



Forum for 21st Century on Effectiveness of Development Assistance

Notes

- According to the United Nations Millennium Declaration (2000), solidarity belongs to the fundamental values, which are essential to international relations in the twenty-first century. “Global challenges must be managed in a way that distributes the costs and burdens fairly in accordance with basic principles of equity and social justice. Those who suffer or who benefit least deserve help from those who benefit most.”
- In the present globalized world no one should be unconcerned about the basic needs of other countries and everyone should realize that solving the problem of poverty is on the interest list of every country. Poverty is a state of shortage of sources or an unequal access to its redistributing, which causes problems with basic human existence and consequently does not provide the life conditions and satisfying the necessities of life.
- Each country of the world has the share of responsibility in providing assistance to developing countries to help them fight the poverty and to integrate them into the world economy. In last decades, the importance of solving the problem of poverty and diminishing significant differences between the rich and poor increases rapidly. Unfortunately, solidarity and basic moral values are not the primary engine of providing development assistance. For a donor country, political and economical interests are more crucial and decisive than the criteria of urgency and inevitability of development assistance.
- The security and stability of the international relations is often directly proportional to the extent of poverty in countries and their regions. Resolving the problem of poverty and reducing it as much as possible will help fundamentally to achieve stable world environment. Nowadays, we cannot say that a world, in which two thirds of the population suffers from poverty, is a stable world.





- ✚ The initiative of Millennium Development Goals has been an important step in creation of a strategy in providing development aid and enhancing conditions of the least developed countries in the world, which have been affected by poverty in the worst way possible. But in regard of hardly performable Millennium Development Goals, the Forum decided to constitute the negotiations to point out the questionable effectiveness of current development assistance. The Forum realizes that in the last years the structure of countries on the side of donors and recipients has changed significantly. The need of revalue the current cooperation and coordination of donors and recipients is inevitable.

Proposes

- ✚ The crucial problem of current development assistance provided is its effectiveness. The Forum defines **insufficient communication among donors themselves and also between donors and recipients** as a main reason of the absence of efficiency. Insufficient communication does not lead to effective common cooperation and the main principle of countries in development assistance is based on a bilateral cooperation. Consequently it leads to uncoordinated flow of development aid to regions and countries and to collisions of interests of main donors (especially the European Union, the United States and China), which in conclusion causes its ineffectiveness. The Forum does not propose to increase the volume of financial capital provided by donors, but to review the way how it is used. Forum recommends discussing following points:

1. Creation of Platform for Development Assistance (PDA)

- ✚ The Forum strives to promote a closer cooperation of all donors and recipients in the world with the aim to unite development assistance provided by donors with the needs of all countries receiving it. The Forum proposes as a tool for better communication to **create** a special Platform for Development Assistance (PDA). The Forum recommends introducing the PDA in global scale with intention to prevent the contra effects of development assistance caused by insufficient cooperation of donors in conjunction with insufficient



communication in relation donors-recipients. The establishment of PDA should help in creation of the synergetic multilateral world development assistance cooperation.

2. Organization of PDA

- ▀ The PDA would be organized as a specific platform **in every region**, in which similar developing countries would be united. The Forum suggests creating the three main streams of PDA – in African continent, Latin America, Asia, in which mutual cooperation would be needed. The Forum recommends establishing creation at least these platforms: in Africa (Northern Africa, Western Africa, Central Africa, Eastern Africa, Southern Africa), in Latin America (Central America, Caribbean, South America), in Asia (Middle East, Central Asia, Southeast Asia).
- ▀ The PDA would be a mechanism based on the **clusters**, in which development assistance would be divided according to its type and specialization. The Forum recommends dividing each PDA into seven general sectors Agriculture and Food Security, Environment, Education, Health, Infrastructure, Science and Technology, Trade and Market Access. However, the creation of PDA clusters in particular region should be dependent on regional characteristics and specific needs of recipient countries.
- ▀ The platform would be an **internet database** of all countries, NGOs, organizations or private donors that provide development assistance in certain regions following the focus of their development assistance provided, that means according to its participation to the specific cluster. The crucial principle would be utilizing as much as possible the experience and advice of each participant in the clusters, sharing useful information and avoiding the duplicity of development assistance provided and in this manner to offer development assistance in more effective way.
- ▀ The Forum would like to invite all donors and recipients to support the initiative of establishing the PDA and to help in its formation by **financial and technical assistance**. The Forum welcomes the initiative of the World Bank to offer financial and technical



resources to enable the creation of PDA and also a similar financial support of People's Republic of China.

- ✦ The participation of all donors in clusters could create also **evaluative mechanism** of providing development assistance by recording the particular outputs and results of donors' activities in certain area. The established database could be a good report area of development assistance provided which would be available for general public and follows some kind of control mechanism would be present. All information that would be public in PDA database has to be available, true, comprehensive and public just in time. The PDA database containing the information of all projects and initiatives in every country could guarantee a **transparency** of development assistance.
- ✦ The **supervision** under the specific cluster in each PDA would be controlled by small commission composed by a group of main donors in particular cluster (which have the largest share of development assistance provided in particular cluster, it does not matter if it would be a country, NGOs, an international organization or a private investor) together with the all recipient countries of a given region. The position of donors and recipients in particular cluster would be based on the principle of equality.
- ✦ The Forum defines that the main problem of ineffectiveness in providing development aid is on recipient's side in political instability, weak preparedness of recipient economy for investments, bureaucracy and corruption. The implementation of PDA to some region consisting of recipient's countries would be under the **condition** of the visible effort, proving to fight against corruption and instable political environment.
- ✦ The Forum challenges recipient countries to define as clearly as possible the needs of its regions and their effort of application the measures for corruption prevention and for support political stability in their countries. When developing regions have already defined the needs or the efforts have already existed, the Forum asked these countries to **join** the specific PDA. On the other hand we challenge the donors to specify their country's and region's preferences and also define a type of their development assistance.



 In general, the main idea of establishing this platform would be to create a meeting-place where the dominant and the most urgent needs of recipient countries (specified by recipients if they are able to specify them) and the key investment interests of donor countries (presented by donors) come together. In this regard the Forum proposes the foundation of semiannual **official meeting** of all PDAs in Africa, Latin America and Asia. The Forum for 21st Century as an international NGO would take over an initiative in the preparation of this official meeting in each continent.

3. Creation of the Committee for Environment and Sustainable Management of Scarce Natural Resources

 The Forum realizes that the stagnation of developing regions (especially in African continent) is not caused by the resource shortage but on the contrary by the huge amount of scarce natural resources. These are in fact not in the real ownership of a possessor country, but they are completely in the hands of an investing country. The Forum recommends to each developing country within the frame of regional cooperation to create the Committee for Environment and Sustainable Management of Scarce Natural Resources, which would coordinate resource activities of investing countries in the region and would develop a common policy and set up the resource utilization rules. The Forum realizes that when the administration of scarce natural resources would be in hands of developing countries (under the condition of their political stability and low corruption environment), they would be able to create a **special funds** based on incomes from activities connected with scarce natural resources. The financial sources could be used for sustainable development in countries.