



MINISTERIAL COMMUNIQUE

1. We, Ministers responsible for development and international partnerships, convened in Paris on April 29 and 30, to address the challenges of the current global development architecture, as it leaves many partner countries exposed to repeated shocks, structural vulnerabilities, and long-term dependency.

2. We note with concern the rising debt burdens, poverty levels, food insecurity and humanitarian needs. We acknowledge the request from partners for self-reliance and country-ownership. We recognize that crises and conflicts disproportionately affect the most vulnerable. In this context, we commit to stepping up coordinated efforts to address these challenges and their immediate and longer-term impacts.

I. A new approach to development based on mutually beneficial partnerships

3. Our objective is to build a reformed development system based on mutually-beneficial partnerships, that takes into account our strategic interests and those of our partners. This approach should advance shared prosperity, durable growth and employment, collective security and stability. This entails achieving the empowerment of all women and girls and the full and equal enjoyment of all their human rights and fundamental freedoms as a key driver for development and economic growth.

4. While entering into this new era of development policy, we reaffirm the strategic role of ODA. Targeted ODA is essential to support partner countries priorities, reduce poverty and address global challenges in alignment with mutual interests.

5. To make the development system fit for purpose in a dynamic global landscape and implement this reformed approach, we call for an ambitious review of the OECD's Development Assistance Committee (DAC) including to better reflect private capital flows and other non-traditional forms of development finance.

II. A more effective development architecture for greater impact

6. To deliver, we need a more efficient and effective international development architecture; one that is less fragmented, relies on a broader base of donors and development providers, leverages more private and domestic funds and concentrates

concessional resources where they are most needed; one that aligns all financial flows contributing to development on locally determined priorities.

7. We aim to address the fragmentation of the development system and to improve its efficiency and effectiveness. We support ambitious outcomes to the ongoing reform efforts, including the review of the OECD DAC, the UN80 initiative, multilateral development bank reforms and vertical funds reviews. We will catalyze structural reforms which should rationalize the development system and ensure its efficiency and impact for people on the ground. We commit to do our part to simplify the development architecture, to reduce transaction costs, to uphold long-standing effectiveness principles including country ownership.

8. To that end, we support a sector-by sector approach, based on each organization's value and mandate. We will refrain from creating new funds without clear added value. We aim to strengthen coordination and coherence ahead of, and during, significant replenishment processes. We encourage funds to broaden their donor base and source of funding. We encourage collaborative approaches including between multilateral development banks, public development banks, vertical funds, and other development institutions to find synergies and areas for broader and deeper collaboration, including through mutual recognition of procedures, in close collaboration with the private sector.

9. We and our partners seek a different approach based on genuine partnerships and country ownership. We therefore promote country driven approaches such as country platforms as a key principle of development cooperation. We aim to end aid dependency, reinforce partner countries accountability and responsibility, through programs which encourage country co-investment, private sector engagement, performance-driven measurement, and clear pathways to self-reliance.

III. Strategic investments supporting partners' sovereignty and development

10. Public resources alone are insufficient to meet global development needs. International support should aim to complement and leverage other sources of sustainable funding. We advocate for mobilizing all forms of development finance, international and domestic, public and private, including from philanthropies, to increase the resilience and sovereignty of developing countries.

11. We call for mobilizing private capital more effectively and at scale to support our partners' development goals and prosperity, while maintaining strong support for countries most in need, where private capital is more challenging to crowd in. To do so, we intend to significantly expand the use of risk-sharing instruments, guarantees, and blended finance to crowd in private investment. We aim to support the development of local financial markets, enhance project preparation capabilities, and promote pipelines of bankable infrastructure and industrial projects.

12. At the same time, stronger and fairer fiscal systems are essential to long-term economic sovereignty and resilience. We will support partner countries to strengthen domestic resource mobilization, as part of a wider public finance agenda: raising revenues, spending

effectively, borrowing sustainability, improving transparency and managing fiscal risks, especially in key sectors such as health and education. We also intend to support partner countries facing debt vulnerabilities.

IV. Mutually beneficial partnerships for infrastructures and economic corridors

13. In the context of the G7 commitment to the Partnership for Global Infrastructure and Investment (PGII), we support mutually beneficial partnerships through connectivity and value chains development, including through a new approach for economic and development corridors, in line with the G20 Principles for Quality Infrastructure Investment.

14. We will also strengthen cooperation on reconstruction in fragile and conflict-affected environments, focusing on restoring essential infrastructure and basic services, reactivating economic activity, stabilizing local economies and capacity building.

V. A common commitment for future generations

15. We encourage all development actors to focus concessional resources where they are most needed, particularly in least developed and most vulnerable countries, taking into account the specific needs of countries exposed to external and natural shocks, natural remoteness, lack of access to capital markets, and protracted or ongoing conflicts.

16. In countries which have limited access to non-concessional or private capital, we call to focus resources in sectors of human development, including nutrition, food systems, education and health. We call on renewed efforts to prevent health security crises and disease outbreaks as major threats to global security and prosperity.

17. We task our experts to monitor the effects of the current fertilizer' shocks on food security caused by Iran's de facto closure of the Strait of Hormuz and to develop options to respond to that situation immediately.

18. We will act collectively to shape a development system that is more effective, delivers results through strategic resource allocation, strengthens mutually beneficial partnerships, engages the private sector and promotes global stability and prosperity.

This communiqué reflects the consensus between G7 members, and is without prejudice to complementary approaches by the G7 members.