



An innovative systematic approach for supporting development in low-income countries “Whole of Country Approach”

Aid to support developing countries is necessary. But it is not enough. Aid effectiveness should be enhanced in the framework of policy coherence for development.

THE CHALLENGE

- Official Development Assistance is essential for Low-Income countries. In some cases, it may cover as much as 50% of the overall state budget.
- The World Bank estimates that to continue maintaining and renewing infrastructure in Africa, some US\$ 75 billion are needed every year, while current ODA investments in infrastructure amount to only 4 billion.
- Therefore, it is necessary to **implement additional measures and mobilise additional resources** to support development. To fulfil this requirement, and with the aim of establishing an efficient coordination and of maximising the impact of multiple development initiatives, Italy promoted an innovative comprehensive approach to development that was adopted by all G8 partners.

G8 RESPONSE

Based on the Monterrey Consensus and the Doha Declaration on financing for development, the G8 adopted a new approach to development, aiming to value:

- **all available resources** (public and private funds including innovative financial mechanisms and philanthropic);
- **all policies** (development cooperation, international trade and free market access, debt relief, investments, peace and security);
- **all actors** (governments, but also local authorities, privates, universities, civil society..)

The result should be a “**whole of country approach**” which will mobilize the whole country system, without escaping from Governments’ responsibilities regarding development aid. **The final aim is to promote policy coherence for development.**

Building on this “whole of country” approach, the Italian Presidency has developed in **partnership with the OECD a proposal for a new assessment tool, aimed at monitoring all these factors which promote development and at evaluating their efficiency.** Such tool will be further defined, and presented at the next G8 Summit in 2010.