



The World Bank

Media Contact:

In Washington DC: Christian Hofer, World Bank,
+1 (202) 458 0936

In Paris, France: Josephine Pagani, OECD
+33 (0)1 45 24 15 59

26 September 2005

Donors discuss practical steps to deliver increases in aid to poorest countries

The World Bank and the OECD Development Assistance Committee co-hosted a meeting today to discuss practical steps to help ensure the effective use and delivery of aid.

The meeting in Washington DC brought together donor countries from around the world, and included the African Development Bank, the United Nations, the Islamic Development Bank, the International Monetary Fund, the European Union, Asian Development Bank and Inter-American Development Bank.

It was agreed that renewed political commitment this year to increase aid, offer debt relief, and make aid more effective has created a favorable environment for increasing aid.

“The recent United Nations Summit set the seal of all world leaders on a commitment to eradicate poverty for reasons of both common humanity and common interest. Today we have made progress in clarifying what we need to do in order to deliver increased aid effectively,” says Richard Manning, OECD Chair of the Development Assistance Committee.

At the Gleneagles Summit in Scotland in July 2005, the G8 called on the World Bank to take a leading role to ensure that additional assistance is effectively coordinated and to support the partnership among the G8, other donors, and recipient countries. This role requires a close partnership between the World Bank, OECD DAC, the United Nations Development Group, the International Monetary Fund, and other multilateral development banks. The African Partnerships Forum, African Union, New Partnership for Africa's Development, African Development Bank and other partners will help guide the process in Africa.

“There is a strong recognition coming out of the recent Summits as well as the 2005 Annual Meetings of the World Bank and the IMF, that development efforts will need to

be dramatically scaled up to meet the Millennium Development Goals. That's why we have joined forces with the DAC to find concrete and monitorable steps to measure progress" noted Danny Leipziger, World Bank Vice President and Head of the Poverty Reduction and Economic Management (PREM) Network

The group recognized the importance of predictability, country ownership and effective donor coordination to underpin the effective scaling up of aid and agreed to work on the following three areas:

Achieving greater predictability and appropriate flexibility of donor financing.

In an effort to increase the transparency of donors' allocation systems, it will be important to enhance the collection of information on donor financing. This information can be shared to provide a better understanding of donor intentions and underpin medium-term perspectives that help give partner countries better assessments of long-term support.

Strengthening the Poverty Reduction Strategy PRS Process.

It was agreed that the PRS should remain the main instrument for translating commitments into action. Using the lessons of the 2005 Poverty Reduction Strategy Review, steps will be taken to strengthen the PRS process to encourage ambitious plans that are results oriented and country-driven. There was general agreement that more effective capacity building was central to such plans. This will include helping countries to build outcome driven national development strategies and to measure and report progress on these efforts.

Energizing the consultative group and roundtable process to achieve clarity and secure the financing needed for country plans to ramp up Millennium Development Goals efforts.

The World Bank led consultative groups and the UNDP led roundtables that have served as mechanisms for aid coordination, can be strengthened to help identify resources that will be available and results that will be expected, based on national strategies and budget processes.

The group agreed to meet next on December 6th in Paris to take stock of and further shape the implementation of this work.