2005 Paris Declaration on Aid Effectiveness, as well as the additional evidence provided by other relevant national reports on convergent efforts. Based upon this evidence, we recognize the progress made in upholding the Busan principles of country ownership, focus on results, inclusiveness, and transparency and mutual accountability. However, we also recognize that much more efforts and behavioral changes are required to fully implement the commitments of Paris, Accra and Busan. Thus, with renewed sense of urgency, we undertake to expeditiously address identified bottlenecks, gaps and inconsistencies to continue unleashing the full potential of our Global Partnership. As we move forward, we underline the following:

Ownership of development priorities by developing countries

7. We are encouraged by the actions undertaken in both developed and developing countries to ensure that cooperation actions are aligned to national priorities and strategies and tailored to country-specific situations and needs. However, we recognize that the efforts of developing countries to promote ambitious and complex domestic reform agendas need to be better matched by the engagement and commitments by providers of development cooperation.
8. In this context, we agree to broaden and strengthen our efforts to continue enhancing country ownership. In particular, we agree to invigorate efforts to reinforce and use country' systems as a default option, strengthen budget support as a delivery instrument, and untie and localize development cooperation, including through the use of local procurement.

Focus on results

9. We recognize the initiatives taken for improving country results frameworks to better manage monitoring, evaluate and communicate progress, and thus to provide a solid platform to promote scaling up of support, strengthening national capacities and leveraging additional resources and initiatives in support of the maximization and sustainability of development results and impacts.
10. To provide further impetus to this progress, we will continue strengthening joint programming based on these country' systems to enhance alignment with country priorities, avoid fragmentation of development assistance, and, on a priority basis, ensure the much required predictability of cooperation flows.

Inclusive partnerships and development

11. We encourage continued progress in ensuring that all stakeholders and voices are duly acknowledged and space is given and expanded to enhance inclusive and democratic ownership of the development agenda, in the spirit of openness, trust, and mutual respect and learning from the different and complementary roles of all development partners.

First Draft of the Mexico HLM Communiqué
(3 March 2014)

12. We recognize the importance of strengthening the critical role of parliaments in linking citizens with government, overseeing development cooperation processes and action plans, and laying down the legislative framework for development co-operation, including norms to help channel private sector investments and revenue toward development.
13. We also recognize the importance of providing further support to local governments to enable them to assume more fully their roles in service delivery and in enhancing participation and accountability at the subnational level, including through decentralization, capacity building, access to data, legal protection and international cooperation.
14. Representative civil society organizations (CSOs) play a vital role in enabling people to claim their rights, in promoting rights-based approaches, in shaping development policies and partnerships, and in overseeing their implementation. In this regard, we reaffirm our appreciation to the Istanbul Principles and the International Framework for CSO Development Effectiveness. Furthermore, we encourage the institutionalization of inclusive and democratic multi-stakeholder dialogue mechanisms at country level, as well as the establishment of enabling environment frameworks, consistent with agreed international rights, that maximize the contributions of CSOs to effective development cooperation.
15. We recognize that the private sector is an important actor in effective development cooperation, in partnership with the public sector and all relevant development stakeholders, albeit with a fundamentally different approach to delivering development results. We also acknowledge the role and value added that philanthropic foundations bring to the common effort of promoting inclusive and sustainable development worldwide. In particular, we welcome the voluntary Guidelines for Effective Philanthropic Engagement (GEPEs) that several foundations have developed in conjunction with the OECD network of Foundations Working for Development and encourage a continuous dialogue among all relevant development stakeholders to foster their implementation. We call upon foundations to report back about the lessons learned from their implementation of the GEPEs in the future.

Transparency and accountability to each other

16. We acknowledge global progress made for increased transparency, as more partners are improving the availability and quality of information on the scope and results and impacts of their cooperation actions and budgets, including through efforts to implement the common standard by 2015. But further efforts are needed in terms of timeliness, comprehensiveness, comparability, accessibility and forward-looking nature of the information and to ensure that overall progress in transparency meets the critical information needs of developing countries and of all stakeholders at country level.
17. We emphasize the need for country level requirements to drive accountability efforts. In particular, we encourage providers of development cooperation to make their funding information more transparent and usable by adhering to local formats as required by the recipient country, recognizing that this not only allows providers of development cooperation to be more accountable to local authorities, but also for the latter to be accountable to their citizens. We also reaffirm our commitment to inclusive mutual accountability and we encourage the participation of all stakeholders in country-led dialogue and frameworks for progress review.

Supporting transition to resilience of fragile and conflict-affected states

18. We reaffirm the priority and urgency of supporting fragile and conflict-affected states in their transition out of fragility and towards resilience, including in the context of the Post-2015 Development Agenda. Those of us who have endorsed the New Deal developed by the International Dialogue on Peacebuilding and Statebuilding, including the g7+ group, will continue to fully implement our agreed commitments. To this end, we will set clear benchmarks and make concrete plans for delivery of effective development cooperation, ensuring the fulfillment of both the FOCUS and TRUST principles and commitments and the reversing of the falling share of ODA going to the poorest fragile states. In addition, we will redouble our efforts to ensure all development interventions in these contexts serve to reinforce stability and address the drivers of conflict, including through additional support to the areas prioritized by the Peacebuilding and Statebuilding Goals.

II.B. Domestic resources mobilization

19. We recognize the critical challenge of ensuring the adequate mobilization of public and private domestic resources to support development. Governments' own revenues can play a greater role in financing and leveraging investments in social services and social protection, institutional and human resources development, and basic infrastructure. In this regard, we reaffirm our commitment to improve taxation systems and administration and combating corruption and illicit flows, including by taking decisive measures for the return of stolen assets and reinforcing the implementation of the UN Convention Against Corruption. We welcome the work on Base Erosion and Profit Shifting to curb transfer mispricing by multinational companies and acknowledge the efforts undertaken by many members of the Global Partnership to provide technical assistance and capacity-building on fiscal matters as required by developing countries. We also encourage the nations with industrialized economies to take account of the impacts from their own tax systems and trade policies on the prospects for lower income countries to effectively mobilize domestic resources in light of the increasingly globalized economy.
20. The strengthening and developing of an inclusive domestic financial sector, access of small and medium-sized enterprises to financing, the reduction of transfer costs of migrant workers' remittances, the incorporation of the informal sector into the formal economy, as well as the sound management of natural resources, are also important avenues to mobilize domestic resources for development, which we undertake to actively support.

II.C. Middle Income Countries

21. Many members of our Partnership are categorized as Middle Income Countries upon an indicator –income per capita–, which is limited in scope and does not capture their diversity and the complexity of the development challenges they face, such as poverty, inequality, vulnerability, lack of competitiveness and innovation, and the institutional weaknesses. It is important to realize that these countries have the largest number of people in poverty in the world. Global development cooperation would not be effective if support to them is phased out. Therefore, we recognize that the income per capita categorization criteria should be revised to account for these realities and to provide a sound basis for targeted and differentiated strategies for effective development cooperation with these countries, based on their specific country situations. We stress that the support to Middle Income Countries shall not be undertaken at the expense of the support provided to other categories of countries.

First Draft of the Mexico HLM Communiqué
(3 March 2014)

22. As we recognize the increasing importance of Middle Income Countries in the global economy, we acknowledge the dual role that some Middle Income Countries are playing as both providers and recipients of development cooperation and knowledge sharing and underline the importance of supporting their valuable role in South-South and triangular cooperation.

II.D. South-South and Triangular Cooperation

23. Southern partners have increasingly taken upon themselves the responsibility to share experiences and cooperate in solidarity with other developing countries, especially through regional integration initiatives, infrastructure and economic development, social protection, resilience building, and knowledge sharing. We welcome the positive impact of these valuable cooperation efforts and encourage their strengthening and broadening in quantitative and qualitative terms. Looking ahead, as the nature, modalities and responsibilities that apply to South-South cooperation differ from those that apply to North-South co-operation, we reaffirm that the principles, commitments and actions agreed in the outcome document of the Busan High Level Forum on Aid Effectiveness shall be the reference for South-South partners on a voluntary basis.
24. Triangular Cooperation is a novel way of promoting inclusive partnerships, which plays an important role in bringing together the diversity and richness of the experiences, lessons learned and different assets of North and Southern partners, by maximizing, through well-supported cooperation schemes, the use of effective, locally owned solutions that are appropriate to specific country contexts. We encourage scaling up the deployment of triangular cooperation projects.

II.E. Knowledge Sharing

25. We recognize the importance of country-led knowledge sharing for development effectiveness, especially considering its valuable contribution to the enhancement of national and local capacities. Knowledge sharing can involve North-South, South-North, South-South and triangular approaches including the active engagement of all public and private stakeholders. We encourage the development of networks for knowledge exchange, peer learning and coordination among all development partners. In this context, we encourage the active promotion of technology transfer and capacity building in support of developing country efforts to address inclusive and sustainable development challenges.
26. Critically, as agreed in the Bali High-Level Meeting on South-South Cooperation in July 2012, we will foster the sharing of knowledge and mutual learning through knowledge hubs by strengthening the capacity of country institutions to systematically engage in results-oriented knowledge sharing activities.

II.F. Business as a Partner in Development

27. We recognize the strong contribution of business to poverty eradication and sustainability through economic growth, wealth and employment creation, productivity and innovation, knowledge sharing and technology transfer, and expanded access to goods and services. In this context, we emphasize the critical importance of promoting an enabling business environment conducive to achieving inclusive and sustainable development.
28. We welcome the efforts made to strengthen and to put in place platforms and hubs for structured multi-stakeholder dialogue and exchange on the broad range of public-private partnerships with the aim of improving the alignment of business and development objectives, so that they are mutually reinforcing, and we look forward to hearing about their results. We also welcome the

First Draft of the Mexico HLM Communiqué
(3 March 2014)

charter signed by the businesses that are members of the Global Partnership and the United Nations Global Compact, with steps they will take to improve the impact of business on the broader development agenda.

29. We encourage the development of innovative public-private finance mechanisms that mitigate risk for investors and maximize development impact. We also encourage further efforts to scale up financing in partnership with diverse stakeholders in strategic sectors such as agriculture, health and education, water and sanitation and infrastructure.
30. Small and medium-size enterprises play a critical role in achieving inclusive and sustainable development, particularly in developing countries. We emphasize the need to fully support them and enhance their development impact, including through strengthened financial inclusion, technical assistance and capacity-building.

III. Working arrangements and the role of the Global Partnership toward Post-2015

31. We will convene every couple of years a High Level Meeting of the Global Partnership to take stock on progress made and identify ways and means to further advance effective development cooperation. Our next High Level Meeting will take place in [...].
32. We will continue upholding inclusive and democratic governance under the leadership of a Steering Committee that is accountable to and representative of the different constituencies and reflects the multi-stakeholder and action-oriented nature of our Partnership. The Steering Committee will continue to meet regularly. We look forward to its first meeting after Mexico on the eve of the United Nations Development Cooperation Forum in July 2014 in New York. With gratitude to the Steering Committee members stepping down, we congratulate our newly elected Co-chairs, and extend our most warm welcome to all our Steering Committee new members.
33. We welcome with appreciation Korea's initiative on hosting an annual workshop to take stock and bring together partners to review the implementation of the Busan commitments at country level, in order to support building up of evidence-based global high level political dialogue and commitment on effective development cooperation. We also agree on the need to build capacity for data collection and statistical analysis to monitor progress and evaluate impact.
34. We agree to undertake a comprehensive review of the global arrangements for monitoring Busan commitments towards the end of 2015 or early 2016 with a view to assessing their relevance to, contribution and fit with the upcoming Post-2015 Development Agenda.
35. We thank the United Nations Development Program and the Organization for Economic Cooperation and Development for their support to the Global Partnership and invite them to continue supporting the effective functioning of the Partnership. We will also explore ways and means for increased cooperation with other regional organizations and platforms.
36. Together, we undertake to make sure that the Partnership continues to have a constructive and action-oriented role in international cooperation now and once a post-2015 framework is agreed. With this purpose, we entrust the Steering Committee with the responsibility of submitting the message and results of this First High-Level Meeting of our Global Partnership to all convergent intergovernmental and multi-stakeholder processes, including the UN Development Cooperation Forum, the Monterrey follow-up conference, and the Post 2015 Development Agenda.

ANNEX4: Voluntary Initiatives of the Global Partnership.