

# HPG Background Paper

## **Diversity in donorship: the changing landscape of official humanitarian aid**

### **Aid donorship in Central Europe**

Sven Grimm and Adele Harmer,  
Humanitarian Policy Group, Overseas  
Development Institute

#### **About HPG**

The Humanitarian Policy Group at the Overseas Development Institute is dedicated to improving humanitarian policy and practice. It conducts independent research, provides specialist advice and promotes informed debate.



**Britain's leading independent  
think-tank on international development  
and humanitarian issues**

Overseas Development Institute  
111 Westminster Bridge Road  
London, SE1 7JD  
United Kingdom

Tel: +44 (0) 20 7922 0300  
Fax: +44 (0) 20 7922 0399

Email: [hpg@odi.org.uk](mailto:hpg@odi.org.uk)  
Websites: [www.odi.org.uk/hpg](http://www.odi.org.uk/hpg)  
and [www.odihpn.org](http://www.odihpn.org)

Humanitarian Policy Group  
Overseas Development Institute  
111 Westminster Bridge Road  
London  
SE1 7JD  
United Kingdom  
Tel:+44 (0)20 7922 0300  
Fax:+44 (0)20 7922 0399  
Email: [hpg@odi.org.uk](mailto:hpg@odi.org.uk)  
<http://www.odi.org.uk/hpg>

© Overseas Development Institute 2005

## **Contents**

Acronyms

1. Executive summary

2. Introduction

3. Drivers to (re)create international aid programmes in the 1990s

4. The policy and management of aid

5. The aid programmes: prospects and implications

6. Conclusion and recommendations

Annexes

References

## Acronyms

CEEC	Central and Eastern Europe Countries
CIDA	Canadian International Development Agency
CSO	Civil Society Organisation
CZK	Czech Krona
DAC	Development Assistance Committee (of the OECD)
EDF	European Development Fund
EU	European Union
FoRS	Czech Forum for Development Cooperation
GDP	Gross Domestic Product
GNI	Gross National Income
IOM	International Organisation for Migration
LDC	Least Developed Countries
MFA	Ministry of Foreign Affairs
MIC	Middle-Income Country
MS	Member State (of the EU)
NATO	North Atlantic Treaty Organisation
NGDO	Non-Governmental Development Organisation
NGO	Non-Governmental Organisation
ODA	Official Development Assistance
OHA	Official Humanitarian Assistance
OCHA	Office of Coordination for Humanitarian Affairs
OECD	Organisation for Economic Cooperation and Development
PAH	Polish Humanitarian Organisation (NGO, Poland)
PINF	People in Need Foundation (NGO, Czech Republic)
TACIS	Technical Assistance for the Commonwealth of Independent States (EU programme for the former Soviet Union)
UNDP	United Nations Development Programme
UNHCR	United Nations High Commissioner for Refugees
WFP	World Food Programme

## 1. Executive summary

This study explores the way in which the eight new Central European members of the European Union (EU) are formulating policies, establishing administrative capacity and working with operational partners to develop international humanitarian assistance programmes.

Many of these countries consider themselves 're'-emerging, rather than emerging, donors in international aid. During the period of communist rule, the former Soviet bloc provided support to 'socialist brother' countries or 'friendly regimes' throughout the developing world. A number of important drivers prompted the return to aid provision after independence. First, there were regulatory pressures. These were primarily set by the requirements of EU accession, which bound each new Member State to implement the existing '*acquis communautaire*'. Additionally, there were 'soft' regulatory pressures for those countries that were members of the Organisation for Economic Cooperation and Development (OECD), to conform to intergovernmental norms and standards for international assistance programmes set by the Development Assistance Committee (DAC) of the OECD. Second, there were issues of national self-interest. For the majority of Central European states, strategic and security interests, particularly related to the eastern European region, are key concerns in foreign policy. Aid, and particularly humanitarian aid, is considered an important policy instrument in maintaining regional stability, including containing migration from the east and reducing the impact of conflict. In addition, aid programmes were developed to support the ambition and sense of national pride involved in the transition to the 'West', and the shift from being aid recipients to being donor governments. The third set of drivers is more philosophically based, particularly the principle of solidarity and identity with vulnerable populations, a moral (and Christian) obligation to give charitably and support others less advantaged than oneself. These drivers are underscored by Central Europe's own experience with political and economic transformation in the early 1990s, and a desire to export this expertise in transition to other countries.

The aid policies and programmes of the new EU member states remain in flux, as administrators grapple with the political and bureaucratic challenges of formulating aid strategies, and the process of implementation. The highly diffuse responsibility for aid, amongst various line ministries, makes policy-making and coordination challenging. Although an articulation of the objectives of official humanitarian aid remains weak, it captures greater public interest and support than development aid. Bilateral preferences for channelling assistance predominate, primarily due to a belief that this provides visibility for the government's official contribution. Multilateral spending in humanitarian assistance is low, though aid via UN humanitarian agencies and the European Commission may slowly increase, as trust and confidence grow in the multilateral system and the successes of the enlargement process, including boosting economic growth, continue. Selectivity is emerging with regard to the recipient states of development assistance, while the allocation of humanitarian aid is diversifying to more complex crises, with a wider and more global focus. Whilst budget constraints will persist and will affect ODA volumes, international obligations within the EU framework suggest that there will be a steady growth of ODA from Central Europe in coming years, albeit from a smaller economic basis than in the EU-15.

The shift from recipient to contributor in the international aid system is a challenging one. It has economic and administrative, but also cultural implications. The shift will continue to be demanding for Central European policy-makers, particularly in formulating and implementing policy and rationalising and coordinating administrative procedures. Politically, the ability to manage the expectations of populations who are still receiving assistance whilst at the same time developing a culture that is supportive of assisting others internationally over the long term will be demanding. The EU-15 and the EU Commission have a significant role in facilitating awareness-raising and providing targeted technical assistance, as well as

encouraging an interest in deepening coordination linkages and policy harmonisation. In the past, much of this support has been ad hoc and often come from partners outside the EU.

## 2. Introduction

This study explores the way in which the governments of Central Europe (eight out of the ten Accession states to the European Union) are formulating policies, establishing administrative capacity and working with operational partners to develop international humanitarian assistance programmes. The case study forms part of a global study undertaken by the Humanitarian Policy Group at the Overseas Development Institute, examining the policies and practice of donors that are not members of the Development Assistance Committee (DAC) of the Organisation for Economic Cooperation and Development (OECD), the central body for consultations among aid donors on assistance to less developed countries. The study primarily focuses on official humanitarian donorship (OHA), but recognises that distinctions between humanitarian and other forms of assistance may not always be clear.<sup>1</sup> The rationale for examining humanitarian donorship is based on the assumption that new international assistance donors often first engage in the humanitarian arena, albeit on an *ad hoc* basis, before committing to longer-term development cooperation programmes. Humanitarian programmes prove attractive for a number of reasons, in particular because this form of financing allows for flexible and voluntary responses and is often highly selective in its nature and choice of recipient, as well as appealing to public concern.

The Central European study is the first of three regional case studies. The other two examine the Gulf States and Asia. Each region was chosen to examine a specific set of concerns and themes. The Central European region was chosen primarily to examine the impacts of the accession process to the EU and the legal obligations and challenges this process posed, as well as to examine the changing patterns of receivership and donorship over time, particularly whether the aid priorities during the socialist period or a country's recipient status has legacies in developing new international aid programmes. The study focuses on three countries in particular, Poland, the Czech Republic and Slovenia.<sup>2</sup> It provides illustrative examples of others, as appropriate.

The paper aims to identify the major drivers and policy shifts in the 1990s with regard to the development of international assistance programmes and the formulation of aid policies amongst the Central European countries. These policies and their management will be examined in Part 3. The assessment of the policy and administrative environment will allow for consideration about the prospects and challenges for the aid programmes in Part 4. Policy recommendations for engagement with the (re-)emerging donors in Central Europe will conclude the paper.

---

<sup>1</sup> The definition of humanitarian action includes the protection of civilians and those no longer taking part in hostilities, and the provision of food, water and sanitation, health services and other items of assistance, undertaken for the benefit of affected people and to facilitate the return to normal lives and livelihoods (from the Good Humanitarian Donorship initiative, 2003).

<sup>2</sup> Poland and Czech Republic were chosen due to their status as significant political and economic actors within the accession states (particularly Poland), and due to their relatively advanced reform process. At the time of this study, both countries had nascent post-communist development programmes and small but influential NGO communities (particularly the Czech Republic), some of which were recognised as official partners of the European Commission's Humanitarian Office. Both of these countries are members of the OECD, and have observer status with the DAC (this is also the case for Slovakia and Hungary. None of the other new EU members are members of the OECD). Slovenia was chosen because it is a relatively small state, with a different socialist and post-socialist tradition of aid donorship than most of the Central Europe states.

### 3. Drivers to (re)create international aid programmes in the 1990s

#### *3.1 Historical background and domestic drivers*

During the period of communist rule, the former Soviet bloc, including what was then Czechoslovakia and Poland, provided support to ‘socialist brother’ countries or ‘friendly regimes’ throughout the developing world. Within the COMECON, the organisation of communist economies, mutual assistance was officially propagated. Recipient countries included Cuba, Vietnam, Mongolia, Angola and South Yemen (Hancilova 2000; Machálek 2004). As with all government functions, it was controlled by the Communist Party apparatus, and managed according to ideological dictates and Cold War priorities, with almost no accountability to citizens for whom ‘donations’ to aid initiatives were often mandatory (cf. Hancilova 2000). Assistance was also provided by the Eastern bloc (and former socialist Yugoslavia) in the form of in-kind state assistance and student scholarships for developing countries.<sup>3</sup>

As an integral part of former Yugoslavia, Slovenia had a different starting point from other Central European countries. The former Yugoslavia was a driving force in the Non-Aligned Movement, and contributed to development assistance, in particular through the Solidarity Fund for the Non-Aligned and Other Developing Countries, created in 1974 (Mrak 2002). Development assistance and the obligation to ‘ensure resources for the development of economic cooperation with [developing] countries’ was identified as a priority in the Yugoslav constitution (Art. 281, point 7). In terms of strategic policy, the Solidarity Fund had much of what is still considered ‘good practice’ for aid donorship today: an articulation of principles and goals; a definition of comparative advantage, and clear selection criteria, with the aim of giving at least two-thirds of its grants to Sub-Saharan Africa and 20–25% to Asia. The Solidarity Fund was only one instrument in Yugoslav relations with developing countries; it was financed by contributions from each Yugoslav republic (0.1% of public sector GNP). As was common in the 1970s and 1980s (and still is for some DAC donors), all grants were tied to ‘goods and services of Yugoslav origin’. Assistance explicitly included resources for ‘the realization of solidarity with liberation movements’ (cf. RCCDC 1983). While identifying natural disasters as a reason to assist affected countries, the first reason for emergency assistance was to help countries affected by ‘frequent destructions caused by foreign aggression’ (RCCDC 1983: 52–53). Emergency assistance therefore was both motivated by humanist principles of solidarity, and by a desire to further (socialist) foreign policy goals.

In the early 1990s, the political and economic transformation of the former Soviet bloc in Europe took place at rapid speed. Peaceful regime change and revolutions, transformations of states and secessions from larger entities took place throughout Central and Eastern Europe. Political systems and economies were fundamentally and rapidly changed; so was the position of an entire region in the international system. These transforming countries, in particular Poland, Hungary, the then Czechoslovakia and others, benefited from early political and financial support from the EU for their transitions.<sup>4</sup> The transformation states aspired to the norms and standards of policy-making in Western Europe. With regime change and the early years of transition, foreign aid programmes mostly ceased, with the effect that past expertise and institutional knowledge were lost.

Humanitarian crises were the re-entry point to international assistance for Central European countries. Recipients were countries near to the region. The Balkan wars, particularly the siege of Sarajevo (1992–96), acted as an important trigger. At first, assistance operations were primarily NGO-driven and privately financed, with limited state involvement. This was

---

<sup>3</sup> Outside Moscow, the Patrice Lumumba University trained a considerable proportion of the post-independence African elite. In the case of Hungary, the number of foreign students during socialist times was estimated at 6,000 Cuban and 4,000 Vietnamese students (cf. Kotz/Stumm 2004).

<sup>4</sup> Assistance since accession has taken the form of structural funds, which regions in all 25 Member States receive (to varying degrees) from the EU.

the height of state transition in Central Europe, and official public policy and administrative capacity were focused on national concerns, and managing population flight across borders, rather than mobilising aid to send into the contested region. Local NGOs fundraised and organised convoys to deliver emergency aid to the population of besieged Sarajevo, and further afield during the first war in Chechnya (1994–96). Existing national chapters of international NGOs, such as Caritas, responded by appealing to their dioceses to support their efforts. The national Red Cross societies, particularly in Slovenia, were also key actors, both in supporting refugees that had fled from Bosnia and Croatia, and in supplying relief to the region. New international assistance NGOs were founded during this period with the explicit aim of delivering support for populations in the region. This is the origin of two of the largest and most influential humanitarian NGOs in Central Europe today: Polish Humanitarian Assistance (PAH) and the Czech People in Need Foundation (PINF). The principle of solidarity with those suffering in the region was given as a major motivation for their establishment. Today, both PINF and PAH have operations in frontline conflict zones in Chechnya, Iraq and Afghanistan, as well as further afield. Solidarity with vulnerable populations thus extended beyond the neighbourhood to reflect a more universal set of ambitions. PINF, for example, has mounted 32 operations in its 11-year history, in countries as diverse as North Korea, Cuba, Somalia, Colombia and Burma.

The Czech Republic claims to have been the first country of former communist Central Europe to re-institute an official foreign aid programme, in 1995 (Hancilova 2000).<sup>5</sup> However, the rationale for an assistance programme probably first came to officials in newly-independent Slovenia. Slovenia's close proximity to the war in Croatia and Bosnia resulted in large-scale population flight to Slovenia in the early 1990s.<sup>6</sup> This promoted internal debate on refugee issues, which, as early as 1992, brought about the country's ratification of the Geneva Convention and Protocol on refugees and its accession to other international treaties concerning refugees. UNHCR was established in Slovenia in 1992 at the request of the Slovene government to assist in the response to the massive influx of refugees.<sup>7</sup> The refugee crisis marked the first phase of Slovenia's (re-)entry into official donorship (Mrak 2002). In 1994, Slovenia declined an offer of international aid for ex-Yugoslav refugees, claiming that it could take care of the refugee issue on its own (Mastnak).

Other official government programmes, such as Estonia's and Slovakia's, were established in the late 1990s, as part of the process of accession to the EU.

### *3.2 Repositioning in the international community*

Policy change in the Central European countries in the field of international assistance was motivated by an aspiration to be regarded as independent, and no longer part of a fading 'Eastern bloc'. EU enlargement policy fuelled applicant countries' aspirations in this 'scramble for Europe' by evaluating and negotiating on a country-by-country basis. Negotiations focused on adapting candidate countries to the EU, rather than creating a new foundation or new goals for European integration. International aid was only a minor issue on the accession agenda. However, actors in the relevant ministerial departments in Central Europe maintain that the expectations of the EU were a motivating factor in the creation of an assistance policy. Additionally, an aspiration to participate in the EU 'aid market' and

---

<sup>5</sup> Actors of the Hungarian Aid Agency HUNIDA mentioned in personal communications that Hungarian assistance was never fully suspended, and thus carried on throughout the transition period. However, all governmental interview partners across the region emphasised past traditions of assistance. The Czech state was also the first post-communist country to join the OECD.

<sup>6</sup> The Office for Immigration and Refugees, the body established due to, and in charge of, refugees from Croatia and Bosnia, states that there were 70,000 refugees present in Slovenia in the summer of 1992 (45,000 of which were registered).

<sup>7</sup> Assistance (albeit very limited in size) was channelled to the World Bank Group, EBRD, UNDP, FAO, UNIDO and other UN agencies. UNHCR offered assistance to the host state, so that Slovenia could provide material and legal aid to refugees (Kalin 2004 unpublished).

compete on an equal footing was seen as important (Polish MFA 2003; Czech MFA 2002a:10).

The process of transition from recipient to donor country is little documented, and the Central European countries are no exception. Each country in Central Europe has had to engage with a complex aid architecture. Each financial and technical assistance provider has its own criteria for ‘graduation’ and the timeframes for the transition process differ considerably.<sup>8</sup> Slovenia was the first country within the Central European region to start the graduation process with the World Bank (Mrak 2000) (it started in 2000). In May 2005, the Czech Republic announced its intention to graduate from borrower status with the World Bank. Poland, with a GNI per capita of \$4,570 in 2003, remains below the World Bank’s ‘graduation threshold’. A comparison of Poland’s transitional status is reflected in Table 1, which outlines the development assistance the country received and provided in 2002 (UNDP 2004).

**Table 1: Development aid received and donated by Poland in 2002**

	Received	Donated
<b>Amount</b>	\$1,160 million	\$14 million
<b>ODA/GDP</b>	0.6%	0.008%

UNDP is the other key multilateral assistance actor engaged in the transition process of Central European countries. UNDP has steadily shifted its approach in the region from one of a development agency for populations inside a country’s borders, to facilitating each country’s shift from recipient to contributor mode. Today, UNDP sees its primary role as facilitating development assistance programmes for other parts of the region. UNDP’s role includes ‘civic development education’ – encouraging populations to be supportive of assisting others internationally (see Section 5 for further details). The perception of UNDP in the region varies. Smaller and less developed Central European countries recognise the need for a continued UN development presence, while others, including officials from the EU Commission in Brussels, have pushed for greater EU engagement and mentoring (this is discussed below).

Bilateral donors have different criteria and methods for reducing their aid programmes in Central Europe.<sup>9</sup> Canada, for example, completed all its ODA support to seven of the Central European states by 2004. Canada has subsequently been very engaged in bilateral technical assistance programmes throughout the region, as well as developing ‘twinning’ programmes for assistance in third countries. USAID has also signalled an interest in engaging in similar activities.

### *3.3 Legal requirements of EU accession and ‘soft law’*

Previous EU enlargements required the capacity to implement current EU legislation – the so-called ‘*acquis communautaire*’. In the case of eastern enlargement, this requirement effectively shifted to the actual implementation of EU legislation on the date of accession, 1 May 2004 (Maniokas 2004). Membership aspirants individually negotiated phases for the implementation of EU law and possible compensation with the EU – not the legislation itself. Negotiations were organised in 31 chapters; development cooperation policy was dealt with under chapter 26 (‘external relations’). Agreements and conventions signed by the EU became binding for all the new EU Members on 1 May 2004. Explicitly mentioned in the

<sup>8</sup> For example, the World Bank’s ‘graduation threshold’ is the point at which discussions to begin formal graduation from borrower to donor status with the World Bank would normally begin. The ‘graduation threshold’ is \$5,115 (2001 prices) GNI per capita.

<sup>9</sup><http://www.acdi-cida.gc.ca/CIDAWEB/webcountry.nsf/AllDocIds/A6AAB64E10838F8D85256C64004B460D?OpenDocument#1>.

accession documents was the Cotonou Convention.<sup>10</sup> Most of the requirements of EU development policy are considered ‘soft law’, i.e. political rather than legal commitments.

Only scant attention was paid to development cooperation policy during the accession negotiations.<sup>11</sup> It was considered by many to be the ‘32<sup>nd</sup>’ chapter. This is partly due to the level of integration in external relations; the Commission has only limited competences in this policy area. About 10% of current EU expenditure is on external relations, much of which is to neighbouring countries, and not ODA in the formal DAC definition (Grimm 2004). The scant attention therefore can also be seen as an indicator of low political priority; development policy was apparently not even discussed.<sup>12</sup> Contrary to the practice of some established Member States, which evolved during renegotiations of the EC treaty *after* their accession, there are no ‘opt-outs’ for new Members; states applying for EU membership are expected to fully reflect EU requirements. Some new Member States’ governments apparently were not clear about the Union’s expectations regarding development policy (Kotz/Stumm 2004). The low priority of development policy was also reflected in the European Convention on the Future of Europe, the first major EU platform in which the candidate countries were represented and could express their views (without being formally equal in the proceedings). Development policy did not feature in the debates other than as an instrument of foreign policy.

‘Soft’ requirements (i.e. agreements and declarations) are also issued within the framework of the OECD. In its Rome declaration of 2003, for instance, the OECD DAC called for the harmonisation of strategies and programmes in development cooperation. Only four Central European countries are members of the OECD.<sup>13</sup> Membership of the OECD was extended in the early 1990s, but apparently member state concerns regarding a sudden over-representation of ‘Europe’ and its ‘East’ resulted in new applicants being turned away. None of the Central European countries is yet a member of the DAC, and whilst there are ambitions to adapt to DAC-compatible reporting structures, little has yet been implemented (Poland MFA 2003: 12).

One element of the ‘acquis’ is the EU internal agreement regarding pledges at the Monterrey conference in 2002 on financing development. The EU MS agreed to reach a level of at least 0.33% of GNI dedicated to ODA in 2006. This figure represented the then-average of MS’ ODA. If achieved, the commitment will lift the EU average to 0.39% ODA/GNI by 2006, as some Member States already spend a higher ratio on ODA.<sup>14</sup> The ten new MS might be able to lift their collective ODA from 0.03% GNI in 2002 to 0.11% in 2006 (EU Commission 2004); in

---

<sup>10</sup> Cf. article 6 of the Act Concerning the Conditions of Accession, especially paragraph 4.

<sup>11</sup> The EU Commission has operated a website detailing the state of the adaptation of Community ‘*acquis*’ in accession countries. Fifteen policy areas are listed; ‘external relations’ does not figure among them. Cf. <http://www.europa.eu.int/scadplus/leg/en/s40000.htm>. A report from the Commission to the European Parliament on the state of the negotiations does not mention development policy; in external policies, it is only noted that the ‘acquis’ will be implemented by the day of accession, cf. p. 52: [http://www.europa.eu.int/comm/enlargement/negotiations/pdf/negotiations\\_report\\_to\\_ep.pdf](http://www.europa.eu.int/comm/enlargement/negotiations/pdf/negotiations_report_to_ep.pdf).

<sup>12</sup> Cf. Kotz/Stumm 2004. The head of a Slovakian NGO, Marián au ik, is quoted as having learned from the British Secretary for International Development that development policy was not subject to negotiations (cf. [www.ecd2010.net/detail\\_page.phtml?page=edc2010\\_germany\\_report3](http://www.ecd2010.net/detail_page.phtml?page=edc2010_germany_report3)). The scant attention to this policy field was also confirmed by several interview partners.

<sup>13</sup> Those countries are: Poland, Hungary, the Czech Republic and Slovakia. Other countries, such as Slovenia, were not fully independent states at the time of the OECD negotiations, and no other CEEC states were admitted later on, due to concerns about the dominance of Europe in the OECD, as a Slovenian interviewee explained. See also:

[http://www.oecd.org/document/58/0,2340,en\\_2649\\_34489\\_1889402\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/58/0,2340,en_2649_34489_1889402_1_1_1_1,00.html).

<sup>14</sup> Denmark, Sweden, the Netherlands and Luxemburg have reached the UN goal of at least 0.7%. Commitments by other Member States since the Monterrey summit to reach that goal, or at least to have made progress towards it, by 2010 would lift the average ODA to 0.44% of GNP, and would result in an estimated additional \$44bn for development. Currently, discussions are ongoing about aiming at 0.5% in 2010, in order to maintain the political momentum.

May 2005, it was agreed to aim at a minimum of 0.17% in 2010 and 0.33% by 2015 for the new Member States. No prescription is made on the share of the aid channelled via bilateral or multilateral agencies, and the Czech government, for example, declared its intentions to strengthen bilateral programmes (Czech MFA 2002a).

A particular instrument in European development cooperation is the European Development Fund (EDF), set up with the foundation of the EEC in 1957. The EDF is historically linked to the colonial past of some EU Member States, and was deliberately kept outside the reach of Community institutions. Contributions to the EDF – which funds cooperation with states in Africa, the Caribbean and the Pacific (ACP) – are subject to negotiations every five years and not linked to membership contributions to the EU (cf. Grimm 2004). Interviewees in Central Europe expressed their concern regarding ‘pressure from Brussels’ to contribute to the current EDF. All EU MS are expected to contribute to the intergovernmental EDF. However, new Member States claim to have expected to be co-financing the next (tenth) EDF, which will presumably start in 2007. The currently debated ‘budgetisation’ of the EDF, i.e. its integration into the general EU budget, is opposed by a number of new Member States (and some EU-15 members), as ‘budgetisation’ would drastically increase their contribution to EU development policy.<sup>15</sup> The new MS had found out that ‘soft law was not so soft after all’, as one interviewee put it.

---

<sup>15</sup> In a number of cases (for example the UK and Spain), contributions to the EDF are below their payments for the general EU budget; this is likely to be also the case for the new Member States in the future EDF.

## 4. The policy and management of aid

### 4.1 *The policy framework: legislation and strategy documents*

Legislation relating to official humanitarian assistance is not common among DAC member countries, and this is also the case for the Central European states of the expanded EU. The only specific legislation that relates to international aid concerns the role of the Ministry of Foreign Affairs in coordination (Development Strategies 2003). For example, the Slovak Republic's humanitarian aid is governed by an act which stipulates that all decisions related to humanitarian issues proposed by the Ministry of Interior should be approved by the Ministry of Foreign Affairs.<sup>16</sup>

Policy frameworks/strategic documents for development cooperation are evolving amongst the eight member states, partly because of the encouragement of officials in Brussels. Very few have an explicit set of goals for humanitarian action. Most, however, focus on development cooperation goals which provide for regional stability and security in regions bordering the European Union (in East and South-east Europe, the South Caucuses and the Middle East). Development cooperation policy is seen as a crucial plank of each country's foreign policy, and the decay of neighbouring post-Soviet states is a concern for all Central European countries. For example, Ukraine's 'orange revolution' in late 2004 has not made the country economically or politically stable, though it has opened up ways for assistance to reach the population. Central Asia is still experiencing authoritarian rule, economic difficulties and social conflict. Likewise, the authoritarian government in Belarus seems politically 'stable', but is unlikely to be sustainable. This is seen as not only a threat to overall security, but also as having a negative impact on the development of structurally weak regions bordering these states, for example eastern Poland. In a recent survey of ODA priorities among Central European states, security ranked second-highest amongst all 'sectoral' policies (Development Strategies 2003). Other concerns often involve areas where their countries most suffered before 1989, for example in democracy, human rights and the environment (ibid).<sup>17</sup> The interconnectedness between different policy fields related to development cooperation is also stressed, particularly foreign trade. In all countries, there is also a focus on sharing experience of political and economic transition.

The Czech government has the strongest policy and institutional set-up, in part because it has a longer tradition of official and private aid-giving than other Central European countries. The policy statement identifies the overall objective of Czech ODA as poverty reduction via the pursuit of the Millennium Development Goals. In addition, it identifies two cross-cutting issues, good governance and economic integration. The 'motivations' for these objectives include solidarity, security, prestige and economic and cultural benefits. The policy states that external development and humanitarian assistance form part of the government's foreign policy and contributes to the implementation of the country's political and foreign policy targets (Czech MFA 2002a:4; Czech MFA 2002b). At the same time, the policy

---

<sup>16</sup> In the case of Slovenia, aid flows have been implemented within the framework of existing legislation. However, current laws have not been adjusted to meet the requirements of administering ODA, which has had the effect of slowing down or blocking ODA programmes altogether due to legal provisions that simply do not suit development assistance processes (Mrak 2002). The Czech government has a 'Competency Act' (No. 2/1969 SB) which provides for the 'Exclusive competence' of the Ministry of Foreign Affairs in ODA coordination.

<sup>17</sup> The EU assistance programme for Eastern Europe and Central Asia (TACIS) particularly emphasises cross-border cooperation 'between the partner States and the European Union, [and] between the partner States and Central and Eastern Europe' (cf. EU Official Journal 2000). Additionally, EU policy on refugees under the Justice and Home Affairs cooperation has a particular impact on the availability of project funding activities e.g. in Moldova or Georgia. Interviewees mentioned for instance IOM programmes in Moldova. Individual returnees can – under certain conditions – qualify for assistance in their countries of origin. Cf. Council Decision 97/340/JHA of 26 May 1997 on the exchange of information concerning assistance for the voluntary repatriation of third-country nationals. Based on this decision, the EU MS annually exchange information about 'repatriation' programmes which also include financial incentives.

encourages all Czech organisations and associations to respect the principles governing humanitarian aid, above all the principle of impartiality.

Poland stated its intention to put forward a Development Assistance Bill to parliament in 2004. However, the instability of, and decreasing public support for, the government made the topic of development cooperation a marginal one in Poland. The country currently relies on a Development Assistance strategy paper (developed from a framework provided by the EU) for guidance in decision-making and resource allocation. The Polish strategy paper declares development policy an integral component of Poland's foreign policy. Consequently, the paper includes references to international terrorism, the 'elimination of which also requires an intensification of development aid' (Polish MFA 2003: 5). The government's target is to increase ODA from 0.013% of GDP currently to 0.1% by 2006 (assuming GDP growth of 4%). This would include the Polish contribution to the EU budget.

Slovenia has not yet formulated a strategy paper for its aid policy. The only conceptual document that Slovenia has developed in this area is the 'Strategy of the Republic of Slovenia in the Economic Reconstruction of Southeast Europe' (Mrak 2000).<sup>18</sup>

Those countries with formal policy statements make a limited distinction between the goals and objectives of humanitarian versus other forms of aid. Polish policy exempts 'humanitarian and food aid' from the selection criteria used to decide the geographical priorities of Polish development aid (Polish MFA 2003), which could suggest that other principles guide decision-making and resource allocation. However, political motivations for humanitarian aid-giving are also recognised as important and necessary. This was particularly the case in the provision of assistance in Iraq, where the government sought to align its aid intervention with its military forces. The alignment of military objectives with the humanitarian intervention was acknowledged as important, both for political and security reasons.

Generally, the lack of formal policy approaches to humanitarian assistance could be the result of a need to stagger a complex policy process and set of requirements from Brussels, and thus the humanitarian dimensions of Central European aid programmes are yet to be fully explored. However, the flexibility of not defining too tightly the purposes of humanitarian aid also appeared attractive (Polish and Slovenian MFAs 2004). Officials expressed an interest in widening the definition of what was 'ODA-able' within the DAC rules, with a number of interviewees keen to see contributions to security or military-led responses counted as humanitarian or transitional aid. For their part, NGO organisations were active in both humanitarian and development work, and considered that the shift from humanitarianism to development was part of a 'professionalising' of their services.

#### *4.2 The domestic policy dialogue: tensions and opportunities*

A national consensus for governments' international obligations is hard to build if implemented by a top-down approach without (admittedly time-consuming) consultations. Humanitarian aid initially started in Central Europe as a private initiative, and there are, as in many DAC countries, difficulties for Central European civil society in engaging with official humanitarian aid policy processes. A productive tension between civil society and government is, of course, desirable. However, the tension seems to be quite pronounced in Central Europe. A particular feature of these post-communist societies is the lack of trust between government and civil society. Much of civil society was established and defined itself as an alternative to, or opposed to, government. Church institutions faced particular challenges with political transition in Central Europe. These institutions were often closely

---

<sup>18</sup> This document outlines Slovenia's role in the Balkans under the Stability Pact umbrella.

associated with political opposition, as they offered a forum for debate which was beyond state control (this was particularly the case in Poland under the socialist regime).<sup>19</sup>

The process of foreign aid policy formulation was not broad-based. In the Czech Republic until 2002, there was no systematic consultation with NGOs for the purposes of policy formulation. In Hungary, very little consultation took place outside government, and the policy statement approved in 2001 was made public only recently. In Slovakia, it is only recently that the NGO Platform has been invited to become involved in the formulation of future Slovak development cooperation policy. Both the Polish and Czech governments have provided for the inclusion of civil society in consultations on foreign aid, but have yet to advance these goals in practical terms. Provisions for the establishment of a Development Council in Poland (cf. Poland MFA 2003) have not yet been implemented. In the Czech Republic, the (state-financed) Development Centre sees establishing links between CSO actors as part of its core responsibilities, but the real coordination and policy debate, thus far, lies with a self-initiated NGO forum, called the Czech Forum for Development Cooperation (FoRS), established in 2002. Funded substantially in its first year by the Canadian government's Official Development Assistance in Central Europe (ODCAE) programme, FoRS is regarded as an important vehicle for discussion on future Czech government development cooperation policies. The main government ministry partner for FoRS is the Czech Ministry of Foreign Affairs, though FoRS has also attempted to form relationships with other sector ministries, as well as with the Czech parliament. However, cooperation 'remains on the level of promises' (FoRS 2003). As the representative umbrella group of 17 Czech NGOs, FoRS is also a member of the European NGO Confederation for Relief and Development (CONCORD). At present, CONCORD has 34 members, covering more than 1,200 European NGOs.

The lack of a national NGDO platform in Slovenia makes institutionalised dialogue particularly difficult. However, where national platforms exist in Central Europe, they often attract a few large NGOs and a significant number of smaller players.<sup>20</sup> Governments are often highly reliant on these few larger organisations as the primary agencies to assist in policy formulation and in responding to crises, and any wider representation might have little impact on policy or advocacy work.

#### *4.3 The administrative framework for policy implementation*

In all new EU MS, the Ministry of Foreign Affairs (MFA) acts as the coordinating department for external assistance.<sup>21</sup> However, the implementation of development cooperation policy, and more importantly the budget, is split between various 'line ministries', such as the Ministries for Interior, Agriculture, Health, Education and the Environment. The Ministry of Finance controls the purse strings, and in some cases has a clearer understanding of ODA policy than the MFAs. Interior ministries, particularly in natural disaster relief efforts, also play a significant role (cf. Czech Ministry of Interior 2003). Due to the familiar associations of budgets and departmental power, there is considerable resistance from line ministries regarding a strong coordinating role from the MFAs (Development Strategies 2003).

In no country is the aid programme autonomous from the interests of the Ministry of Foreign Affairs. The Czech government is considering devolving the programming responsibility for development cooperation work to an implementing agency, which could enhance technical

---

<sup>19</sup> Not all opposition activists were actually Christian. Intellectuals such as Adam Michnik benefited from the possibilities to escape state control offered by the Catholic Church. Much the same goes for most Central European countries, including East Germany.

<sup>20</sup> In the Czech Republic, PINF was behind the establishment of FoRS. Attempts to hand over the chair of the network to another NGO were not successful, which means that PINF continues to influence much of the policy-setting agenda.

<sup>21</sup> In the Czech government, for example, under the Competency Act the MFA is the central body of state administration responsible for the country's foreign policy, and, in cooperation with the Ministry of Interior, coordinates humanitarian aid.

capacity and enable more effective cooperation with domestic NGOs. Humanitarian assistance, however, would remain within the ministry's control.

The excessive fragmentation of bilateral ODA policy implementation and spending leads to two major challenges: First, the lack of a single department with a coherent policy framework and accountability structure leads to rivalry between the MFA and line ministries, and makes coordination of response more challenging. Second, the volume of external assistance is difficult to assess, as reporting structures are complicated and definitions of ODA vary considerably across ministries. This makes it difficult to see, not only the total volume of ODA, but also its objectives, including the channels and type of aid, whether humanitarian or developmental, as well as the sectors and recipients it is being spent on. For example, Czech ODA in 2001 was spread across 79 projects in 49 countries, and supervised by 12 different ministries or agencies (Development Strategies 2003).

Table 2, below, outlines the disbursement of Slovenian ODA in 2000 and 2001. It also demonstrates the challenges of coordinating and capturing the total budget in a fractured spending environment.<sup>22</sup>

**Table 2: The disbursement of Slovenian aid**

<b>Ministry</b>	<b>2000 (in 000 SIT)</b>	<b>2001 (in 000 SIT)</b>
<b>Ministry of Foreign Affairs</b>		
Stability Pact	0	16,058
Humanitarian Aid	51,121	54,335
<b>Ministry of Finance</b>		
Centre of Excellence	0	50,000
Stability Pact	0	5,000
Global Environment Facility	106,781	0
<b>Ministry of Economic Affairs</b>		
Stability Pact	402,395	193,400
<b>Ministry of Health</b>		
Humanitarian Aid	6,912	38,000
<b>TOTAL</b>	<b>567,209</b>	<b>356,793</b>

Developing and maintaining a cadre of officials with relevant expertise in international assistance programmes is also challenging. As development and humanitarian work is administered by the diplomatic service, staff are subject to frequent turnover, due to the requirement to fulfil the core functions of diplomatic posting. The Czech Department for Development Co-operation and Humanitarian Aid within the MFA, for instance, has 11 allocated staff. Due to changes of posts, only five staff were on duty in Prague in July 2004.<sup>23</sup>

#### *4.4 Coordination and channels for response*

At the rhetorical level, coordination is an important policy aim among Central Europe's official donor bodies. Overall, however, bilateral engagement, particularly government-to-government or via a local NGO, is the preferred approach, and this makes more challenging any ambitions for policy harmonisation in the recipient country. Bilateral programming is important due to concerns for the visibility of aid, which is aimed at serving political interests within domestic publics and regional neighbours, and winning favour in the recipient country. Ironically, domestic implementing capacity via bilateral channels (i.e. the capacity of NGOs and auxiliary societies such as the Red Cross) is variable.

<sup>22</sup> The table does not include in-kind assistance. The Stability Pact has a humanitarian assistance component.

<sup>23</sup> In Poland, five staff members dealt with international assistance in the Ministry of Foreign Affairs, four of whom were in the Department of the United Nations System and Global Affairs, one in the EU department.

This preference for bilateral channels is reflected in the limited support given by Central European countries to the mandated coordination body, the UN Office for the Coordination of Humanitarian Affairs (OCHA). OCHA has had few regular donors from Central Europe. The Czech Republic contributed \$0.1m in both 1998/99 and 2000/2001. This fell to just \$18,000 in 2002, and it made no contribution in 2003 (Randel 2005).

The challenge of coordination is especially problematic in Central Europe because of the fractured nature of spending within aid programmes, and the lack of coordinating regional fora within Central Europe. Two regional initiatives may help to address this problem. The Central European Initiative, established in 1989 for intergovernmental cooperation among 17 member states, is primarily designed to assist transition countries in Central Europe come closer to the EU. One of the agenda items, civil protection, has resulted in greater dialogue and understanding between states in the region regarding disaster preparedness and response. In addition, the Czech-initiated Central European Disaster Prevention Organisation (CEUDIP) might prove a useful vehicle for coordinated regional responses in the future. CEUDIP has become a forum for regional cooperation serving for the exchange of 'best practice' and practical cooperation, for example in the implementation of crisis laws and unified crises management.<sup>24</sup>

At the initial stages of official aid programmes, NGOs were not recognised by the state as strategically important partners. NGOs, in turn, were independent and not familiar with governmental dialogue. Much of their funds were drawn from private sources. The Czech public remain very supportive of SOS appeals launched by NGOs (which are supported by Czech public television). Other NGOs have dedicated and traditional sources of support, such as Poland and Czech Caritas, which use the parish system for fundraising. In 2002, for example, 61% of the funding for the Czech Catholic Caritas Association came from diocesan activities. In comparison, only 2.2% came from the Ministry of Foreign Affairs, and 6% from other state offices (Czech Caritas, 2002).<sup>25</sup>

A more diverse set of sources for NGO financing has emerged in recent years; in particular, more formal relationships have developed between government and operational agencies. This is in line with the general outline in the European White Paper on Governance, and more specifically the EU's expressed wish to include non-state actors in its development policy.<sup>26</sup> NGOs have become more institutionalised, and the establishment of NGO platforms (as noted above) has facilitated communications amongst non-state and state actors. However, government programming relies heavily on a few functional and professional outfits. These institutions have in turn been able to attract support from a diverse and international donor group. PINF, for example, had 22 donors in 2002, providing over \$11 million in support. In addition to donor government contributions, support came from corporations, UN agencies and international NGOs. Chechnya and Ingushetia received 42% of PINF's funds, with Afghanistan the other large international recipient, receiving just under 20% (PINF 2002).

In relation to the EU, very few NGOs have Financial Partnership Agreements with the European Commission's Humanitarian Office (ECHO). As of 2005, there were only five qualifying NGOs, amongst 166 ECHO partners.<sup>27</sup> This reinforces the dominance of the few

---

<sup>24</sup> [http://www.ewc2.org/upload/downloads/Nemec\\_Obrusnik2003AbstractEWC2.doc](http://www.ewc2.org/upload/downloads/Nemec_Obrusnik2003AbstractEWC2.doc).

<sup>25</sup> India, Chechnya and Uganda were the largest recipients of Czech Caritas support in 2002. In Iraq, Caritas channelled its support through the Iraqi Red Crescent. Czech Caritas Annual Report (2002).

<sup>26</sup> Both papers in the context of development cooperation refer predominantly to non-state actors in partner countries. This, however, has implications for the participation of civil society within the EU. Cf. European Governance White Paper COM (2001) 428 final, and Communication on the Participation of Non-State Actors in EC Development Policy COM (2002) 598 final.

<sup>27</sup> Czech Caritas, Czech Republic; People in Need, Czech Republic; Hungarian Baptist Church, Hungary; Hungarian Interchurch Aid, Hungary; Caritas Polska, Poland; and Polish Humanitarian Organisation, Poland.

professional organisations in the Central European context, and reduces competitive processes. Interestingly, this is in contrast to a relatively developed NGO sector in Central Europe more broadly. There are approximately 180,000 active NGOs in the region, 50% of which are in Poland and the Czech Republic alone. Few, however, have a partial or, less frequently, exclusive focus on humanitarian aid abroad. Even fewer (about 0.1%) are international development NGOs (CNVOS, 2003). The strong Czech organisation PINF is the most recent member of *Alliance 2015*, a group of six of the most active humanitarian agencies based in Europe. This strategic alignment attracts a wider interest of possible donor support, and brings more cohesion and aid cooperation across an increasingly diverse European NGO field (Alliance 2015 2004).

In relation to the national Red Cross societies, the available data suggests that a small share of each country's OHA is spent via these institutions. The Slovenian Red Cross has the strongest base of support amongst the three case study governments, and in the region more broadly. In 2004, only Hungary, Slovenia and Turkey reported any contributions to their Red Cross national societies: all of Slovenia's reported humanitarian assistance was spent via the Red Cross in Iran; Hungary gave \$180,000 in kind via the Hungarian Red Cross, again for Iran; and Turkey allocated \$1.8 million out of its total humanitarian aid of \$10m via the Turkish and Iraq Red Crescents. In 2003, Slovenia was the only Central European donor to report contributions to the Red Cross movement.

As a possible route to increased aid through multilateral channels, the European Commission (EC) is encouraging new MS to increase their development and humanitarian donorship to commission activities. Contributions for the EC's general community budget and for ECHO are slowly gaining appeal. Surveys suggest that there is widespread willingness to accept the EC's lead in decision-making on humanitarian aid. Polls carried out by Eurobarometer in the ten new MS, plus Turkey, Romania and Bulgaria, show that 69% of respondents believe that EU enlargement will increase the importance of the Union in international affairs; at the same time they favour 3:1 joint EU-national decision-making on humanitarian aid, the third-highest rank among 15 policy areas listed in the questionnaire (Development Strategies 2003). This tendency to promote the EU's 'multilateral' advantages corresponds with findings from an opinion poll commissioned by UNDP in Poland in September 2004, which revealed that 40% of Polish respondents believed that channelling development assistance financing through specialised international organisations was the most effective route.<sup>28</sup>

In the past few years, specialised UN programmes and agencies have attempted to build up relations with Central European donors. In turn, the Central European donors have begun to articulate the advantages of multilateral routes for humanitarian action. Poland, for example, is developing a policy which confines its bilateral humanitarian activities to places where UN or NGO agencies have restricted access (Randel 2005). It supports UN agencies through the UN's Consolidated Appeals Process, for instance allocating funds to UNHCR for Darfur, and pledging its non-NGO response to the tsunami through UNICEF, IOM and WHO (ibid).

Overall, compared to other non-DAC donors (such as donors from the Gulf States and in Asia), the Central European countries have begun giving the largest proportional share to UN agencies (19% in 2004). Between 2002 and 2004, Poland and the Czech Republic contributed just over \$1 million each to the six UN humanitarian agencies. Slovenia gave just over \$0.2 million (Randel 2005).

Most UN agencies have adopted a strategy of presenting opportunities for raising the profile of Central European donors (even if contributions are very small) and engaging in regions in

---

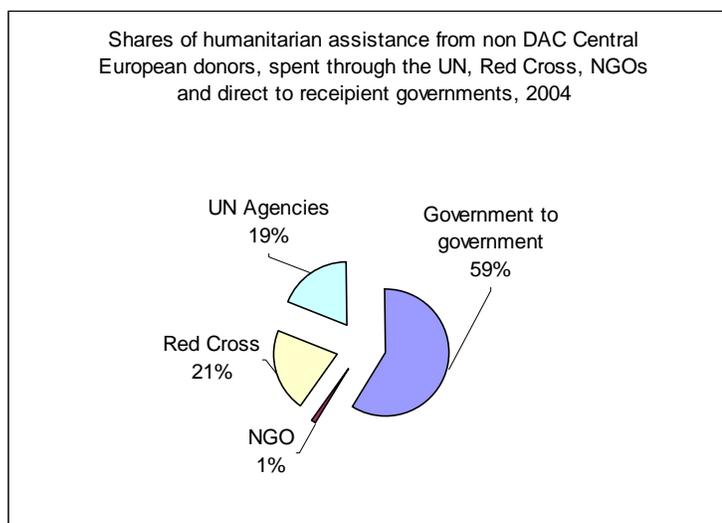
<sup>28</sup> For an English summary of the poll, see [http://www.un.org.pl/rozwoj/doc/eng\\_poll\\_MDG.pdf](http://www.un.org.pl/rozwoj/doc/eng_poll_MDG.pdf). The full version is available in Polish.

which these ‘re’-emerging donors may be interested. Some agencies, such as UNICEF, have built on strong historical recognition with the organisation’s activities throughout Europe after the Second World War. This was particularly the case in Slovenia, where the national society maintains the strongest standing among the country’s charitable institutions, reflected both in brand recognition and funding support.<sup>29</sup> In addition, Slovenia and the Czech Republic made modest contributions to UNICEF global appeals in 2003 (Randel 2005).

Similar to UNICEF, UNHCR has a long and important history in the region. However, it is not clear that the latter has been able to draw on this earlier engagement as effectively as UNICEF has with its national committee structure. UNICEF maintains a decentralised funding capacity, where UNHCR’s is highly centralised and driven by strategic objectives at headquarters. UNHCR has a two-tiered strategic approach for engaging in the region: encouraging new MS to make regular unearmarked contributions to the general budget; and encouraging them to use their regular development funding in places where they have an interest in helping refugees in-country.<sup>30</sup> UNHCR staff suggest that, since the Central European states joined the EU, the financing of the multilateral system has increased considerably.<sup>31</sup>

WFP has begun to develop a ‘new partnership’ strategy for Central European engagement. WFP has focused its fundraising and policy development efforts primarily on the Baltic States, Poland, the Czech Republic and Slovakia. Whilst there is no WFP representation in the region, there are plans to establish a Berlin office to facilitate partnership relations in Central Europe.<sup>32</sup> All of the three Central European donors looked at here have contributed regularly, if modestly, to WFP since 1998/99 – around \$0.1 million from the Czech Republic, \$0.2–0.3 million from Poland and under \$0.1 million from Slovenia (Randel 2005).

**Figure 1: Shares of humanitarian assistance from non DAC Central European donors, spent through the UN, Red Cross, NGOs and direct to recipient governments, 2004<sup>33</sup>**



<sup>29</sup> <http://www.unicef.si/main/home.wlgt>.

<sup>30</sup> For example, encouraged by UNHCR, Lithuania provided an additional amount for programmes in Ukraine in 2000.

<sup>31</sup> Poland, for example, has gone from giving US\$10,000 pa to UNHCR to pledging US\$100,000 in 2005 (UNHCR, December 2005).

<sup>32</sup> For example, WFP held a two-day conference at its Rome HQ on ‘Expanding partnerships: new EU MS and WFP’ to highlight the agencies’ emergency response capabilities and discuss areas of potential cooperation. The conference was held on 13 January 2005 (WFP press release, 13 January 2005).

<sup>33</sup> Figures are drawn from OCHA’s Financial Tracking System.

#### 4.4 Forms of aid and recipient countries

OA and ODA are both channelled from Central Europe. It is not clear the extent to which these two categories of assistance are separated in reporting processes. In addition, OA remains an important plank in contributions to transition countries, particularly those in the region. For example, Table 3 demonstrates that the ODA/OA split in Poland remained quite balanced in distribution in 2002.<sup>34</sup>

**Table 3: ODA and OA in Poland, 2002 (US\$m)**

	1998	1999	2000	2001	2002
<b>ODA</b>	19	20	29	36	14
<b>OA</b>	10	17	11	8	15

Despite an interest in EU and UN support in more recent years, most aid from the region remains bilateral. Although figures are not comprehensive, Mrak (2002) noted that it was a safe estimation that bilateral assistance accounted for close to 90% of total Slovenian ODA/OA flows.

The recipient countries of Central European international aid are primarily neighbouring countries in Eastern Europe. The main vehicle for implementing bilateral assistance from Slovenia to South-East Europe is the Stability Pact. By far the largest recipients of Slovenia's assistance have been Bosnia-Herzegovina, Macedonia and Montenegro (Capriolo, in Mrak 2002). 78% of aid to Bosnia between 1993 and 1999 was humanitarian, much of which was in-country assistance to the refugee community, as well as funding for demining work, via the International Trust Fund for Demining (Mrak 2002). Post-1997, however, aid began to diversify into upstream development assistance, technical assistance and scholarships.

Traditional ties (i.e. links from socialist times) remain for all the case study Central European donor governments, and include links with Cuba, Vietnam, Yemen, Angola, Zambia and Mongolia. However, funding to these countries has declined in recent years as political priorities have changed, programming options have changed (particularly the end of scholarship programmes) and a process of selectivity/reconciliation of recipient countries has begun.

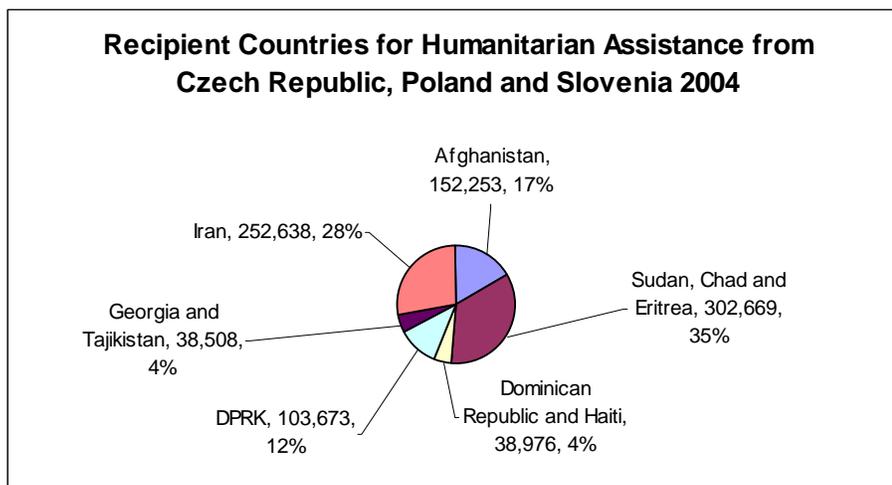
The selection of partner countries and the establishment of Country Strategy Papers (CSPs) for long-term strategies in development cooperation have begun. Some attempts have been made to be more global in focus. 'Project identification' missions have been dispatched beyond the immediate Eastern European neighbourhood.<sup>35</sup> This will lead to additional funding for some countries, and will also increase the necessity for, and difficulties in, donor coordination by partner governments. Policy coherence among the EU-25 will become a more urgent topic.

Disbursements of official humanitarian aid had a similar bias towards the region (including to Germany and Austria in 2002, after floods there). Much of the response has been natural disaster-driven, but engagement in more complex crises, such as Chechnya, Afghanistan and Iraq, has continued to grow and diversify, and as Figure 2 suggests, become more geographically expansive.

<sup>34</sup> The figures are drawn from Poland's Development Cooperation Annual Report, 2002.

<sup>35</sup> For example, to Angola in the case of the Czech Republic.

**Figure 2: Recipient countries for humanitarian assistance from the Czech Republic, Poland and Slovenia, 2004<sup>36</sup>**



'In-kind' assistance is primarily restricted to the region, given operational limitations and capacity.<sup>37</sup> A mix of financial and in-kind assistance is found in a greater variety of crises, including the recent tsunami response in South Asia.

Priorities for official aid tend to be replicated in non-state aid. As a Czech NGO representative explained, there are comparative advantages in countries of the former Soviet bloc, such as a 'common history and language ... common social structure, and the common structure of power and decision-making processes' (Šimon Pánek on Czech radio, 9 January 2004). Similar views were expressed by interviewees representing Polish, Czech and Slovene decision-makers and NGOs.

#### 4.5 Volumes of assistance

No comprehensive data is available regarding the volume and structures of ODA in the Central European region (see Table 4 for attempted illustration). However, statistical improvements have been made in a number of countries in an attempt to align with DAC statistical guidelines, mostly with Canadian government support.

**Table 4: ODA from Poland, Czech, Slovenia (\$US million, current prices)**

	1998*	1999*	2000*	2001*	2002*	2003**	2004
Poland	19	20	29	36	14	35	
Czech Rep.	16	15	16	26	20	26	
Slovenia	n.a.	n.a.	n.a.	n.a.	n.a.	25	

Sources: \* Development Strategies (2003: 30) and \*\* Bohnet (2004)

In May 2005, the EU Council of Ministers decided a minimum goal of 0.17% ODA for all new EU Member States, to be reached by 2010.

<sup>36</sup> Figures are drawn from OCHA's Financial Tracking System

<sup>37</sup> These countries all have limited logistical/transport capacity. For example, the usual range of action for the Rescue Team of the Czech Ministry of Interior is approximately 3,000km. It only goes beyond this range in exceptional circumstances or in cases of cross-border cooperation, where transport is provided by other donors.

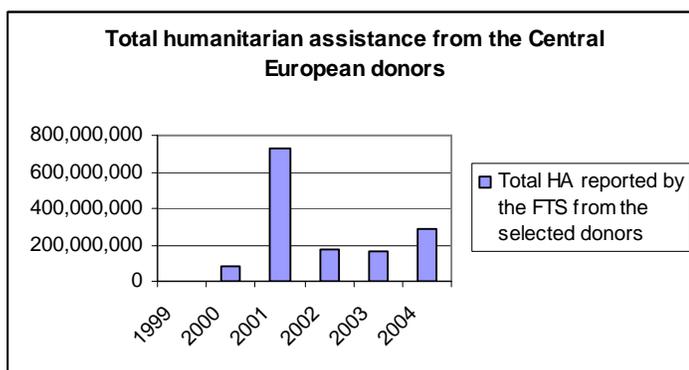
In 2003, the volume of ODA from Poland was approximately \$35 million (0.02% of Polish GDP) (Bohnet 2004). The goal adopted by the Polish government before the EU decision of May 2005 was to reach 0.1% by 2006.

Czech official development assistance was formally re-established in 1995, and had reached \$26 million in 2003; approximately half of this was bilateral.<sup>38</sup> This translated into an ODA/GDP ratio of 0.07% in 2003 (Bohnet 2004).

Official development assistance from independent Slovenia went through two phases. In the first period, 1991–96, Slovenia’s ODA/OA was very limited, primarily due to the fact that Slovenia was in the process of completing negotiations with foreign creditors regarding the succession of Yugoslavia’s external debts. By 1997, Slovenia had secured relative financial independence from the rest of the former Yugoslavia, paving the way for a more active political and economic role in the region (Mrak 2002). In addition, the political situation in the region began to improve, and increased volumes of development assistance became more appropriate after years of humanitarian aid. In 2003, Slovenia’s ODA rate was at 0.1% of GDP (an absolute amount of \$25m) (Bohnet 2004).

Expenditure in humanitarian assistance is also difficult to capture, and generally under-reported. In the past, humanitarian assistance was not always reported as a distinct category of ODA by the Central European donor governments. ECHO started requesting formal reporting from new EU MS in 2005.<sup>39</sup> The only other source of data is OCHA’s Financial Tracking System, which requires donor governments to report each contribution they make in the humanitarian field. Whilst reporting in this area is improving, it remains difficult to capture trends over time. Figure 3 illustrates that total spending from the eight Central European countries has increased since 1999, with significant spending in 2001, attributable primarily to Afghanistan, and in 2004 there was a combination of large allocations to Sudan and Iraq.

**Figure 3: Total humanitarian assistance from Central European donors, 1999-2004<sup>40</sup>**



In the case of the Czech government, humanitarian aid has been reported on since 1998, and officials report that it has been increasing steadily since 1995. In 2003, Czech assistance was spread amongst 17 different crises around the world, amounting to over \$2.5 million. However, spending was dominated by the crisis in Iraq. Over \$1 million in Czech humanitarian aid was spent in Iraq, the majority of it channelled through Czech NGOs and a Czech-run military hospital in Basra. In 2004, total humanitarian assistance from the Czech

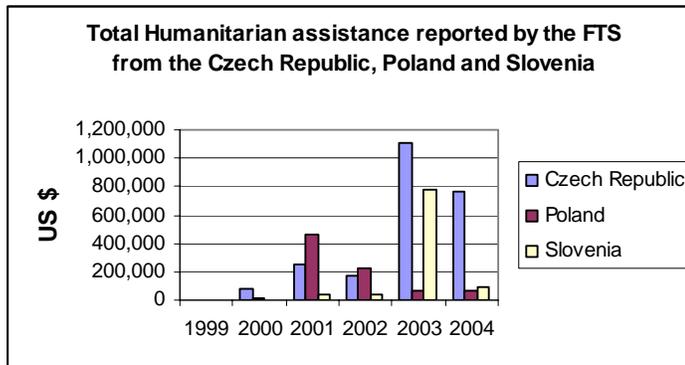
<sup>38</sup> UNDP figures suggest Czech ODA in 2003 was approx US\$91million, but Czech Government statistics figures are reported here.

<sup>39</sup> The new EU member states joined the ECHO’s 14 point reporting in 2005. For information before this, it is necessary to track FTS reports or to contact each country directly.

<sup>40</sup> Figures are drawn from OCHA’s Financial Tracking System

Republic reported by ECHO was approximately \$1.2 million. Expenditure was again very diverse, with allocations to North Korea, Sudan, Chad, Georgia, Iran and Haiti. Figure 4 illustrates the increased priority the Czech government has placed on responding to humanitarian crises over the past five years. Poland and Slovenia have allocated much smaller total volumes over time (or at least have not reported expenditure); however, Slovenia increased allocations significantly in 2003, related to the response in Iraq and the earthquake in Algeria.

**Figure 4: Total humanitarian assistance from Poland, Czech Republic and Slovenia, 1999–2004<sup>41</sup>**



<sup>41</sup> Figures are drawn from OCHA's Financial Tracking System; they might not include allocations to the European Commission in 2004.

## 5. The aid programmes: prospects and implications

The above outline of the legal, policy and administrative frameworks for international assistance suggest a number of implications for the future of Central European international aid.

### *5.1. The role and responsibility of the EU*

For Central European officials, the high number of international meetings and discussions in various fora – not least the EU and its comitology – places additional stress on governmental institutions grappling with multiple demands on the policy-making machinery.

In recognition of the challenges new EU MS were facing, the EU's Humanitarian Assistance Committee (HAC), which acts as a forum for policy debate and information exchange, brought new MS together with selected EU-15 MS for mentoring and capacity-building exercises. Thus far, the Swedish government has been very active in engaging with, and providing support to, the new MS, including working with the Baltic States and the Czech government, as well as hosting a conference for all new MS. The Austrian and German governments, partly due to proximity and shared interests, have also provided assistance.

There is a tension in Central Europe regarding the pressure to engage with EU-related assistance versus other forms of aid. The complexity and bureaucratic nature of the Commission (including budgetary inflexibility) often make it less attractive for Central European officials with scarce resources and time to dedicate to lesson-learning in a subject of peripheral domestic political interest.

### *5.2 Building a constituency for international aid*

Despite political preferences, polls among Europe's young people (Eurobarometer 2003: 1) show that there is significant public support for official development assistance, and potentially more so in Central Europe than in the EU-15 countries. However, it remains controversial. In particular, public support is easier to rally in response to big international disasters than it is for ongoing protracted crises or for development/poverty alleviation work.<sup>42</sup> In 2004, UNDP Poland and the MFA jointly launched a public campaign called 'Millennium Development Goals: time to help others!'. This was the first UN-driven campaign in the CEEC, where the UN has aimed to build public support for the MDGs in the context of assistance for poorer countries. The goal of the campaign was two-fold: to familiarise Polish society with the MDGs, and to draw public attention to the needs of people living in poorer countries; second, to initiate a public debate in Poland on the role and responsibility of Poland as a donor of development assistance (with the longer-term objective of building support for this cause). UNDP considers the information campaign thus far to have been a great success. In addition to awareness-raising and advocacy work, UNDP has established a Regional Trust Fund to promote East–East and East–South cooperation. The aim will be to promote development cooperation between emerging donor countries and recipient countries, with a special focus on South-East Europe and the Commonwealth of Independent States (CIS) countries. In addition, it will aim to strengthen capacities in emerging donor countries to effectively deliver development assistance and enhance the role of UNDP (and the UN system) as a major partner for, and facilitator of, East–East and East–South development cooperation.

---

<sup>42</sup> The beneficiary countries were not specified in the poll. In the case of Slovenia, personal links to the rest of former Yugoslavia are maintained and strongly influence the country's policy. This could explain that country's particularly high scores in the Eurobarometer poll. Among Slovenian youth, 46% supported the view that 'the EU should give more development aid and keep closer relations to countries that are not members of the EU'. The average for the then candidate countries was 39%, as opposed to only 28% in the EU-15 (cf. Candidate Countries Eurobarometer 2003:1).

In the rationale for providing assistance outside these countries' borders, awareness-raising and education programmes are now favoured by officials working in this area, both within and outside the Central European region. The Czech MFA, for example, is working with the country's largest NGO, PINF, to disseminate three awareness-raising and education programmes on development assistance and humanitarian aid.

### *5.3 Implications for the future*

Since 1 May 2004, the Central European countries have been Member States of the EU. Past experience with EU Member States that have emerged into a donor role suggests that the new members will maintain a low-key presence in the EU comitology. Capacity restraints are one reason for modest engagement. Council structures are very demanding, and it is expected that, given the limited staff resources of new Member States in development, they will concentrate their resources on the region where their strategic interests are strongest. Increased engagement will be of particular interest when neighbouring countries in Eastern Europe and Central Asia – which are within the foreign policy range of the new MS – come onto the agenda.

Future influence on decision-making and priority-setting within European institutions and other humanitarian fora will remain limited, but influence on policy responses to the Balkans, Eastern Europe and some Asian states of the former Soviet Union and the Caucasus will be important.

The influence and voting power of the new MS (25% of the votes) in the EU will reinforce existing trends towards a focus on the 'near abroad'. It may also reduce the focus on issues related to aid to less-developed countries, particularly as Council meetings might not in the future have the same share of development and poverty expertise previously available in the Development Council (Development Strategies 2003).

## **6. Conclusion and recommendations**

The Central European accession countries constitute a diverse group, but the challenges they face in international aid policy and programming in future years are very similar. A number of trends and issues can be identified.

First, people in Central Europe are keen supporters of humanitarian assistance and – from a comparatively low economic basis in the EU context – make considerable contributions to relief activities. This is particularly true in the immediate neighbourhood, but contributions to populations suffering natural disasters, such as the Indian Ocean tsunami in December 2004, demonstrate a more expansive approach to aid, as do responses to complex crises in the Middle East and Sub-Saharan Africa.

The second conclusion is that long-term development cooperation has weaker support and needs a much larger public awareness campaign to justify long-term public expenditure. Engagement with Least Developed Countries (LDCs) seems to be relatively easier to justify than aid to middle-income countries, some of which are at a comparative level of income to the new EU Member States. However, if discussions about comparative advantage within the EU are taken seriously, the expertise that Central Europeans offer in relation to the transformation processes would favour engagement in MICs.

Third, the risk of regional instability, combined with a common past, means that many of the new EU Member States will continue to focus their attention on their immediate borders to the east. With increasing international migration towards the new EU Member States, problems that might seem distant are increasingly becoming of national concern in Central European countries. This might result in a tighter border regime and also lead to a further securitisation of humanitarian and development assistance. It may also change the type of aid that is admissible as ODA within DAC rules and regulations.

Finally, the need for coordination of assistance is recognised throughout the EU-25 and other major aid donors. However, new EU Member States are no more engaged in policy coordination than their EU-15 counterparts, and for the most part prefer the ‘benefits’ of bilateral assistance programmes and the diplomatic favour they often bring. Whilst this behaviour might be motivated by the need to accustom the public to their country’s new role as an international donor, it results in a more complex operation on the ground and increases the transaction costs for the aid recipient and other international aid actors.

Integration into the donor community – and into the DAC consensus – is a significant shift for these countries, particularly given their current or recent net recipient status. Assistance to new EU Member States in the establishment of their aid programmes will have to take this into account. As the EU donor countries finance almost half of the world’s international humanitarian aid, this is an important policy objective.

### **Policy recommendations for Central European donors**

1. Have clear responsibilities for policy formulation for official development assistance (ODA) and clear administrative responsibilities for these funds; i.e. increase the transparency and accountability of official aid to improve the performance and reporting of official aid expenditure.
2. Within the ODA pool, formulate policies on official humanitarian assistance (OHA) which recognise the distinctive goals of this form of aid from broader ODA; this should include a commitment to needs-based aid programming.
3. Encourage the engagement of parliamentary representatives on issues of development assistance, humanitarian policy and related debates.

4. Engage in humanitarian debates in the Humanitarian Assistance Committee, and with other international humanitarian actors/organisations.
5. Invest in the capacity and professionalism of local and regional organisations to respond to crises, and in evaluation and impact assessment techniques.
6. Continue to invest in, and monitor the impacts of, communications and public awareness campaigns on the role of official development and humanitarian assistance.
7. Explore options for the increased coordination of aid flows, whether through European, UN or other mechanisms.
8. Actively engage at the EU level, possibly by fostering a Central European group of 'like-minded' donors and thereby using the coordination potential of the EU and the setting of benchmarks in development and humanitarian assistance.

**Policy recommendations for the European Commission, EU Member States and other international organisations and donor governments**

1. EU Member States and the Humanitarian Assistance Committee of the EC to consider routes to increasing policy dialogue with Central European donors on humanitarian principles and good practice, including the Good Humanitarian Donorship initiative.
2. Explore options for technical assistance in aid management, particularly in increasing capacity for monitoring and reporting aid flows and enhancing awareness of the distinctiveness of OHA as a subset of ODA.
3. Consider options for EU Member States and other donors for twinning and cost-sharing of interventions with Central European donors in third countries.
4. Increase local operational agency capacity by investing in local and regional channels for assistance at times of humanitarian crisis in the Central and Eastern European region, including the national Red Cross societies and local organisations.
5. Share experiences of monitoring and evaluating projects, and consider including Central European donors in multi-donor evaluations.

**Annex 1**  
**List of interviewees**

*Warsaw, Poland*

Pawel Baginski,	Ministry of Foreign Affairs
Jan Szczycinski,	UNDP, Poland
Prof. Urszula ulawska	Institute of Developing Countries, Warsaw University
Dr Bogumila Liocka-Jaegermann	Institute of Developing Countries, Warsaw University
Paulina Kaczmarek	Institute of Political Studies, Polish Academy of Sciences
Janina Ochojska	Polish Humanitarian Organisation
Jolanta Steciuk	Polish Humanitarian Organisation
Justyna Janiszewska	Zagranica Group (NGO umbrella group)
Hubert Matusiewicz	Polska Caritas

*Prague, Czech Republic*

Ambassador Dr Jiri Jiránek	Head of Unit, Dept for Dev Coop and Humanitarian Aid, Ministry of Foreign Affairs
Miroslav Belica	Deputy Director, Dept for Dev Coop and Humanitarian Aid, Ministry of Foreign Affairs
Ludek Prudil & staff	Ministry of Interior, International Rescue dept IOM, Czech
Šimon Panek	People in Need, and Czech Forum for Development Cooperation
Igor Blazevic	One World and People in Need
Petr Halaxa	Head of Development Centre, Institute of International Relations
Martin Náprstek	Development Centre, Institute of International Relations
Martin Ván	Caritas Czech Republic

*Ljubljana, Slovenia*

Ambassador Marjan Setinc	Head of Dev Co-op and Humanitarian Assistance, Ministry of Foreign Affairs
Ana Kalin	Ministry of Foreign Affairs
Gaspar Jez	International Finance Dept, Ministry of Finance
Srecko Zajc	Secretary General, Slovene Red Cross
Prof. Mojmir Mrak	University of Ljubljana, Faculty of Social Sciences, Centre for International Relations
Marjan Huc	Centre for Information service, co-operation and development of NGOs (CNVOS)
Natasa Sukic	CNVOS
Alojzij Stefan	Secretary General, Caritas Slovenia
Tereza Novak	Slovenska Filantropija
Blaz Habjan	UNICEF, Slovenia
Lenka Vojnovic	UNICEF, Slovenia

*Other*

Daniel Hanspach	UNDP Regional Office, Bratislava, Slovakia
-----------------	--

## References

- Bohnet, Michael (2004): Entwicklungspolitische Konzeptionen und Entwicklungszusammenarbeit der EU-Beitrittsländer, in: Zeitschrift Entwicklungspolitik 5/6/2004, pp. 26-30.
- Bohnet, Michael (2003): Informationsbesuch von Mitarbeitern der Außen- und Finanzministerien aus EU-Beitrittsländern vom 06.12.-18.12.2003 in Deutschland. Hintergrundinformationen über die Entwicklungspolitik und die Entwicklungszusammenarbeit der EU-Beitrittsländer. Bonn, 29. November 2003.
- Cimoszewicz, Włodzimierz (2003): Strengthening regional solidarity, in: UNDP Polska (2003): Poland towards sustainable human development.
- Czech Republic, Ministry of Foreign Affairs (2002a): The Concept of the Czech Republic Foreign Aid Program for the 2002-2007 Period (unofficial translation), Prague, January 2002.
- Czech Republic, Ministry of Foreign Affairs (2002b): Outline of Envisaged Rights and Obligations of the Czech Republic in the Field of Foreign Development Aid after the Accession to the European Union, submitted to the Czech government in January 2002.
- Czech Republic, Ministry of Interior (2003): Statistical yearbook 2003 – Humanitarian assistance. <http://www.mvcr.cz/2003/casopisy/112/0403/rocnka/strana29/info.html>
- Development Strategies, (2003) IDC 'The Consequences of Enlargement for Development Policy' Volume 1, September 2003
- Elster, Jon / Claus Offe / u.a. (1998), "Institutional Design in Post-communist Societies: Building the Ship at Sea", Cambridge.
- Estonian Government, European Policy for 2004-2006, approved by the Estonian Government, 22 April 2004.
- EU Commission (2004): Translating the Monterrey Consensus into practice: the contribution by the European Union. Communication, COM (2004) 150 final.
- EU Official Journal (2000): Council regulation (EC, Euratom) No 99/2000 of 29 Dec 1999 concerning the provision of assistance to the partner States in Eastern Europe and Central Asia. OJ L 12, 18.1.2000, p. 1.
- Eurobarometer (2003): Candidate Countries Eurobarometer 2003.1 – Youth in the New Europe. July 2003.
- Grimm, Sven (2004): European Development Cooperation to 2010 – Aid disbursement and effectiveness, Briefing Paper, London: Overseas Development Institute.
- Hancilova, Blanka (2000): Czech Humanitarian Assistance, 1993-1998. In: The Journal of Humanitarian Assistance. <http://www.jha.ac/articles/a054.htm>
- Kotz, Anne / Johanna Sturm (2004): Entwicklungszusammenarbeit in der erweiterten Europäischen Union. Neue Grenzen – neue Horizonte? [http://www.edc2010.net/detail\\_page.phtml?page=edc2010\\_germany\\_report3](http://www.edc2010.net/detail_page.phtml?page=edc2010_germany_report3)
- Machá ek, Jaroslav (2004): Traditional Experiences of the New Member States. Presentation at Bonn, 26 May 2004, [http://www.edc2010.net?detail\\_page.phtml?page=edc2010\\_germany\\_statement](http://www.edc2010.net?detail_page.phtml?page=edc2010_germany_statement)
- Maniokas, Klaudijus (2004): The method of the European Union's enlargement to the east: a critical appraisal; in: Antoaneta L. Dimitrova (ed.): Driven to Change – The European Union's Enlargement viewed from the East. Manchester Univ. Press, pp. 17-37.
- Mrak, Mojmir (2002): Slovenia as a Donor Country: Where It Is and Where It Should Go? Paper presented at the EADI Conference in Ljubljana, August 2002.
- Nye, Joseph S. (2004): Soft Power: The Means to Success in World Politics. New York: Public Affairs.
- Page, Sheila (2002): EU enlargement and development policy in a changing world: the triple bridge. Speech at the EADI Conference in Ljubljana, August 2002.
- Poland, Ministry of Foreign Affairs (2002), Development Cooperation Annual Report, 2002.
- Poland, Ministry of Foreign Affairs (2003): Strategy for Poland's development co-operation, adopted by the [Polish] Council of Ministers on 21<sup>st</sup> October 2003, Warsaw.
- Research Centre for Co-operation with Developing Countries (1983): Yugoslavia: Economic Co-operation with Developing Countries. Ljubljana: RCCDC.

Risse-Kappen, Thomas / Kathryn Sikkink (1999): The socialization of human rights norms into domestic practices: introduction. In: Thomas Kappen/ Stephen C. Ropp/ Kathryn Sikkink (eds.) *The Power of Human Rights. International Norms and Domestic Change*. Cambridge: Cambridge Univ. Press, pp. 1-38.

Smith, Karen E. (1999) *the Making of EU Foreign Policy – The Case of Eastern Europe*, London: Macmillan Press.

UNDP and Polish Ministry of Foreign Affairs (2004): Results of a Poll on Public Support for Development Assistance. [http://www.un.org.pl/rozwoj/doc/eng\\_poll\\_MDG.pdf](http://www.un.org.pl/rozwoj/doc/eng_poll_MDG.pdf) (English Summary)

UNDP and Polish Ministry of Foreign Affairs, (2004) “Report of Phase 1 of the UN and MFA Public Campaign ‘Millennium Development Goals: time to help others!’”, United Nations Development Programme in Poland.