



October 15th, 2011

For the purpose of the conference held by the Forum for the 21st Century on 29th November 2011 reflected in the first draft of the negotiation paper, regarding the global development aid.

The United States of America would like to thank the Forum for 21st Century for the initiative made to organize the conference on Global economic issues. At the same time, we express our full support in solving problems encountered in the new global scenario as they require the adoption of a very cautious approach and analysis to ensure more effective functioning of the system and benefits for all involved. The USA stresses that it supports all efforts to take part in making the global development assistance more effective and is thankful for having an opportunity to contribute with its opinion.

The United States has a long history of extending a helping hand to developing countries struggling to make a better life and striving to live in a free and democratic country. The US placed the development and foreign aid on the same level as diplomacy and military power in U.S. foreign policy. We understand the progress needs to be done in terms of effectiveness of provided development aid. The success of an international engagement in those countries that need our help depends on the ability of every single donor to take into account the complexity of development challenges and the changing development landscape, and from the commitment to incorporate development expertise and an orientation toward results.

STANDPOINT OF THE USA ON THE FIRST PROPOSAL

With regard to the first proposal of the Forum for the 21st Century, the U.S. would like to highlight two important issues:




- Firstly, although the bilateral cooperation could be one of the factors that contribute to absence of efficiency in development aid, we do not believe the ineffectiveness is caused fully by bilateral cooperation of a donor and a recipient. However, we are sure; there is lot to be done in every donor's strategy concerning provided development aid. We would like to encourage donors to rethink their strategies which should be focused on reaching long-term results, in order to be sure that their programs achieve lasting change in recipient nations. The other important thing necessary to be considered is an approach taken, which must be case-by-case and country by country, region-by-region. There cannot be a single development model formulated for every recipient country. Which works in one country, does not have to work in another one.
- Secondly, we see the establishment of a new international organization (the Organization of World Official Development Aid) uniting all donors and recipients as a huge challenge. The creation of such an organization could stumble on whole range of difficulties. For instance, there would be a conflict of investing interests of donor countries. We would like to point out that developing countries would not probably benefit from such a system. We know that countries are more likely to prosper when they encourage entrepreneurship; when they invest in their infrastructure; and when they expand trade and welcome investment. However, the progress of the country is not based solely on incoming investments and the development should not be dictated by foreign capitals. The USA proposes not to interfere with the international investment flows.

STANDPOINT OF THE USA ON THE SECOND PROPOSAL


- The USA does not believe the creating of the OWODA in the current proposal will solve problems of developing nations. Firstly, the USA would like to emphasize its uncertainty with regard to which countries should be on the side of donor and recipient countries. Furthermore, the next obstacle is mentioned system of penalties and constraints for breaking the rules of the organization. No donor country wants to be the object of punishment measures for willingly participating in development aid.



STANDPOINT OF THE USA ON THE THIRD PROPOSAL

 Because over the long run, democracy and economic growth go hand in hand, the United States are ready to respond directly to country priorities in those countries that promote good governance and democracy; the rule of law and equal administration of justice; transparent institutions, with strong civil societies; and respect for human rights. However, the United States will make hard choices about how to allocate investments among developing countries as it is impossible to do all things well and everywhere. The decision must be made according to the impact it brings.

STANDPOINT OF THE USA ON THE FOURTH PROPOSAL

 The USA realizes the problem of ownership of scarce natural resources in developing countries. We want to encourage the African states integrated within African Union to discuss the possibility of establishing the Committee for management of scarce natural resources.

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