






Position of the World Bank for purpose of the conference held by the Forum for 21st century on 29 November 2011

The World Bank would like to thank the Forum for initiating the discussion and organization of the conference on the issues of development cooperation and aid effectiveness. As global leader in providing financial and technical assistance to developing countries around the world, we would like to express our support to the Forum. Taking into consideration the alarming global problem of poverty, the World Bank encourages the Forum and its participants' efforts to discuss current problems of development cooperation and suggest possible solutions.



Each of the World Bank's institutions plays a different role in advancing the vision of inclusive and sustainable globalization. The IBRD aims to reduce poverty in middle-income and creditworthy poorer countries, while IDA focuses on the world's poorest countries.

Our mission is to help developing countries and their people reach the goals by working with our partners to alleviate poverty. Based on underlying notes and proposals of the Forum, we would like to present our positions and proposals as well.

Notes



-  For more than 60 years, the World Bank has partnered with governments worldwide, reducing poverty by providing financial and technical help. But the recent food, fuel, and economic crises have made it even more difficult towards achieving MDG's.
-  This century is likely to see increased numbers of international crises and violent conflicts. This will mean loss of development opportunities and destruction of assets. Therefore, the human security issues should take a more central place in the development agenda.
-  Aid effectiveness is the impact that aid has in reducing poverty and inequality, increasing growth, and accelerating achievement of the Millennium Development Goals set by the international community.

In the section Proposals:

-  The World Bank is a leading body in efforts of the international community towards a greater aid openness and effectiveness of development cooperation. In the sense of fulfilling the aims of the Paris declaration on aid effectiveness and the UN Millennium declaration, the World Bank strives to align its development activities with those of the recipient countries as well as to harmonize its development programs in collaboration with other agencies with the only aim to increase the effectiveness of development aid.
-  The World Bank principally agrees with the propose of the Forum suggesting creation of a Organization of World Official Development Aid (OWODA). With regard to existing



efforts of international community for coordination of development aid (Paris declaration, Accra Agenda), the World Bank proposes the main principles of both Paris and Accra Agenda to be an integral part of OWODA principles and functioning. The Paris Declaration on Aid Effectiveness sets out five principles for improved aid effectiveness—ownership, harmonization, alignment, managing for results, and mutual accountability. Declaration was signed in 2005 by 35 donor countries, 26 multilateral donors, 56 recipient countries. Its principles are unified, harmonized and based on measureable indicators and are therefore recognized by international community. The World Bank, on condition that it will be based on existing principles of Paris declaration, welcomes an initiative to create an Organization of World Official Development Aid and is interested in its membership.

-  The World Bank's development activities are present in all continents and almost every country of the world, except of those most developed and rich countries. Anyway, the Bank realizes that a still growing number of different donors, organizations and groups are being involved in development activities in different poor countries. Therefore it has been inevitable to develop strategies to promote collaboration and coordination among development partners in a country. The Bank's Country Assistance Strategy takes as a starting point the country's own long-term vision for development and takes into account the Bank's comparative advantages in the context of other donor activities. The CAS identifies the key areas where the Bank's assistance can have the biggest impact on poverty reduction.
-  Countries with non-renewable natural resource wealth face special opportunities and challenges. If used well, these resources can create greater prosperity for current and future generations; if used poorly, they can cause economic instability, social conflict and lasting environmental damage. The Bank recognizes the growing need of supporting national governments in their efforts to have the control as well as influence over their own natural resources as much as possible. On the other side, the often weak capacity of governments in many resource-rich countries, corruption and the lack of transparency are barriers hampering good governance and economic growth. Therefore, based on the proposes of the Forum to create The Committee for management of scarce natural resources by African Union, the World Bank would like to encourage the African Union to include The Extractive Industries Transparency Initiative (EITI, multi-donor trust fund) in cooperation with the Committee. The global EITI, established in 2003, promotes and supports improved governance in resource-rich countries through the full publication and verification of company payments and government revenues from oil, gas, and mining.