







**Position of the Pontis Foundation for the purpose of the conference held by the Forum for 21<sup>st</sup> Century, 29<sup>th</sup> November 2011.**

The Pontis Foundation would like to thank the organization for initiating the discussion and organizing the conference on Global economic issues and at the same time to express their full support towards any effort providing development assistance to developing countries in order to help them integrate into the world economy and making the official development assistance even more effective in the 21<sup>st</sup> 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. The Pontis Foundation fully supports initiative to negotiate an establishment of a reconsidered model of cooperation and coordination of donor and recipient countries to increase effectiveness of current development assistance to achieve hardly performable Millennium Development Goals.
-  As the Paris Declaration (2005) and the Accra Agenda for Action (AAA, 2008) founded on five core principles, namely ownership, alignment, harmonisation, results and mutual accountability; which have gained broad support across the development community as a road-map to improve the effectiveness of aid provided and its impact on society development.


In the section *Proposals*:


-  Referring to the findings of **2011 Survey on Monitoring the Paris Declaration** carried out by Organisation for Economic Development (OECD), for the most part, while many donor and recipient countries have made progress towards the set targets for 2010, but only few of them have been met.
-  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:



Denmark, Luxembourg, Norway, the Netherlands and Sweden. 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 increased effectiveness of aid provided is unnecessary.






 The Pontis Foundation welcomes the initiative of the Forum to harmonise wider cooperation among development stakeholders, donors, recipient, NGOs and civil society. On the contrary, an establishment of the Platform for Development Assistance (PDA) and its role is rather questionable. There is already **the Africa Platform on Development Effectiveness (APDev)** existing (founded in March 2011), which brings consultation, coordination and a common voice to Africa's development perspectives, strategies and policies. It primary focuses on capacity development, aid effectiveness and south-south cooperation by bringing together the African Union (AU), the UN Development Programme, the Economic Commission for Africa (UNECA), the World Bank Institute (WBI), Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), the African Development Bank (AfDB) and the pan-African Institute for Security of Studies (ISS). However, explicit representation of donor countries and development NGOs could bring an increased added value for all the stakeholders. Sharing knowledge and promoting coordination supplemented by introducing a regular meeting-place and an extensive project database would represent, in the opinion of the Pontis Foundation, much more effective tool to fulfil MDGs.

 Since February 2003, when representatives of donor and developing countries met in Rome for the first High Level Forum on Harmonisation, donors have committed themselves to work with developing countries to better coordinate and streamline their activities at the country level. Next meetings took place in 2005 in Paris and in 2008 in Accra, the capital of Ghana.

 Upcoming **4<sup>th</sup> High Level Forum on Aid Effectiveness (HLF-4)** will be held in Busan, the Republic of Korea (29<sup>th</sup> November – 1<sup>st</sup> December 2011), it presents a unique opportunity to define a new paradigm for aid and development (probably last chance to increase global



momentum before 2015, building a new development partnership including emerging countries and private actors and shaping a post-Busan framework with a clear focus on development results while moving from “aid effectiveness” to “development effectiveness”.

-  The expression “**South-South Cooperation**” describes the exchange of resources, technology, and knowledge among developing countries (known as countries of the global South), which the Pontis Foundation perceives as an important mechanism for not just regional but cross regional development cooperation. The Pontis challenges the Forum not to introduce a completely new development structure, but to upgrade existing one on African continent that would create an effective and feasible model for similar efforts in Asia and Latin America.
-  According to already mentioned examples of regional as well as cross regional development cooperation, the Pontis Foundation is of the opinion that developing countries should have the possibility of stronger voice on the ground of international organisations reflecting world community interest to make developing countries able to reach as much synergy benefits from development assistance as possible.
-  When bringing together donor and recipient countries, the Pontis Foundation finds it crucial to implement sufficient vindicatory mechanism among recipient countries when implementing structural reforms in the fields of anti-corruption legislative, evaluation and mutual accountability.
-  Proposed diversification of development assistance into various sectors has already been introduced on **APDev**: Agriculture and Food Security, Climate Change and Environment, Education, Health, Infrastructure, Science and Technology, Trade and Market Access. The Pontis Foundation puts a remark, if this specification is universal worldwide or should be adjusted according to regional characteristics.
-  Finally, a well known example of Botswana, an African country that could take advantage of natural resources that led to balanced economic growth. Revenues from its exploitation were in fact partially put into specialized development funds, which were used to support several development projects in the country. Taking this unique long-term development



## The Model Conference Global Economic Issues

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strategy into consideration, the Pontis Foundation steps in to emphasize its tangible contribution towards economic growth and development as well. All the negotiating partners should take this proposal into account; otherwise they may face negative results known as “resource curse” of countries with abundance of natural resources.



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21<sup>ST</sup> CENTURY

