

Doha Draft Outcome Document. Proposals by Norway for the fourth section: Increasing international financial and technical cooperation for development

31. We reaffirm the crucial role of Official Development Assistance (ODA) in supporting **sustainable** development and facilitating the achievement of the IADGs, including the MDGs. ODA is particularly important for the countries of Africa, LDCs, LLDCs and SIDS, and it also often constitutes a critical element in peace building efforts. We are encouraged by good practices carried out to strengthen the partnership between developing and developed countries based on the principle of national ownership and leadership.
32. We are encouraged by the recovery of ODA from its declining trend before the Monterrey Conference. Since the Conference, there has been a significant turn-around in the overall volume of aid flows. ODA in real terms doubled between 2001 and 2007. However, we note with concern the overall decline in ODA in 2006 and 2007 and that a significant part of this doubling of aid in the previous period comprised growing debt relief **and to some extent also an increase in humanitarian assistance**. ~~The absorptive capacity of developing countries~~ **capacity of developing countries to absorb long term development** aid has increased significantly as a result of their improved domestic policies. We are encouraged that some donor countries have already made ODA commitments, such as the EU for 0.56% of GNI for ODA by 2010 and 0.7 % by 2015. We also welcome reaffirmed targets by the G-8 countries in Hokkaido, Japan, to increase their ODA to \$130 billion by 2010. The full implementation of these targets is vital to substantially boost the resources available to push forward the international development agenda.
33. We recognize that major efforts are still needed for achievement of the IADGs, including MDGs. Developing countries must formulate and implement effective national development strategies and the international community must increase its support substantially. To reach their agreed timetables, developed countries should take urgent measures to raise the rate of increase of aid disbursements. It is equally important that countries that have not already formulated timetables or reached 0.7 % of GNI as ODA do so. We once more urge all developed countries that have not yet done so to make definite efforts to achieve the target of 0.7 % of GNI as ODA to developing countries, including the specific target of 0.15 % to 0.20 % of GNI for LDCs, by 2010. Addressing the current high food and energy prices and implementing climate change-related actions carries a deep developmental connection and makes it ever more urgent to fully meet all the pre-existing cooperation targets. This will require considerable additional resources.
34. We also welcome increasing efforts by recipient and donor countries to ~~make~~ **improve the quality of ODA more effective and to increase its impact**. ~~The High-level Forums on Aid Effectiveness, which produced the 2005 Paris Declaration and this year's Acera Agenda for Action, are critical steps forward in this regard by stressing the fundamental roles of ownership, alignment, harmonization, managing for results and mutual accountability. Full implementation of these principles should contribute to more effective and efficient aid delivery and greatly improved outcomes.~~ **We endorse the 2005 Paris Declaration on Aid Effectiveness spelling out the fundamental principles of ownership, alignment, harmonization, managing for results and mutual accountability where we reconfirmed that national ownership is the key and**

acknowledged the critical role of parliaments and local authorities in preparing, implementing and monitoring national development policies and plans consistent with agreed international commitments on gender equality, human rights, and environmental sustainability. We resolve to take concrete, effective and timely action in implementing all agreed commitments on aid effectiveness. We will similarly enhance overall efforts to improve the quality of aid, including by untying aid, increasing budget support, streamlining conditions, and making aid more predictable.

35. We note that the aid architecture has significantly changed in the current decade. New official and non-official donors and novel partnership approaches, which transcend the traditional donor-recipient modality, have emerged. The flow of resources involved continues to increase significantly. This underscores the need for **reducing the costly fragmentation of aid by improving the complementarity of donor efforts and division of labour among donors within sectors, within countries and across countries, while paying due attention to the fundamental principles of ownership,** alignment and harmonization ~~coordination and ownership~~. We shall pursue efforts, both in the United Nations and in collaboration with other relevant institutions, such as, in particular, OECD/DAC, to advance cooperation among this growing community of partners. **If so desired by recipient countries,** we shall also strive to provide technical assistance for ~~the incorporation~~ **development and strengthening** of good aid policies ~~by recipient countries~~ **in support of** their national development strategies.
36. This increasing complexity of aid flows and the large number of new donors have made the task of tracking and assessing such flows more difficult. There is a growing need for more concrete and universal ways to keep track of aid quantity, quality and effectiveness, giving due regard to already existing schemes and peer review mechanisms. We invite the United Nations system, the World Bank, regional development banks and OECD/DAC to consider developing a joint proposal in this regard.
37. Aid can play a catalytic role in ~~removing~~ assisting **developing countries to remove** constraints to growth and development such as enhancing social and physical infrastructure, technological innovation, **domestic incomes and revenues,** empowering women and combating pockets of poverty. Aid can also be an important factor in triangular cooperation schemes that reinforce South-South cooperation. We will explore new and more effective assistance modalities to enhance the catalytic role of aid, in particular for LDCs. We will also seek innovative ways of better targeting middle-income countries. Regional cooperation could also be strengthened as an effective vehicle for mobilizing resources for development, *inter alia* by strengthening and developing regional financial institutions to assist in upgrading critical sectors.
38. We welcome the considerable progress made since the Monterrey Conference in the area of innovative sources of finance. Due to the initiatives by the “Group for Action against Hunger and Poverty” and, later, the “Leading Group on Solidarity Levies”, a number of new innovative financing sources have become a reality, or are in an advanced stage towards implementation, such as, *inter alia*, the International Financing Facility for Immunization (IFFIm), advance market commitments, and the airline ticket solidarity levy, which finances the international drug purchase facility UNITAID to help combat AIDS, tuberculosis and malaria. We acknowledge that these funds should be additional to, and not a substitute for, official development assistance and they should not unduly burden developing countries **or weaken their ownership.** We recognize the value of continuing consensus-building on current initiatives while further exploring and

evaluating the validity of other proposed innovative sources of finance by governments, non-governmental organizations and civil society.