Where There Is A Will There Is A Way
we have seen it now with trillions poured into funds

A few days ago the UN Secretary General Ban ki-Moon expressed his concerns that "the financial crisis does threaten to undermine all the UN's achievements and all its progress" and that "it would be the final blow that many of the poorest of the world's poor simply cannot survive"

With the present world situation having the potential to become globally more difficult on the political and on the humanitarian front by a worsening scenario within developing and underdeveloped countries, these concerns are shared by many. Due to the ramifications of the current crisis there is a possibility that the industrialised world might focus primarily on their problems at home and that the targets set regards aid, development, climate change and MDGs by developed nations might not be honoured.

However, there are two schemes that have already been used successfully during the debt crisis of the late 1980's and with some modifications these could again be revived during these globally testing times. The *debt-for-nature swap* is a scheme instituted in the late 1980s when a portion of a developing nation's foreign debt was forgiven in exchange for local investments in conservation measures.

The other scheme was known as the Global Environment Facility (GEF). GEF was set up, operated by the World Bank, various UN agencies, and a host of bilateral aid agencies to provide several hundred million US dollars per annum for biodiversity protection projects.

The setting up of a Global Solidarity Facility/Fund (GSF) could target national priorities related to aid, development, climate change and the MDGs. An example: developing countries could be paid **not** to cut down their mature, well-established, biodiversity rich forests. Forests also yield regional watershed benefits, benefits which were compensated by GEF. But today these countries can also take advantage of their forest resources to provide competitively priced carbon sequestration and emission reduction projects to industrialized countries, e.g. through the Clean Development Mechanism (CDM). The potential source of income would make concession renewal conditional on forest certification and would be a powerful, no-cost tool for governments to promote better management of logging concessions and have the potential to generate significant sustainable conservation payoffs with long-term benefits. In 2006 alone more than US$ 5.5 billion of carbon offsets were purchased. Guyana has already placed its rainforest under the protection of the UK in return for development and technical aid.

At a time that the industrialised nations have a credit squeeze and in order for commitments still to be achieved, a scheme *deducting* the promised amounts from a developing nation's foreign debt would free up money previously earmarked for interest payments. An example (and this could be an impetus for much needed renewal and changes within global financial institutions) for the WB/IMF to buy US$ 50 million worth of Niger's government debt from international commercial banks at a discounted price of e.g. 35 million (as was done during the debt crisis of the late 1980's) and in exchange the Niger government would commit to establishing a MDGs/development fund using the money thus freed up from the interest payments (which were due on the amount deducted) to implement projects related to the MDGs, development and climate change.

This would apply to all indebted countries to which MDGs/ development aid was promised. It might be necessary to make sure that the projects within a country are allocated and executed in a democratic and transparent manner, so that the money is indeed directed to such projects. Also to be considered is for the amount of the portion of funds still to be allocated for these to be *in the country's national currency* and whenever possible for national and local institutions, NGOs and enterprises to be involved, thus creating much needed jobs and for the money to circulate nationally thereby benefiting local trade.

It is also important to be aware that the financial crisis was brought about by the reckless behaviour of the 1st world's financial institutions with consequences for the 3rd world. The US and the developed nations need to accept responsibility for this on some level. While the West has borrowed billions to put into their banking systems, underdeveloped and developing countries cannot do this. They do not need more loans. The need part of their debt to be cancelled so that they can start implementing their MDGs.

It is very hard for many to understand that industrialised countries have billions for their financial institutions but then do not seem to have the money to help those who are at risk of losing everything or on the brink of starvation and death. This feeling of abandonment, of betrayal might have future consequences when it comes to diplomatic, political and trade relations. Such schemes will also go a long way towards relieving the feeling of indebted countries that these very debts were incurred illegally.

During these times of major financial turmoil the above schemes would still allow industrialised countries to pay 0.7 of their gross national product (GNP) towards aid, development and the Millennium Development Goals (MDGs), and UN's Secretary General Ban ki-Moon's concerns do NOT have to become a reality and "those least responsible" do NOT have to pay with their lives the price of an outdated financial system.

Like the debt-for-nature swaps, the debt-for-aid/MDGs swaps could be limited to a one-time or x-time payment/s and to be enacted at times of global emergencies, such as the ones we find ourselves in. It would also show that industrialised nations are well aware of the problems besetting the developing world and are willing to consider solidarity measures.

The two above schemes are mentioned as examples. The architecture for these might already be in place and with some obvious and needed changes these could be applied and made viable in a relative short time. It is up to the experts the likes of Prof. Stiglitz, Dr Yunus , Prof Krugman, Prof Sachs et all to see if there is any merit in these proposals and how this could best be achieved. The situation is such that we have to work on this collectively. If we don't do anything today, then the situation in the least developed countries could well get worse and then the committed 0.7% of GNP will need to be substantially revised, upwards. Not to do anything now will cost considerably more in the future.

Today current thinking along traditional economic lines might be 'limiting' and globalisation also require 'out of the box' and interdependent approaches. Civil society and NGOs have much to contribute.

Given the urgency of the times and with the meeting of the G8 and G20 in the US is set for November 15th then time is short. The above proposal could form the basis for further discussion and feedback by NGOs could be given to UN S.G. Dr Ban ki-Moon and the current EU President N. Sarkozy?

By working together and by putting our minds to achieving the best possible way forward, collective solutions can be found. But is there a political will? Is there the wisdom to understand why? Is there the courage to act? That is the question and no doubt the people of the world and especially the poor will expect the November 15 meeting in Washington to consider sweeping alternatives that put people first.

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