International Conference
"Development Assistance Operators from the EU New Member States: Experiences, Trends and Challenges"

Ljubljana, Slovenia, June 3 – 4, 2008

FINAL REPORT
1. General Background

Many European Union new member states (NMS) have only recently shifted from being recipients of development assistance to a role of international donors. NMS have pledged to provide a portion of their national budgets to development aid. As the degree of experience in providing development assistance, along with policy, infrastructure and human capital development varies from country to country, the necessity in exchange of information and know-how, overview of trends and future challenges in the field of development assistance appears essential.

A transition process which NMS have successfully concluded in the recent past provides them with a valuable knowledge of transition and the European Union accession best practices as well as the understanding of potential difficulties and obstacles in these processes. Moreover, due to common historical experiences operators from NMS have substantial comprehension of the state of affairs in the neighbouring non-EU member and former Soviet Union countries.

The conference “Development Assistance Operators from the EU New Member States: Experiences, Trends and Challenges” was conceptualized to provide a common ground for stakeholders, involved in development assistance from “old” and “new” member states, to meet and tackle above mentioned matters.

1.1. Development Assistance

The words “aid” and “assistance” refer to flows which qualify as Official Development Assistance (ODA) or Official Aid (OA).1

Official Development Assistance (ODA) refers to Grants or Loans to countries and territories on Part I of the DAC (Development Assistance Committee) List of Aid Recipients (developing countries) which are: (a) undertaken by the official sector; (b) with promotion of economic development and welfare as the main objective; (c) at concessional financial terms (if a loan, having a Grant Element (q.v.) of at least 25 per cent. In addition to financial flows, Technical Co-operation (q.v.) is included in aid.3

The term Official Aid is used to describe the flows which meet conditions of eligibility for inclusion in Official Development Assistance (q.v.), other than the fact that the recipients are on Part II of the DAC List of Aid Recipients.4

Since the 1990s, the idea of partnership and the corresponding term development cooperation have replaced the traditional milieu in which the relationship was dominated by the wealth and specialised knowledge of one actor. Development aid may come from developed or developing country governments as well as from international organizations such as the World Bank. It differs from humanitarian aid as it is being aimed at alleviating poverty in the long term, rather than alleviating suffering in the short term.

“Europe is the biggest provider of development aid in the world”.6 Although the EU has been active in the field of development cooperation since the Treaty of Rome, it has only received a legal framework for its actions in this field with the Maastricht Treaty. The latter has set three precepts in the European Union’s development cooperation policies and operations: coordination, complementarity, and coherence (3Cs). “The 3Cs relate to critical factors in the effectiveness of development cooperation of the EU member states and the European Commission, and are similar to the principles of harmonisation and alignment which feature centrally in undertakings and

---

1 OECD Development Cooperation Directorate (DCD-DAC) Glossary. Available at: http://www.oecd.org/glossary/0,3414,en_2649_33721_196569_3_1_1_1,00.html#196542 (June 10, 2008).


3 OECD Development Cooperation Directorate (DCD-DAC) Glossary. Available at: http://www.oecd.org/glossary/0,3414,en_2649_33721_196569_3_1_1_1,00.html#196542 (June 10, 2008).

4 Ibid.

5 http://development.donorstatistics.eu (June 13, 2008)

initiatives such as the Paris Declaration and the Millennium Development Goals.”7

With the Monterrey Consensus it has been recognised that ODA is an important financial source for development, alongside domestic resource mobilisation, mobilisation of foreign direct investment and other international private flows such as international trade; and EU has led the global effort to increase aid flows to developing countries since Monterrey.8 In 2005 the EU committed to additional aid targets, aiming to reach individually 0.51% ODA/GNI (EU-15) and 0.17% ODA/GNI (EU-12) by 2010, while those countries that have already achieved high aid levels promised to maintain them. Collectively, the EU should reach 0.56% ODA/GNI by 2010. Based on higher national pledges of some member states it was assumed that the collective result could be in the order of 0.56% ODA / GNI.9

Moreover, the European Union went beyond the Paris Declaration and moved to joint multi-annual strategic planning and is now implementing the EU Code of Conduct on Division of Labour in Development. The EU and its member countries are committed to making the aid they provide more effective, particularly through better coordination and ensuring that it complements other development support and work in beneficiary countries.10

In December 2005 the European Consensus on Development was signed. The EU Member States, the Council, the European Parliament and the Commission agreed to a common EU vision of development. For the EU “new” member states is important the part where it states that the “EU will capitalise on new Member States’ experience (such as transition management) and help strengthen the role of these countries as new donors”[S.3/33.]11.

1.2. Stakeholders

Organizers

The conference was initiated and coordinated by the Slovenian development assistance operators – Centre for European Perspective (CEP)13, Center of Excellence in Finance (CEF)14, Foundation “TOGETHER”15 and International Trust Fund for Demining and Mine Victims Assistance (ITF)16.

13 The Centre for European Perspective is an innovative project platform that generates functional knowledge and brings together good practices to actively support the European and Euro-Atlantic integration processes. The Centre so far implemented more than 27 demand driven projects in the South East Europe. www.cep.si
14 The Center of Excellence in Finance (CEF) is a regional institution promoting capacity building in public finance management in South East Europe. The CEF was established in by the Slovene Government through the initiative of the Ministries of finance in the region in an effort to reinforce regional cooperation and help facilitate public finance reforms. www.cefsee.org
15 The Foundation “TOGETHER” - Regional Centre for the Psychosocial Well-being of Children has been initiated as an idea to protect and improve the psychosocial well-being of children in areas which have been affected by armed conflict, war, terrorist attack, natural disaster or technical accidents, and by its unfavorable social consequences they bring. www.together-foundation.si
16 The International Trust Fund for Demining and Mine Victims Assistance (ITF) is a humanitarian, non-profit organization devoted to the eradication of landmines and their impact in South-East Europe and other mine-affected regions in the world. Established by the Government of the Republic of Slovenia in March 1998, the initial purpose of ITF was to help Bosnia and Herzegovina in the implementation of the peace

Source: Final Report
COUNTRIES OF NMS

The last two EU enlargements occurred on May 1, 2004, when 10 new member states joined (Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, and Slovenia), and on January 1, 2007, when Bulgaria and Romania joined.

PARTICIPANTS

The conference agenda attracted participants from the European Commission, ministries of foreign affairs, development agencies and operators from the European Union member countries, recipient countries of European development assistance, bilateral and multilateral donors, as well as academic world.

1.3. CONFERENCE GOALS AND OBJECTIVES

CONFERENCE GOAL

The conference “Development Assistance Operators from the EU New Member States: Experiences, Trends and Challenges”, which was held in Ljubljana, Slovenia, from June 3 to 4, 2008, aimed to examine the needs of NMS to (re)design their development assistance policies and to explore best practices of institutional arrangements for the assistance implementation.

CONFERENCE SPECIFIC OBJECTIVES

The specific objectives of the conference were as follows:
- To identify the implications of the NMS' new status as donors on the subject of European development cooperation and division of agreement and to provide assistance and support in relation to post-conflict rehabilitation. [www.itf-fund.si](http://www.itf-fund.si)
- To facilitate an open exchange of information between development assistance stakeholders; to jointly examine the development needs and policies, prioritisation of development issues and identification of the role of development assistance operators in this matter.
- To provide development assistance operators with an overview of the development policies, strategies and funding mechanisms of the government development agencies and other donors.
- To grant an overview of the development assistance policy, programming and management including project appraisal, programme assistance, project evaluation and technical co-operation and so forth enhance efficiency and effectiveness of assistance delivery.
- To present the examples of best practices in institutional arrangements for the assistance implementation and facilitation of better coordination and/or co-operation between development assistance stakeholders.
2. Overview of Recent Trends in the EU Development Assistance: Emergence of New Member States as New Donors

Welcome address: Ms. Anita Pipan, Director-General, Ministry of Foreign Affairs of the Republic of Slovenia
Moderator: Dr. Boris Cizelj, Director, Slovenian Business and Research Association and Former Ambassador of the Republic of Slovenia to the European Union
Panellists: Ms. Orsalia Kalantzopoulos, The World Bank, Director, Central Europe and the Baltic Countries, Europe and Central Asia (ECA) Region; Ms. Anita Pipan, Director General, Directorate for Policy Planning and Multilateral Relations, MFA Slovenia; Mr. Maciej Popowski, European Commission, DG Development, EU Development policy: Horizontal issues, Director; Mr. Ben Slay, Director of the Regional Support Center in Bratislava, the United Nations Development Programme (UNDP) Regional Bureau for Europe and the Commonwealth of Independent States (CIS); Mr. László Várkonyi, State Secretary responsible for Development Affairs, Department for International Development Co-operation and Economic and Scientific Relations, Hungary.

The participants of the conference were welcomed on behalf of the Slovenian EU Presidency by Ms. Anita Pipan, Director-General at the Ministry of Foreign Affairs of the Republic of Slovenia, who emphasised that the European Union, as the world’s leading donor, should show solidarity with developing countries and assume responsibility for ensuring more equitable global development.

“The achievement of the Millennium Development Goals in the planned period is particularly uncertain in the least developed countries. Cooperation and mutual trust will thus have to be developed in order to attain these goals. In this context, the role of the new EU member states should be noted. Although these countries have been facing certain challenges, they have enhanced European development cooperation through their knowledge and experience, particularly in democratisation, market economy and European structures. Development aid recipients could also benefit from this”, according to Director-General Pipan.

THE WORLD BANK

Ms. Orsalia Kalantzopoulos from the World Bank (Director of Central Europe and Baltic countries) reiterated the EU as an important factor in development cooperation. She believes the NMS are a success story in social as well as economic terms; and according to her they represent a good learning experience for others. “In the world where we are facing global challenges such as aids/HIV affection, global warming, and poverty, among others, the “multilateral assistance is critical” and knowledge sharing is extremely important.” But the main precondition is coordination of development aid; we do not want to have more than hundred actors delivering development assistance to Rwanda, she stressed, but we want this aid to be as efficient as possible. And what is the role of NMS? “They bring more than money; they bring their successful stories and experiences.”

UNITED NATIONS DEVELOPMENT PROGRAMME

The United Nations Development Programme helps developing countries attract and use aid effectively. Mr. Ben Slay from the UNDP Regional Support Center in Bratislava drew attention to the issue of global governance, where we are facing global inflations, increase in oil prices, slow economic growth, climate change, unstable security situation in Iraq and Afghanistan, high commodity prices. These factors demand a new approach to development cooperation. “Development cooperation is nothing but simple in the current world of affairs”.

The NMS have had successful EU accession experiences. “Their development success provides NMS to enter the development scene”. NMS have been successful to mobilize the public at home for development assistance projects. They provide good lessons of emerging donorship, which will influence other countries in the region. It has already influenced Romania, and will surely soon influence Croatia, Mr. Slay stressed. An area,
where further work will be needed, is the coordination of development assistance between ministries of foreign affairs and line ministries, where UNDP can help NMS.

NMS PERSPECTIVE

Hungarian State Secretary at the Ministry of Foreign Affairs Mr. László Várkonyi believes that the NMS are success stories, but that a dialogue with NGOs is still weak and should therefore be stimulated. Most NMS have already formulated their laws and guidelines for their development activities; but the problems they face should not be neglected. Financial commitments – they have committed to reach individually 0.17% GNI by 2010 – will be hard to reach. “When you become a new member state, then hard work only comes”. However, it seems that NMS do not have to only face a bit too optimistic financial commitments, but, moreover, they have mostly not been able to raise public awareness for development policies.

The NMS have clear comparative advantages. “Our transition experiences can be easily transferred to other regions, Africa, the Caribbean, and Asia. Our success stories are highly appreciated in the EU arena and I should stress that our help is often more credible than from those who have been former colonizers”.

Mr. Várkonyi stressed that although the EU has committed to increase its aid to Africa and has put it in the forefront of its development activities, there are other middle-income countries that need EU assistance. “We have not been able to persuade EU that other regions are as important as Africa”. Many other middle-income countries are our neighbours; we share a common history, and speak the languages of the region. “We can only be present in Africa if we get help from other (“old” member) countries.

EUROPEAN COMMISSION, DG DEVELOPMENT

The panel presentations were concluded by Mr. Maciej Popowski (DG DEV) who firstly warned that the notion of “new member states” is questionable and that the wording “new donors” is more appropriate. The NMS are still in the process of absorbing the enlargement, which brings certain challenges as well as opportunities. Because NMS have historic ties with their neighbours, they would like to concentrate their development goals there, but there exists a danger of development concentration.

Certain challenges NMS face according to Mr. Popowski are as follows: insufficient administration capacity, development is not a political priority in NMS, civil society could be more active, and allocations from budget are low, as well as public support. Many NMS still perceive themselves as recipients of development assistance and the ideas of helping others have been accepted with mixed feelings. Low public awareness is also connected with insufficient sense of ownership and often lacking of the understanding of how the EU works. This is the area where the European Commission sees (must see) its role and is taking actions to change this. However, NGOs from the NMS will need to take lead in each NMS as well. Their role in raising public awareness will be stressed at the third edition of the European Development Days in Strasbourg in November 2008.

PANEL DISCUSSION

“European Union has recognized value added of NMS”, pointed out Mr. Popowski and referred to the Article 33 of the European Consensus on Development. “We need to operationalise these provisions”. NMS posse pool of transition expertise which they can offer worldwide and they need to engage globally, including Africa and Central Asia. Stronger engagement in Africa is our common commitment, stressed Mr. Popowski, and responded to the statements made by Mr. Várkonyi on the engagement of NMS in Africa. “African countries will miss the MDGs. We therefore need to work closely together to help them achieve them”.

The panellists also stressed the fact that none of the NMS is a member of OECD DAC, and that in general more stress should be put on the global development education.

3. Structures for Development Assistance Implementation: Experience from Traditional and New Donors

Moderator: Mr. Daniel Hanspach, UNDP Bratislava Regional Centre, Regional Bureau for Europe and the CIS, Emerging Donors Policy Specialist
Panellists 

Ms. Marija Adanja, Head of International Development and Humanitarian Assistance, MFA, Slovenia; Ms. Ibolya Bárány, Director, Hungarian International Development Assistance; Mr. Maarten Brouwer, Director, Effectiveness and Quality Department Ministry of Foreign Affairs, The Netherlands; Mr. Dušan Dacho, Director of the Department of Development Cooperation and Humanitarian Aid (ORPO), Ministry of Foreign Affairs, Slovak Republic; Mr. Carlos Montes, Director, Development Strategies; Mr. Kevin Sparkhall, Acting Director of DFID Europe and Donor Relations Division (EDRD).

The panel was introduced by Mr. Andrej Vrčon, Secretary General of the Center for European Perspective (CEP). The CEP is an independent and non-profit organization working on issues of peace, security and socio-economic development and prosperity.

3.1. PANEL BACKGROUND

Until the accession to the EU, many of the new member states were themselves recipients of donor funds and therefore less involved in development cooperation policies. Their new status requires a different attitude in this area. To participate fully in the activities at the level of the European Commission and to contribute to the effectiveness of EU aid, these countries have to develop their institutional capacities, rethink their strategies and substantially raise the awareness among their citizens for development cooperation.

In order to answer the question of optimal division of labour in development cooperation from the viewpoint of new member states, one needs to examine closely the current state of affairs in these countries. A division of labour implies an increase of efficiency (e.g. by reducing transaction costs of donor coordination), effectiveness, as well as strengthening the role of the EU in international development co-operation in the long run. Focusing on the NMS, the EU should take into account the NMS’ experiences and facilitate the gradual emergence of these countries as new donors.

With respect to the division of labour, we can observe the cases of traditional and NMS donors, their best practice and overview of different institutional arrangements for development assistance implementation. Different institutional arrangements for implementation of development assistance with best and worst practices were stimulus for an open debate on improved and comprehensive approaches.

3.2. PANEL DISCUSSION

The panel was opened by the Emerging Donors Policy Specialist at UNDP Bratislava Mr. Daniel Hanspach who provided an overview on discussion on different institutional arrangements of development policies.

SLOVENIAN EXPERIENCE

Ms. Marija Adanja, Head of International Development and Humanitarian Assistance at the Slovenian Ministry of Foreign Affairs presented the Slovenian institutional arrangement. In Slovenia, the MFA is the national coordinator of development cooperation, and Ms. Adanja’s sector is responsible for the Slovenian ODA related questions. Slovenia adopted the Act on Slovenian development cooperation in 2006. The Act on Slovenian development cooperation sets out the objectives and regulates the planning, financing and implementation of Slovenian development cooperation in the long term. The Resolution on International Development Cooperation is in the parliament at the moment and should be ratified soon. The Resolution will determine the design and implementation of development cooperation.

<table>
<thead>
<tr>
<th>ODA of Slovenia 2002-2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
</tr>
<tr>
<td>Multi-lateral development assistance</td>
</tr>
<tr>
<td>Bilateral development assistance</td>
</tr>
<tr>
<td>ODA</td>
</tr>
<tr>
<td>ODA official assistance</td>
</tr>
<tr>
<td>Total ODA and official assistance</td>
</tr>
<tr>
<td>ODA including Slovenia’s contribution</td>
</tr>
</tbody>
</table>

Slovenia started its development cooperation on demand from partner countries. At first, different ministries were undertaking the projects, stressed Ms. Adanja. Slovenian main development cooperation activities are still focused on the Balkans, which is Slovenian priority, but “we have been stretching towards Eastern Europe and Central Asia”. The Slovenian approach in development cooperation is practically oriented.

There are regions where Slovenia is not yet very active: ACP countries, Asia, Africa, and Latin America. “There we need help from other EU institutions, “old” member states, and other donors; and we need to work in line with the principles of division of labour.” Ms. Adanja also pointed out that more work is needed on getting the NGOs from NMS more involved in development cooperation; and stressed that only few NGOs from NMS are on the ECHO list.

**HUN-IDA**

Ms. Ibolya Bárány, Director of HUN-IDA, agreed with Ms. Adanja’s final remarks on the position of NGO’s from NMS and further stressed that many NMS are not yet completely ready to be “normal” donors. “They are not completely able to keep the pace and volume of development assistance on the global value.”

**THE NETHERLANDS**

Mr. Maarten Brouwer presented the Dutch experiences in the field of development cooperation. “In the Netherlands we do not have a central decision making body”, but Dutch embassies play an important role in delivering and executing development assistance. The Dutch have multiannual planning of financial contributions for development assistance, where they finance ODA through NGOs (20 per cent), 25 per cent of ODA is consisted of bilateral aid, 30 per cent of multilateral aid, ten per cent represent economic instruments, five per cent scientific cooperation, and ten per cent miscellaneous.

Mr. Brouwer stressed that the Netherlands puts the evaluation in the forefront of any development cooperation projects and is striving to work in an integrated approach. They have been dealing with the question of how to better present the results of their work, not only to their own public but also to the public in the recipient countries. They have also been trying to reduce the bureaucracy in their development policies, in line with the principles of division of labour and Paris Declaration.

**SLOVAK REPUBLIC**

At the Panel 1 Slovakia presented its development cooperation activities. “Until 2003, no management or implementation capacities existed in Slovakia. In 2003, the MFA concluded that the programme management will be under the responsibility of the MFA and the project management under the separate agency.” Mr. Dušan Dacho, Director of the Department of Development Cooperation and Humanitarian Aid (ORPO) at Slovak MFA, explained that Slovakia received an extensive help from the UNDP Regional Office in Bratislava in establishing its development cooperation policies.

The Medium-Term Strategy for ODA: 2003-2008 is an important legal framework, with which Slovakia has declared goals and priorities of its development assistance, territorial and sector priorities. The document reveals the Western Balkans as the clear geographical priority of Slovakia’s ODA. Mr. Dacho added that the transfer of transition experiences is one of Slovakia’s sector priorities. The Slovak Republic also adopted the Act on Official Development Assistance (617/2007) which entered into force as of January 1, 2008. The Act creates the legal framework for the Slovak ODA especially the bilateral aid. The planning instrument for official development assistance is above mentioned Medium-Term Strategy and annually approved national programme of official development assistance. Slovak Agency for International Development Cooperation – Slovak Aid is the executive body of Slovak ODA, but the coordination role of the Slovak development policies lies with the Ministry of Foreign Affairs.

Mr. Dacho brought to the table that the Slovak Republic will most likely fail to reach international commitments under which the country should provide official development assistance amounting to 0.17 % and 0.33 % of the Gross Domestic Product in 2010 and by 2015, respectively. Moreover, Slovakia will reach even lower ratio of ODA in relation to the GDP due to stagnating volume of funds allocated to ODA bilateral component and due to rapid GDP growth.

---

18 HUN-IDA was founded in 2001 with the aim of supporting Hungary’s active participation in international development cooperation programmes. The Company was founded by TESCO Kft. In 2001 the need arose for a new, modern, independent organisation that is open to the present challenges of international development, and which can also defend and uphold the valuable international, professional, country and cultural knowledge that has been accumulated over the past decades in the form of institutional knowledge: [http://en.hunida.hu/magunkrol](http://en.hunida.hu/magunkrol) (June 11, 2008)

19 Bucar, Maj, Maria João Marques, Anja Mesić, Eva Plijtersek (2007), Towards a Division of Labour in European Development Co-operation: Case Studies. German Development Institute, p. 6.
EU DONOR ATLAS

Mr. Carlos Montes, Director of Development Strategies and co-author of Europe Donor Atlas continued with the discussion on development policies. He emphasised the continuously changing environment in which development aid is delivered and the importance of targeted aid, as well as coherence and coordination of development policies. There is an important challenge the NMS are facing, although they are not alone: raising public awareness for ODA. “If NMS want to reach a broad impact of their development policies, they should work closely with other donors. The European Commission provides an obvious table for them to start working on these issues.”

UNITED KINGDOM

The last panellist to present the experiences of his country was Mr. Kevin Sparkhall, Acting Director of DFID Europe and Donor Relations Division. Mr. Sparkhall explained that the Department for International Development (DFID) is a single department for aid in the United Kingdom which includes both policy and delivery and both bilateral and multilateral programmes. “Our experiences show that DFID is very efficient.” The advantage of DFID, according to Mr. Sparkhall, is that DFID is not just an aid ministry, but it rather has a significant role in wider government policies that affect development, e.g. climate change, migration and trade. “This certainly helps promote policy coherence.” “Our role is more than aid. Our role is development in the broadest sense.”

DFID is headed by a separate Cabinet level Minister; it is not a subsidiary part of Foreign Affairs or Finance Ministry. Another important characteristic of development policies in the UK is that there “exists a broad agreement between political parties on aid”.

54 per cent of DFID programmes are bilateral and 46 per cent multilateral; and the multilateral share is rising. As a matter of policy, at least 90 per cent of bilateral aid goes to Low Income Countries; fragile states are an increasing priority. Bilateral assistance is decentralised, with departments covering main programmes being based in country. This is, according to Mr. Sparkhall, intended to ensure that aid is based on analysis and dialogue on country needs and priorities as well as central policies. Country offices are expected to coordinate with other donors and multilateral agencies (especially those partly financed by DFID) and to have dialogue on policy with governments and other stakeholders.

A priority area of DFID is promotion of MDGs, which includes growth, conflict, climate change and international system reform as well as direct action on individual MDGs such as health and education.

Mr. Sparkhall explicitly pointed out the importance of monitoring and evaluation. “Improving impact assessment, feeding this back to future policy and allocations, and communicating effectively what aid is achieving are our key challenges.” “We are a learning institution in constant search of skills for the future”.

Q & A

Mr. Hanspach raised the question of political support of development policies to which Mr. James Mackie (European Centre for Development Policy Management) responded that we can see a clear and strong political support in countries like Spain, the United Kingdom, and the Netherlands. “These countries do not think relying on NGOs to raise
public awareness for development policies is enough”, stressed Mr. Mackie and pointed to the fact that political support is something that most NMS are still lacking.

Mr. Jerzy Pomianowski, former Polish DG for Development Cooperation; Head of Advisory Unit Partnership for Democratic Governance at OECD, provoked the panellists by saying that the traditional donors should recognise their mistakes and failures and present them to new donors, so that they could learn from them. “If everything was perfect why Paris Declaration was then needed?”

4. The Role of Development Assistance Operators from NMS: Capitalization of Their Sector and Geographical Advantages and the Outlook for Their Future Policies

Moderator: Professor Paul Ignatieff, former Director of UNICEF Office for Europe, Geneva
Panellists: Dr. Othon Anastasakis, St. Antony’s College, University of Oxford, Director of South East European Studies; Ms. Mira Dobovišek, Director, Center of Excellence in Finance, Slovenia; Mr. Franz Kaps, The World Bank, Senior Partnership Advisor Europe and Central Asia Region (Consultant); Dr. Anders Nordström, Director General of Swedish International Development Cooperation Agency and Chairperson; Mr. Jerzy Pomianowski, former Polish DG for Development Cooperation; Head of Advisory Unit Partnership for Democratic Governance, OECD; Mr. Maciej Popowski, European Commission, DG Development, EU Development policy: Horizontal issues, Director

4.1. PANEL BACKGROUND

New member states are transition economies that were only recently on the recipient side of the development cooperation. All NMS with exception of Malta and Cyprus share many characteristics that are important for determining both their development assistance profile and their programmes. All these countries have over the last decade and a half gone through a successful transition process. This provides them with good and fresh understanding of the importance of development cooperation, experience sharing and donor coordination.

With respect to sectors, a clear comparative advantage of NMS exists in the areas of transition expertise as well as the EU accession expertise. NMS posses a wealth of transition/EU accession best practices as well as knowledge of potential difficulties and obstacles to smooth transition process.

Moreover, NMS geographical pronounced priorities are neighbouring non-EU member countries and former Soviet Union countries where they have comparative advantage in better comprehension of state of affairs due to their own historical experiences.

On a conceptual ground, NMS orient themselves towards international best practice, stressing the importance of “soft” knowledge transfer and good governance, rather than physical infrastructure.20

4.2. PANEL DISCUSSION

CROSS-REGIONAL COMPARISON OF TRANSITIONS IN SOUTH EAST EUROPE AND POST SOVIET SPACE

The panel began with a cross-regional comparison of transitions in South East Europe and post-Soviet space, which was prepared by Dr. Othon Anastasakis, Director of South East European Studies at the University of Oxford. Most NMS concentrate their development cooperation policies in their neighbouring countries - in South East Europe and former Soviet countries and therefore the understanding of the current political and economic situation is vital for any donor. There are similar communist legacies in both regions.

but there are differences too, stressed Dr. Anastasakis.

South East European countries are mostly past the reconstruction phase and are moving towards normalisation. Although civil societies are still developing, we see well established party politics and democratically elected governments. The region is on the road to EU integration through stabilisation and association process. There are several political vulnerabilities to be recognised in the region: electoral politics is often divisive and polarised, weak rule of law, corruption and organised crime at regional and national levels, the ethnic issues (Serbian nationalism, Albanian nationalism, and ethnic polarisation in Bosnia), and external dependency and foreign interferences.

On the other hand we see a fragmentation of post-soviet space, diversity of political trajectories, economic drawbacks, diversity of relations with Europe, strong influence of Russia, and important role of other extra-regional actors (Turkey, China, Iran, and USA). The region is also faced with frozen conflicts and breakaway regions (Abkhazia, Nagorno-Karabakh, South Ossetia, and Trans-Dniester).

**Dr. Anastasakis continued his cross-regional comparison by pointing out that both regions have pockets of instability; there are ethnic conflicts which have been addressed in the Balkans, but less addressed in the former Soviet space; clearly democratisation is more advanced in the Western Balkans than in the post-Soviet space; the same can be said about the regionalism; the post-Soviet space is economically and strategically more important, bigger and vital in resources; but there is bigger Western linkage and leverage for the Western Balkans; and in both regions we can see a “struggle” of EU influence vs. Russian influence.**

**THE VIEW OF THE COMMISSION**

The representative of the European Commission, DG DEV, Mr. Popowski pointed out to 3Cs and to an agreement of delivering more and better aid. “Which I know it is easier said than done”, said Mr. Popowski. He also stressed the importance of division of labour in European development assistance. “The world is changing. It is becoming more and more complex. We see number of new donors; not only EU “new” member states, but also Brazil, India, and China. And we need to respond to these changes accordingly.” But we are not only faced with new donors as such, but also with new actors in the international development “scene”. Therefore, we should truly promote the provisions of the Paris Declaration, mostly the complementarity of development policies. “We have a policy framework, now we need to make it work;” continued Mr. Popowski. The problem of complementarity of development policies can be best seen by looking at the donor atlases. “Here you can see a problem of too many actors working in one region or country, e.g. Tanzania, where elsewhere you are witnessing “donor orphans”. We need to lower donor congestion.”

Mr. Popowski once again stressed the important slot that exists for NMS, which is transition management. He continued that most NMS already have clear concentration in their development policies structurally and geographically wise. Although, this approach was largely developed by default, it is, according to him, the right approach. We see clear priorities in some NMS, for example e-governance in Estonia and migration in Malta. Both of these countries have had great successes in these fields domestically, and now they can share their successes with others. We can also see numerous examples of successful coordination of development policies among “old” and “new” members states: Estonia and the United Kingdom have been working together on the project of e-learning in Moldova; Lithuania and the United Kingdom have delivered numerous projects and programmes for custom services in Moldova; Lithuania has done great projects with the UK and Sweden in Afghanistan where it has been present since 2005. “From these examples we can see that NMS could do good work in specialised areas,” concluded Mr. Popowski. The NMS have specific expertise which they can successfully put into force.
Mr. Jerzy Pomianowski, former Polish DG for Development Cooperation presented Polish experience. Poland’s Development Cooperation Strategy was adopted by the Government of Poland (Council of Ministers) in 2003. The Strategy defines the main goals, principles and mechanisms of Poland’s development activities. Another important document is the Strategy for Poland’s development co-operation 2006–2010.

Main government entities involved in Polish Aid programmes are:
- Ministry of Foreign Affairs:
  - it has the leading role,
  - co-ordinates development co-operation policy,
  - sets priorities,
  - provides technical, democratisation and humanitarian assistance,
  - provides multilateral funding, mainly through UN system,
- Ministry of Finance
  - creates a system of financing development through membership in international financial institutions,
  - provides multilateral aid through European Union, IMF and World Bank Group,
  - provides financial assistance: preferential tied aid credits, reduction and conversion of debt,
  - analyses new tools for financing development,
- Ministry of Higher Education and Science
  - provides educational aid through scholarships.

Polish government has also compiled several approaches for raising public awareness of Polish development policies. They are aimed at providing information on Polish Aid Programme and fostering public and media interest in involvement of Poland in international development cooperation. Therefore, they have developed an interactive website,

According to Mr. Pomianowski there are several limitations Poland is facing: legal and financial framework, operational capacity within the structure of MFA, limited number and range of experienced partners in certain priority countries (particularly in Africa), limited development staff in embassies in partner countries, and weak political dialogue with developing countries. Therefore, the main challenges of Polish development policies of the future are: adoption of a legal act on
external assistance, setting up of an implementing agency (under the MFA),
decentralisation of aid management and increase of staff in Polish embassies in partner
countries, future engagement in long-term assistance undertakings and more complex
assistance instruments, definition of Poland’s comparative advantages in development co-
operation, including the ownership rule into the policy towards partner countries, setting up of
an overseas volunteering programme, and fostering public awareness and engagement.

SWEDEN

The experience of Swedish development activities were presented by Dr. Anders
Nordström, Director General of Swedish International Development Cooperation
Agency and Chairperson. Dr. Nordström began his presentation by explaining that SIDA is
looking for partners in NMS. SIDA believes NMS have certain experiences – transition
management, and EU accession – which can be well combined with Swedish projects and
development goals. Moreover, the NMS know the languages and share common history with
the European Neighbourhood countries and these are their important assets. Dr. Nordström
also sees possibilities for NMS to work in Africa and Asia, where many traditional donors have
made mistakes in the past. According to him the key is to have less priority countries and
fewer projects, but to do them better and with more staff. “Focusing on results is crucial, as well
as setting the short-term and long-term perspective.” SIDA has not been very successful
with the latter, according to Dr. Nordström and needs to improve. “We need to focus on
improving the results in the countries in which we are working. It is important that wherever
you work, you have your priorities determined, and that you work transparently. Working jointly
with other donors is an advantage and it contributes to the aid effectiveness.”

THE VIEW OF THE INTERNATIONAL FINANCIAL
INSTITUTIONS

Mr. Franz Kaps from The World Bank stressed that NMS have by becoming members of the
EU also become new donors. Moreover, the Chapter 26 “External Relations” of Acquis
Communautaire refers to EU member countries’ development cooperation obligations which
only few NMS governments and negotiators took note of at time of negotiations. Although
NMS have made financial commitments to ODA, many of them will not match them by
2010 or 2015.

However, some NMS show true development cooperation commitments, according to Mr.
Kaps: from early on many of them have started to prepare national development cooperation
policies/strategies; they secured legal development cooperation conditions; they have set up the national development agencies (primarily at MFAs), have started to
create/enhance development cooperation mechanisms, and have launched public development cooperation campaigns. However, like in some “old” member states, development cooperation is not a priority at
governmental level in a number of NMS; and NGOs need government endorsement to
become more engaged in development cooperation.

“NMS need to show selectivity in terms of “countries and sectors of concentration”,
they should start with few recipient partner countries and engage in few sectors where they have comparative advantage.”

Mr. Franz Kaps, The World Bank, Senior Partnership Advisor Europe and Central Asia Region

The main challenges of the NMS are the following: strengthening of institutional and
human capacity, raising public awareness, and engaging business community in development
cooparation. Mr. Kaps sees a possible solution in regional approach. “Given only recently
emerging NMS development cooperation policies and programs and overall
development cooperation budget constraints, it may be advantageous to consider regional
development programs and efforts, involving one or mor NMS, recipient country/countries
and international financial institutions.” As an example of such an approach he cited the
recent “Eastern Partnership” between Sweden and Poland. These two countries assist in
particular Eastern European Neighbourhood Policy (ENP) countries in areas such as
democracy and rule of law, migration, trade, transport, environment, tourism and similar
programs. Mr. Kaps also stressed the role of national parliaments in development
cooperation. They are in charge of approving the national budgets, including the one for development cooperation and therefore they should be made aware of development cooperation as a tool of national and EU foreign policy as well as of humanitarian aid.

**ADMINISTERING AND ACCOUNTING OF DEVELOPMENT COOPERATION**

Ms. Mira Dobovišek, Director of Center of Excellence in Finance, provided examples of the advantages and obstacles of development assistance providers from NMS. “When the CEF was established within the Stability Pact for South East Europe it was obvious that the existing education system — mainly universities supported by local institutes and a limited number of international training centres in the region — did not provide sufficient support to the growing training needs of transition countries in South East Europe.” The CEF responded to the needs of the region. The comparative advantages the CEF has had in delivering assistance to the region is that Slovenia shares a common history with countries in the Western Balkans, the staff speaks the languages of the region, and understands the political, social, economic, and cultural situation.

5. Management of Development Assistance Operators

**Moderator**: Mr. Alastair McAslan, Cranfield University

**Panelists**: Mr. Alistair Craib, Director, Baric (Consultants) Ltd.; Mr. Iztok Hočevar, Director’s Adviser for International Relations, ITF; Ms. Linda Morra - Imas, Chief Evaluation Officer, International Finance Corporation, World Bank Group; Mr. Robert Zeiner, Director Programmes & Projects, Austrian Development Agency

**5.1. PANEL BACKGROUND**

Development assistance operators address an array of needs and perform vital tasks on several levels - on emergency, humanitarian, reconstruction and development level - and on ongoing basis. They can also be seen as one of the vital stakeholders that enable the change and sustainable development of the beneficiary communities and countries.

Nevertheless, in order to achieve efficient and effective results on the ground, management of the development assistance operators is needed. One can shed light upon positive examples of the best practices in past such as the standardization of the project preparation and operating procedures, the practice of the external supervision and evaluation of the projects, the communication with and coordination of the donors’ efforts.

Furthermore, management of development assistance operators elaborated into a specific practice and process, which includes also co-shaping the development needs and policies, prioritizing development issues, advocacy of the latter, the review and (pre) selection of the projects, the operational control of operators, and so forth. On the whole, this brings synergies, which justify the mere existence of the mentioned management, which is even more important in the today’s world where the development issues are globally dealt with, and are involving numerous stakeholders.

The following topics were discussed at this panel:

- From project preparation to project evaluation;
- Improving monitoring and evaluation of the projects;
- Applying for new projects and getting donors support; and
- Attempt to coordinate development assistance on a country level.

**5.2. PANEL DISCUSSION**

**MONITORING AND EVALUATION OF DEVELOPMENT ASSISTANCE PROJECTS AND PROGRAMMES**

The third panel discussed the experiences, trends, and challenges in management of development assistance operators for effective monitoring and evaluation of results.

Ms. Linda Morra - Imas, Chief Evaluation Officer at the International Finance Corporation, started her presentation by asking what is the reason for evaluation the development cooperation projects and programmes. “People often think evaluating is a burden, we hear that no one wants to read the reports, and that we already know the results and are therefore fixing them.” The answer is, however, that yes, we do need evaluating. The reasons are two:

- We need a monitoring system to track our key indicators so as to know if we
are getting the change we have anticipated.
- We need an evaluation system to tell us:
  - Are we doing the right things?
  - Are we doing things right?
  - Are there better ways of doing it?

For the credible evaluation the following prerequisites are essential:
- adequate resources for evaluation,
- people with the right skills,
- consultation with partners, beneficiaries, other key stakeholders,
- understanding of the theory of change,
- sound evaluation design,
- valid methods,
- relevant and accurate data collection– including baseline data,
- communication,
- lessons identification, and
- recommendations and management action tracking system.

- If you do not measure results, you cannot tell success from failure.
- If you cannot see success, you cannot reward it.
- If you cannot reward success, you are probably rewarding failure.
- If you cannot see success, you cannot learn from it.
- If you cannot recognize failure, you cannot correct it.

Osbourne and Gaebler (1992) Reinventing Government;
Linda Morra – Imas’s conference presentation

Ms. Morra – Imas also stressed that there are trade-offs between internal and external evaluation and that using consultants is no guarantee of independence. “Independent evaluation and self-evaluation are complementary and synergistic.”

AUSTRIAN DEVELOPMENT AGENCY

Mr. Robert Zeiner, Director Programmes & Projects, Austrian Development Agency, explained that ADA has introduced and expanded several instruments to enhance aid effectiveness: Infrastructure partnership, Private Infrastructure Development Group, European Fund for South-East Europe, co-financing with one or more donors, they also finalised the eligibility check as a precondition for taking over management tasks for projects and programmes of the EC; participation in and support of operational networks and forums: OECD-DAC, energy (EUEI, FEMA, ESMAP), Train4Dev, EUNIDA, research networks, NGO-cooperation (DECIM, Like Minded Group), they have joined the Practitioners’ Network for European Development Cooperation.

TRANSFER OF GOOD EXPERIENCES FROM ONE SECTOR TO ANOTHER

Mr. Alistair Craib, Consultant for UK Department for International Development (DfID) has focused his presentation on experience of management of operators in mine action. Even though the mine action is very specific sector in humanitarian and development assistance many good practices in management of operators as well as programs have been developed. Reason lies also in the fact that International Mine Action Standards (IMAS) have been developed standardizing procedures and processes in mine action.

Mr. Craib explained that the relatively straightforward operations like mine action became substantially more complex once mine action started to intertwine with other humanitarian, development activities and initiatives on the field. More coordination and focused communication is necessary as the number of stakeholders increased notably. Mr. Craib mentioned successful attempts of donor coordination on global, regional and local level like Mine Action Support Group or South Eastern Europe Mine Action Coordination Council (SEEMACC).

REGIONAL OPERATOR’S EXPERIENCES

Mr. Iztok Hočevar, Director’s Adviser for International Relations at International Trust Fund for Demining and Mine Victims Assistance (ITF) presented work and best practice of ITF as Slovenian humanitarian and non-profit organization. ITF is primarily focuses on fund raising and financial management in mine action. As ITF acts as practitioner on one hand and manager of assistance operators on the other, Mr. Hočevar presented best practices developed at ITF emphasizing on comparative advantages that certain operator should take advantage of:

- Geographic vicinity
- Knowledge of local history, culture and languages
- Building on already existing knowledge/infrastructure in the country/region
- Knowledge transfer from countries/regions with advanced programs

16 | Final Report
• Development of regional cooperation through identification of common problems of all countries in the region.

Mr. Hočevar also stressed the necessity to work close with national authorities on different levels and from the beginning of the intervention with the aim to develop priorities and strategic action plan. Furthermore, coordination of international donor community is imperative to avoid duplications and ineffective use of donor funds. ITF has been practicing donor coordination through its Board of Advisors on a country and regional level thus helping balance the distribution of funds to address all needs in the country /region.

One the important feature of successful and sustainable national/local program is also active engagement of local governments and related government bodies and clear demonstration of intention and determination to take over the local ownership of the certain program. ITF is tackling this issue two-fold: immediate intervention to address most pressing issues in the field and in parallel development of national/local capacity, which should gradually take over the program. Dual approach proved very successful for the ITF.

Q & A

Mr. Slay from the UNDP pointed out that it is extremely difficult to show development results. It is hard to get the indicators proving you have changed something. But at the same time you need to evaluate for good stories, which you need to tell to the press and other donors to prove you have been able to make a progress.

6. Effective Participation of Development Assistance Operators from New Member States in the EU-Funded Projects and Programmes

Moderator: Dr. James Mackie, European Centre for Development Policy Management
Panelists: Ms. Marija Adanja, Head of International Development and Humanitarian Assistance, MFA, Slovenia; Dr. Maja Bučar, University of Ljubljana, Faculty of Social Sciences, Slovenia; Mr. Martin Naprstek, Deputy Director of the Czech Development Agency; Ms. Radhia Oudjani, France Coopération Internationale; Ms. Vera Remškar, Foundation "TOGETHER", Executive Director

6.1. PANEL BACKGROUND

Better donor governance has been put in the forefront of the 10th External Development Fund (EDF) for development cooperation in the Africa, Caribbean and Pacific countries and the Overseas Countries and Territories. EU Member States have been encouraged to redefine its development policies. New approach stresses that “only growth can produce wealth, reduce poverty and help achieve MDGs”.

The EU has agreed on target spending of its Member States’ Gross National Income on development aid, with European Consensus on Development stating that half of the extra funding will be allocated to Africa. New Member States have agreed to strive to contribute at least 0.17 per cent of their Gross National Income by 2010, rising to 0.33 in 2015.

Strong European Union’s focus on the least developed countries and other low-income countries, mostly in Africa, is a great challenge for NMS. The knowledge they have of their non-EU neighbouring countries — mostly former Yugoslav and Soviet Union States — and the sector experience with the transition processes could be well transformed and integrated into
their development policies towards the least developed countries.

But the capitalization of their knowledge is still undermined and unexploited, and the EU could provide NMS a support in designing the instruments and policies towards least developed countries, also by supporting better donor coordination. And as NMS often face limited experience in relation with the least developed countries and lack of resources, they will also have to work on redefining their development policies to successfully perform their international commitments towards the least developed countries.

6.2. Panel Discussion

Division of Labour in European ODA

Dr. Maja Bučar from the University of Ljubljana provided an overview on division of labour in European development assistance. She tackled the issue from donor as well as recipient perspective. From donor perspective division of labour provides more coordination and consecutively donors are able to provide aid more efficiently and effectively and it also lowers the transaction costs. Recipients wise, the division of labour brings easier administration and easier ownership of projects. Moreover, Dr. Bučar stressed, division of labour can be analysed geographically and from cross-sector perspective. Geographically division of labour brings “aid darlings”, where “cross-sector” wise we often see “fashionable areas” of expertise, which can lead to the fact that some areas remain untouched. But these could be used by NMS as a niche where they could deliver assistance. However, although niches are good, they are often hard to work in, and here the Commission could be asked for help. Dr. Bučar concluded her discussion on division of labour by stressing that division of labour is a good concept, but that it is being approached pragmatically.

Looking at the NMS, Dr. Bučar continued, we can see that priority areas are still being defined, aid volume needs to be increased, absorption capacity of some aid recipients needs to be better explored, finding a niche could be a goal, and public support for ODA needs to be raised – providing good stories to the public can be a starting point. Dr. Bučar noted as well that NMS are hesitant to follow the EC instructions to work more in Africa.

Czech Experience

The Czech Republic was a development assistance donor country even in the times of the former Czechoslovakia. By the Government Decision no. 153, adopted on March 15, 1995, the Czech Republic reintroduced the program of the foreign aid assistance.22 Czech Development Agency (CDA) was established in January 2008 by a decision of the Czech Minister of Foreign Affairs. The newly established Agency is responsible for supporting implementation of the Czech development cooperation and is mainly responsible for:

- identification of project ideas in priority countries,
- formulation of projects and contractual documents,
- administrative support for grants of the MFA,
- tendering procedures,
- contracting with suppliers of goods, services and works,
- supporting Czech stakeholders aiming to take part in development cooperation of other donors, esp. the European Commission,
- enhancing capacities of the NGDOs and other ODA stakeholders, including organizing professional trainings, and
- generating data for reporting on Czech ODA.23

As Mr. Martin Naprstek, Deputy Director of the Czech Development Agency explained the Czech Republic is still lacking the coordination with other donors and is not following the provisions of the Paris Declaration completely.

---

22 Bučar, Maj, Maria João Marques, Anja Mesić, Eva Pblenek (2007), Towards a Division of Labour in European Development Co-operation: Case Studies. German Development Institute, p. 34.

23 http://www.rozvojovestredisko.cz/about_en.php (June 14, 2008)
In 2005, Czech Republic allocated 0.11% of its GNI for the ODA. In comparison with 2004, Czech Republic increased the amount devoted to ODA by 16%, which was due primarily to the Czech contribution to the European Union. Czech ODA in 2005 comprised 48% of bilateral activities and 52% of multilateral (including the contribution to EU). The Czech Republic was also the first NMS to be under OECD DAC review. As it was recommended by DAC Czech Republic has limited the number of its priority countries. Eight priority countries were selected: Angola, Bosnia and Herzegovina, Moldova, Mongolia, Serbia and Montenegro, Vietnam, Yemen, and Zambia; together with Afghanistan and Iraq as medium-term priorities. NGOs play an important role in ODA, stressed Mr. Naprstek. In 2005, the share of NGOs amounted to 36 per cent of all projects implemented.

**FRANCE COOPÉRATION INTERNATIONALE**

Ms. Radhia Oudjani, France Coopération Internationale, presented the French experience in the system of development activities. France Coopération Internationale (FCI) is an extended arm of French Ministry of Foreign Affairs. FCI mostly concentrates its development activities on bilateral cooperation, with a clear focus on Africa. It works in the EU funded projects (IPA, European Neighbourhood) and follows a series of principles: clear definition of the role of each operator, cooperation, coordination, and has support of state authorities for the development activities.

FCI gives strong importance to its diplomatic network in delivering aid, and follows coherent strategy. Geographically it gives priority to Africa, IPA countries, and European Neighbourhood countries, while sector wise it focuses on good governance, promotion of human rights (mostly in its former colonies), migration, and administration reform. According to Ms. Oudjani it is important for each donor to clearly set its priorities and to find its own area of expertise. Moreover, support from state authorities is crucial.

**DEVELOPMENT ASSISTANCE OPERATORS FROM NMS - EXAMPLE OF SLOVENIA**

Slovenia geographically concentrates on the former Yugoslav countries, while structurally it sees its priorities in the field of de-mining and treating of war affected children, capacity building in public finances, and assisting countries seeking EU-accession in South East Europe, explained Ms. Adanja.

Ms. Vera Remškar briefly presented the mission of the Foundation “Together” and continued by emphasizing the difficulties that NGOs from NMS face in terms of accessing EU funds. The general opinion is that the procedures of applying for grants are quite complicated and difficult to follow. It would seem that the funds spent by the EC to train development operators on the tendering process are not achieving the required results. The EC should consider making the procedures more user-friendly.

The needs-based approach should prevail over the division between pre-and post-conflict areas as well as the division between humanitarian and development aid, which is not always useful. There is a feeling that the EC supports competition instead of cooperation and coordination, which would bring better results.

Ms. Marija Adanja agreed that fragmentation of developmental aid is a problem number one all over the world, also in the donor states. The Paris conference in 2005 established agreements on aid effectiveness and the division of labour. During the German presidency, the Code of conduct was also accepted. In order to implement the concept of a division of labour, certain pilot countries such as Nicaragua and Bangladesh were selected. Slovenia decided to coordinate the work in the pilot county of the FYR Macedonia. The EU is currently preparing the toolkit for a division of labour and a compendium of best practices.

In Ms. Adanja’s opinion, NMS have the possibility to informally influence EU development strategies. She supports networking and developing new consortiums. She hopes the results of the conference will improve the level of cooperation.
7. Conclusions

Final discussion and conclusions of the conference were made by **Mr. Gašper Jež**, Director, Centre for International Cooperation and Development.

Three issues stood out in the conference discussion: ODA should be strategically approached, NMS have still not found the way to work with other donors, and public awareness for development policies needs to be raised.

It is already clear that NMS will not be able to match the financial commitments they have made in 2005, where they have committed to reach individually 0.17% ODA/GNI by 2010.

The NMS can best learn from experiences of the other donors, from their mistakes and successes. But as the conference has shown traditional donors often do not feel comfortable providing “bad” lessons they have learned.

Geographically NMS concentrate their development policies towards their neighbouring non-EU countries, and Soviet Union successor countries. NMS do and should select these two regions as their priority, it was stressed, as they have comparative advantage of better understanding security, political, social, economic, and cultural affairs due to common history. Moreover, they speak the languages of the region.

Sector wise they have clear advantage in transition management and EU accession expertise. However, the NMS do need to build their administrative capacity. Whether the role of NGOs, development operators or political elite needs to be strengthened remains unanswered and differs from country to country.

How to work with other donors? The conference provided examples where the traditional donors looked for donors from NMS to work together in non-EU neighbouring countries, and some traditional donors strongly support similar activities in the future. Coordination of development activities is vital for NMS.

The importance of having local staff was strongly emphasised, because many development projects and programmes cannot be delivered from headquarters. Moreover, presence in the field gives the operators in-depth knowledge of the region/country where development activities are being delivered. Many NMS have found difficulties in applying for EC projects, and will strive to be provided with as much training in this field as possible.

The conference has clearly shown that many NMS have not been successful in raising public awareness for its development policies. Furthermore, unlike in “old” member states the political elites in NMS have not been able to raise the political support for ODA. NGOs, press, and business communities in NMS have been too often too little included in development policies. To improve the awareness NMS need to ensure the transparency of their development policies, which can be done by qualitative evaluation of the development projects and programmes.

NMS will improve their development cooperation if they will clearly define their development policies, and will concentrate on few countries and few thematic areas. The NMS have been hesitant to move their development cooperation activities to the least developed countries – especially to Africa, which has been set as the priority by the EU – and they will clearly need help from the Commission and traditional donors in stretching their activities towards Africa.
References

About the 3Cs Initiative. Available at: http://www.three-s.net/about_the_3cs_initiative (June 10, 2008).

Bucar, Maj, Maria João Marques, Anja Mesic, Eva Plibersek (2007), Towards a Division of Labour in European Development Cooperation: Case Studies, German Development Institute.


OECD. OECD Development Cooperation Directorate (DCD-DAC) Glossary, http://www.oecd.org/glossary/0,3414,en_2649_33721_1965693_1_1_1_1,00.html#1965422 (June 10, 2008).
