





Position of the Pontis Foundation for the purpose of the conference held by the Forum for 21st Century on 29 November 2011.


The Pontis Foundation would like to thank the organization for initiating the discussion and organizing the conference on Global economic issues. At the same time we express our full support towards solving the challenges occurring in the new global scenario. After an in-depth analysis of the draft proposed by the Forum for the 21st century let us annotate it and include our suggestions as well.

The Pontis Foundation stresses that it supports all efforts to take part in providing development aid to developing countries in order to help them integrate into the world economy and making the official development assistance more effective in the 21st century.

In the section *Notes*:




-  The Pontis Foundation agrees with the Forum for the 21st Century that the United Nation Millennium Declaration (2000) proposes solidarity to be one of the fundamental principles in international economic relations. It is essential to understand that the issue of poverty as a shortage of sources and an unequal access to its redistribution doesn't provide satisfactory conditions for living. The security and stability of international relations is often directly proportional to the extent of poverty in countries and their regions, therefore it is not a matter of moral attitude only.
-  The Pontis Foundation fully supports initiative to negotiate an establishment of a new model of cooperation and coordination of donor and recipient countries to increase effectiveness of current development assistance to achieve hardly performable Millennium Development Goals.

In the section *Proposals*:

-  The Pontis Foundation as a member of the Platform of Development NGOs in Slovakia does not fully agree with a statement of the Forum for 21st Century that crucial problem of current development assistance is its effectiveness itself. Firstly, it is crucial to specify what we particularly understand under "effectiveness of development assistance". Either it is the



lack of financial support, insufficient political coordination of donor and recipient countries, political independence of development NGOs or effectiveness of monitoring and evaluation of ODA development projects. We believe it is essential to define it as clear as possible in order to evolve further negotiations. Regarding all participated countries and international organizations at the Forum, the Pontis Foundation suggests clear, specific, pragmatic and cost-effective and feasible political cooperation to become main goal this initiative would like to achieve.

-  The Forum for 21st Century proposes an establishment of the Organization of World Official Development Aid (OWODA) within a frame of UN structures. The Pontis Foundation has a reasonable doubt if this would contribute to improve cooperation of all participating countries as a whole. It is undeniable, that the United Nations has set as one of its main purposes to "help nations work together to improve the lives of poor people, to conquer hunger, disease and illiteracy, and to encourage respect for each other's rights and freedoms", but apart from that, its main mission remains "to keep peace and friendly relations throughout the world". Primarily, it still remains rather peacekeeping than development international organization. Its development agenda is being processed by UN Programmes and Funds, e.g. UNDP, WFP or UN-HABITAT etc. Introducing a new international organization wouldn't be cost-effective solution for all participants. This effort would lead to duplication of administrative structures, duplication of development capacity, ineffective expenditures and eventually, most of development assistance is being executed on a bilateral basis. The Pontis Foundation recommends to use the existing UN Programmes and Funds' administrative structures for multilateral political coordination and moreover, to redefine their development duties more precisely so that they will match actual requirements.
-  It is indispensable to take into consideration an essential demand for an extensive capacity building within developed, developing countries and development NGOs as well. From the point of view of donor and recipient countries, extensive capacity building is a key investment into the future of development assistance itself.
-  There are evident efforts to promote deeper regional integration in the African Union (in security, environmental and economic areas). Often it is the most crucial part to come to consensus when so diverse interests meet at negotiations. As a development NGO, the



Pontis Foundation points out the inseparable importance of non-governmental organization in implementing development assistance through concrete projects in the terrain. Whereby donor and recipient countries can introduce a legal and financial framework for implementation of ODA, NGOs should be invited as a third partner, who, in fact, in most cases implements financial resources allocated by donor countries.

- Developed countries have committed themselves to spend 0,7% of their GNI for the purpose of ODA, although only 5 countries have managed to meet that ambitious target: Norway, the Netherlands, Sweden, Luxembourg and Denmark. There is no relevant vindicatory mechanism to ensure the volume of financial sources for developing countries nowadays. In addition to, due to recent Global financial crisis and its effects on the world economy and public expenditures, it is even more difficult to increase ODA sources. Therefore, the Pontis Foundation invites the Forum for 21st Century to be a mediator for donor and recipient countries to agree on a specific cooperation framework, in the form of a development forum, conference or periodic meeting of all stakeholders to discuss recipients' needs and donors' regional preferences. There is still a specific kind of interlink missing in communication between donors and recipients, where development NGOs could play a vital role not only as a think-tank, but as experienced partners in providing development assistance with particular results on a microeconomic scale.
- The Pontis Foundation challenges the Forum for 21st Century to reconsider its submission to create the Committee for management of scarce natural resources subordinated to the African Union that would coordinate investing activities in the region. There is a reasonable doubt, whether such a programme could comply with liberation activities within World Trade Organisation. Developing countries should be concerned about extensive exploitation of their natural resources by transnational corporations that would even worsen their position in an international trade. An approach towards foreign investors (whether as a part of development activities or not) is really sensitive, mainly when trying to set specific conditions for a market access that would not harm its economy, this agenda requires a further discussion.