V4 Development Cooperation Trialogue: Reinforcing Synergies, Sharing Good Practices

A Guide to participation in EU development funding

Ambrela
Platform for Development Organizations

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INSTITUTE OF INTERNATIONAL RELATIONS PRAGUE

PÉCSI TUDOMÁNYEGYETEM
UNIVERSITY OF PÉCS

supported by
Visegrad Fund

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Keywords: Visegrad Group, Visegrad countries, development cooperation, EU development funding

ISBN: 978-83-67407-09-0

Publisher

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Warsaw, 2023

Source of funding: This publication is co-financed by the governments of Czechia, Hungary, Poland and Slovakia through Visegrad Grants from International Visegrad Fund. The mission of the fund is to advance ideas for sustainable regional cooperation in Central Europe.

Executive summary

The European Union's (EU) development cooperation policy is aimed at supporting socio-economic development in developing countries. This policy focuses primarily on the reduction and eventual eradication of poverty. It should promote sustainable development around the world, and complement and reinforce EU Member States' efforts in this regard. Although Czechia, Hungary, Poland, and Slovakia – also known as the Visegrad Four (V4) – vary in terms of their level of participation in EU development funding programmes, they often face similar difficulties.

Enabling all key Visegrad stakeholders (public authorities, Civil Society Organisations – CSOs, the private sector) to engage in meaningful dialogue (or rather "trialogue") on development activities is necessary for strengthening participation by non-state actors in EU development funding programmes. The **V4DevCo – V4 Development Cooperation Trialogue: Reinforcing Synergies, Sharing Good Practices** project provided them with a unique platform for the exchange of views, experience and knowledge transfer through a series of three workshops, while project activities contributed directly to this Guide. This study aimed to enhance the knowledge base on participation of V4 non-state development actors in EU development funding programmes.

In the first chapter, the Guide analyses the participation of V4 non-state actors in EU development funding programmes. Overall, V4 countries' share in it is at a very low level, and they vary in their participation in EU development funding. The chapter also identifies the obstacles to deeper engagement of V4 development actors, and strives to find solutions for increasing the level of non-state actors' involvement in applying for EU development grants and bidding for procurement contracts. Identifying these potential solutions enabled the formulating of several country-specific recommendations, included in this chapter. Interestingly, some of the obstacles to greater involvement by V4 non-state actors in EU development funding that had already been identified in previous studies could also be seen in the exchanges the authors had with representatives of these organisations during the course of the V4DevCo project. This suggests that problems already identified some years ago remain unaddressed.

The second chapter begins with analysing V4 participation in the European Financial Architecture for Development. Then, it shares good practices from a relatively successful EU member state in EU development funding acquisition. To this end, the chapter covers knowledge transfer from Denmark. The chapter concludes that it remains crucial for V4 countries to first of all invest in their bilateral cooperation, and only then use bilateral cooperation tools to enhance eligibility for EU funding. But in any case, EU funding cannot replace bilateral funding, especially in a situation where none of the V4 countries met the 0.33% ODA/GNI target. This is also particularly important in the context of the future potential for applying the V4's expertise in the post-war reconstruction of Ukraine, since tapping this potential depends on the V4's ability to address structural problems and scale up their participation in EU development policy alongside other EU Member States.

Subsequently, in the third chapter, the Guide aims to complement the understanding of roles, challenges and future of V4 civil society engagement with EU funding mechanisms. It also contains several practical tips for CSOs that want to be successful in applying for EU development funding.

The fourth chapter offers an overview of the collaborative frameworks and practices of European actors, in particular V4 non-state stakeholders, in their cooperation with Sub-Saharan African partners. The chapter then goes on to discuss the prerequisites for successful projects involving V4 stakeholders and African partners. It finds that a real network connecting all stakeholders in EU–Africa relations is a requisite, and the current strategies do not sufficiently involve non-governmental organisations (NGOs), businesses, and project beneficiaries.

The Guide concludes in the fifth chapter with a set of nine key recommendations targeting development actors from the V4 countries and the European Commission, drawn up during implementation of the V4DevCo project. The emphasis is on issues that can be perceived as common to all V4 countries, and the recommendations overwhelmingly recognise the crucial role played in this context by the V4 governments. In particular, the study recognises that increasing V4 bilateral development cooperation budgets is of utmost importance; moving away from the “silo approach” could be beneficial for all V4 development actors, and for this purpose more activities aiming to facilitate a “trialogue” between the public authorities, NGOs, and businesses are needed; the European Commission should actively support engaging more actors from the non-traditional donor Member States in EU development cooperation, since this could have important gains. Increasing the sense of ownership in EU development cooperation could not only bring additional resources and knowledge, and raise awareness on global issues in societies across the V4, but should also foster a much-needed “fresher” approach to this policy.

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Reinforcing Synergies, Sharing Good Practices

Czechia, Hungary, Poland, Slovakia – also known as the Visegrad Four (V4) – have been participating in the EU development funding programmes but the level of their participation is often relatively low. They face similar difficulties and are aware that stronger engagement of non-state development actors can help them to overcome the constraints of their limited resources and capacities, as well as to better distribute risks and build synergies. By developing the V4DevCo Guide and a series of workshops, the V4DevCo project aimed at not only reinforcing the capacities of V4 actors in implementing development projects financed by the EU but also raising awareness of the citizens on this sphere of V4 activity.

V4DevCo project provided the V4 non-state actors with a unique platform for the exchange of views, experience and knowledge transfer. Firstly, it identified the obstacles for deeper V4 development actors' cooperation and strived for finding solutions to increase the level of non-state actors' engagement in the EU development projects. Secondly, the project complemented the participants' understanding of roles, challenges and future of the V4 civil society engagement with the EU funding mechanisms. Thirdly, it made use of the observations shared by the development actors from the partner countries concerning their experience in joint efforts with V4 development actors and their expectations about further cooperation.

The project is co-financed by the governments of Czechia, Hungary, Poland and Slovakia through Visegrad Grants from International Visegrad Fund. The mission of the fund is to advance ideas for sustainable regional cooperation in Central Europe.

Introduction

The European Union's (EU) development cooperation policy aims to support socio-economic development in developing countries. This policy focuses primarily on the reduction and eventual eradication of poverty. It should promote sustainable development around the world, and complement and reinforce EU Member States' efforts in this regard. Although Czechia, Hungary, Poland, and Slovakia – also known as the Visegrad Four (V4) – vary in terms of their level of participation in EU development funding programmes, they often face similar difficulties and the level of their participation is relatively low. Accessing EU development funding is challenging and often requires considerable technical, professional, and financial capacities, as well as previous experience in the field. Stronger engagement of non-state development actors could help the V4 countries to overcome the constraints of their limited resources and capacities, as well as to better distribute risks and build synergies.

The realisation of 17 Sustainable Development Goals (SDGs) requires not only comprehensive collaboration between various stakeholders, but also a massive mobilisation of resources. In line with the 2030 Agenda for Sustainable Development, engaging non-state actors in development cooperation should therefore be encouraged by the donor states. As for participation by the business sector, it can help in overcoming financial constraints and mobilise additional resources. The involvement of Civil Society Organisations – CSOs,[1] in turn can contribute to ensuring

1 Please note that throughout the Guide, the authors use closely related terms: civil society organisations (CSOs), non-governmental organisations (NGOs), and non-governmental development organisations (NGDOs). The terminology in relation to CSOs and NGOs is contested, but generally CSOs are a broader category that includes NGOs. To quote from an OECD publication, "CSOs can be defined to include all non-market and non-state organisations outside of the family in which people organise themselves to pursue shared interests in the public domain. They cover a wide range of organisations that include membership-based CSOs, cause-based CSOs and service-oriented CSOs. Examples include community-based organisations and village associations, environmental groups, women's rights groups, farmers' associations, faith-based organisations, labour unions, co-operatives, professional associations, chambers of commerce, independent research institutes, and the not-for-profit media" (OECD, *Civil Society and Aid Effectiveness: Findings, recommendations and good practice*, 2009, p. 26, https://www.ituc-csi.org/IMG/

project accountability, as well as their sustainability and development dimensions – for the benefit of the partner countries. The increased involvement of non-state actors from the V4 countries in EU and global development cooperation could offer not only additional resources, but also their unique experience and know-how related to their work in the conditions of (recent) political and economic transition, which they could potentially share.[2] And as for organisations from the V4 countries, their involvement could bring a number of opportunities stemming from entering the new and vast markets of the partner countries, enlarging their networks, whereas gaining such experience could also help them access more efficiently the significant market of grants and procurement contracts. Naturally, this greater engagement should not disregard calls for supporting localisation, and must ensure positive developmental impact while also complying with the highest standards of social and environmental responsibility.

Recognition of the need for broader participation of V4 actors in EU development programmes, especially in the context of cooperation with Sub-Saharan African partner countries, was apparent in the calls raised in the 2013/2014, 2015/2016, and 2017/2018 Visegrad Group Presidency programmes. This issue was also highlighted by some previous initiatives and publications[3] (e.g. the TRIALOG project, which was

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pdf/Civil_Society_and_Aid_Effectiveness_2_.pdf). An NGO, in turn, is "any non-profit entity organised on a local, national or international level to pursue shared objectives and ideals, without significant government-controlled participation or representation. NGOs include foundations, co-operative societies, trade unions, and ad-hoc entities set up to collect funds for a specific purpose" (OECD, *Aid for Civil Society Organisations*, 2018, p. 2, https://www.oecd.org/dac/financing-sustainable-development/development-finance-topics/Aid-for-Civil-Society-Organisations-2015-2016.pdf). However, there is no universally accepted definition of NGOs, and there are many different types of such organisations, depending of the nature of their activities, and the level at which they operate. One type of such organisation is the NGDO, which is an NGO that has a sole focus on development cooperation issues. As the definitions of CSOs, NGOs, and NGDOs sometimes overlap, the authors have often used these terms interchangeably in this study.

2 For private sector engagement in Poland, see F. Kaczmarek, *Rola sektora prywatnego we współpracy rozwojowe*j, Global Compact Yearbook: Polska 2014, Global Compact Poland, 2014, p. 95, https://www.spcc.pl/images/file/UN_Global_Compact_Yearbook_2014.pdf.

3 O. R. Badan, M. Sutrop, *A Decade of EU 13 Civil Society Participation in European Development Cooperation Projects*, TRIALOG Study, 2014. See also: Zázvorková M., *The Involvement of Development NGOs from Visegrad Countries in the Financial Instruments of the European Commission*, FoRS – Czech Forum for Development Cooperation, Prague, 2011, http://fors.cz/user_files/dokumenty/v4verzeweb.pdf.

launched in 2000 and focused on ensuring that CSOs from the Member States that joined the Union after 2004 enlargement could access European Commission funding for development projects; the TRIALOG project was concluded after fifteen years, in 2015).[4] Currently, the Brussels-based platform of development non-governmental organisations (NGOs), CONCORD, only provides general information on possible involvement in EU funding, and it does not take into account the different capacities of its members. There are no similar institutionalised communication channels for business entities. And along with the introduction of the Neighbourhood, Development and International Cooperation Instrument – Global Europe (NDICI-GE), funding of the EU's external policies was overhauled. It is now a relevant moment to re-examine Visegrad development actors' participation in EU development funding programmes.

The V4DevCo project assumed that enabling all key Visegrad stakeholders (public authorities, CSOs, the private sector) to engage in meaningful dialogue (or rather "trialogue") on development activities was necessary for strengthening participation by V4 non-state actors in EU development funding programmes. Consequently, the project provided them with a platform for the exchange of views, experience and knowledge through a series of three workshops. The activities conducted within this project directly fed to this study, which made use of the insights from discussions with project partners and the participants of the three V4DevCo workshops, complemented by comments shared by the interviewed experts and officials.

First of all, the Guide identifies the obstacles to deeper cooperation between V4 development actors, and strives to find solutions for increasing the level of non-state actors' engagement in bidding for EU development aid procurement contracts and grants. To this end, the Guide covers knowledge transfer from Denmark, which has a successful record of EU development funding acquisition. Secondly, the Guide

4 See more about the Trialog project: Concord, *Trialog 2010-2015*, https://concordeurope.org/project/trialog/.

complements the understanding of roles, challenges and future of V4 civil society engagement with EU funding mechanisms. It also contains several practical tips for CSOs that want to be successful in applying for EU development funding. Thirdly, the Guide analyses a specific case of cooperation between the V4 and partner countries. It overviews the collaborative frameworks and practices of European actors, in particular V4 non-state stakeholders, in their cooperation with Sub-Saharan African (SSA) partners. The Guide concludes with a set of nine key recommendations targeting development actors from the V4 countries and the European Commission, drawn up during the implementation of the V4DevCo project.

List of sources providing information on the EU development funding and tender opportunities

The Guide primarily focuses on analysing the participation of V4 non-state actors in EU development funding programmes and on providing recommendations to the development actors from the V4 countries on how to increase this participation. Consequently, although this publication is named a "Guide", it does not aim to provide technical information on EU procurement procedures or instructions on how to apply for EU development grants. It does not give such information because there are already materials available that have dealt comprehensively with these issues. These include (but are not limited to) the following resources:[5]

- PRAG – A practical guide to contracting procedures for EU external action contracts financed by the EU general budget. The latest version is applicable to any procedure to be launched as of 24 June 2022. Available at: https://wikis.ec.europa.eu/display/ExactExternalWiki/ePRAG.

5 See more on the DG INTPA website about funding available to NGOs and businesses willing to work in the field of EU development cooperation: https://international-partnerships.ec.europa.eu/funding-and-technical-assistance/looking-funding_en.

- EXACT (EU External Action Wiki) – a knowledge base for the European Commission's partners in external action. The website includes information needed for locating calls, as well as technical manuals and e-learning videos on such topics as, for example, public procurement procedures, contract management, or monitoring of interventions. Available at: https://wikis.ec.europa.eu/display/ExactExternalWiki.

- EU External Action (RELEX) funding and tender opportunities – a website dedicated to the funding and tender opportunities related to DG INTPA, DG NEAR, and Service for Foreign Policy Instruments (FPI). Available at: https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/programmes/relex.

- EU International Partnerships Academy – DG INTPA's website dedicated to sharing free access to the DG INTPA knowledge base with a wider audience. It can help better understand INTPA's work, methods, and approaches since it contains information organised into different topics, for example: education, capacity development, agriculture, fisheries, climate change and desertification, migration, private sector and trade. These materials are provided in various forms, for example through webinars, videos, podcasts, and documents. Available at: https://webgate.ec.europa.eu/intpa-academy/.

- DG INTPA's Calls for Proposals and Tenders – DG INTPA's website dedicated to informing on the latest calls for proposals and tenders in the field of EU development funding. Available at: https://webgate.ec.europa.eu/online-services/#/.

- TED Tenders Electronic Daily – an online edition of the Supplement to the Official Journal of the EU where procedure details and procurement documents can be consulted. Available at: https://ted.europa.eu/TED/main/HomePage.do?lg=en.

- EU delegations website – an online portal that lists the websites of all EU delegations. These websites often contain information on EU funding opportunities in a given partner country (grants and tenders; see the Opportunities tab). Available at: https://www.eeas.europa.eu/eeas/eu-world-0_en.

Data accuracy disclaimer

In the analyses included in this study the necessary data were often retrieved from the European Commission's Financial Transparency System (FTS). The FTS is an online database that collects data on projects funded by the EU budget and the European Development Fund (EDF), implemented directly by the European Commission and in EU delegations to countries outside the EU, or indirectly by non-EU countries or other international organisations.[6] The data retrieved for using in the analyses in this study mostly concerned the development projects of European Commission's Directorate-General for International Partnerships (DG INTPA), and Directorate-General for Neighbourhood and Enlargement Negotiations (DG NEAR). Although this database offers a unique source of information on the involvement of various actors in EU development cooperation funding, there are certain shortcomings that come with its use. For example, in some cases in which there are multiple beneficiaries, the exact repartition of the beneficiary amount is not available and 100% of the total amount is displayed with the coordinator (i.e. project lead partner). This may be particularly relevant in the case of the data for the "beneficiary's contracted amount" which represents the amount committed only to beneficiaries from the country in question (but the total amount is often reported only to the coordinator or to a single beneficiary due to the lack of exact

6 See: European Commission, *Financial Transparency System*, https://ec.europa.eu/budget/financial-transparency-system/.

repartition). This amount is different from the "commitment contracted amount" which represents the amount committed to all beneficiaries (all countries) for projects where there is at least one beneficiary residing in the country concerned. Also, in the case of an analysis which aggregates the data concerning actors from V4 countries, there is a risk of duplicating some amounts when more than one organisation from a V4 country participates in the consortium that implemented the given project. And as the FTS specifies, certain beneficiaries are not revealed in the database for security reasons.

Despite its numerous, considerable limitations, the FTS database offers relevant and comparable data that can help one spot trends across the EU Member States, and it has already proven useful for several studies in the context of researching V4 countries involvement in EU development funding.[7] The data presented in this study should therefore be considered only as rough estimates that help in analysing the presence of non-state V4 actors in EU development cooperation funding and allow for making comparisons across the EU Member States, and not as a source of complete financial information.

7 See for example: Zázvorková M., *The Involvement of Development NGOs from Visegrad Countries in the Financial Instruments of the European Commission*, FoRS – Czech Forum for Development Cooperation, Prague, 2011, http://fors.cz/user_files/dokumenty/v4verzeweb.pdf; O. R. Badan, M. Sutrop, *A Decade of EU 13 Civil Society Participation in European Development Cooperation Projects*, TRIALOG Study, 2014; P. Kugiel, *Udział sektora prywatnego w wielostronnej pomocy rozwojowej. Szanse dla Polski*, Polski Instytut Spraw Międzynarodowych, Warszawa, 2015; O. Chmiel, *The engagement of Visegard countries in EU-Africa relations*, German Development Institute / Deutsches Institut für Entwicklungspolitik (DIE), 2018, https://doi.org/10.23661/dp24.2018; B. Szent-Iványi, *European Civil Society and International Development Aid. Organisational Incentives and NGO Advocacy*, Routledge, 2023.

Chapter 1. Participation of V4 non-state actors in EU development funding programs*

Introduction

As highlighted in a number of previous studies, although the V4 countries vary in terms of their level of participation in EU development funding programmes, they often face similar difficulties and the level of their participation is relatively low.[8] However, as some of these publications focused on only one specific group of stakeholders (e.g. NGDOs) and were published some years ago, in view of the recent overhaul of European development funding architecture it is timely to re-examine this issue. Consequently, this chapter primarily focuses on analysing the participation of V4 CSOs and businesses in EU development funding programmes. First of all, the analysis is pursued at the level of general involvement of entities from V4 countries in EU development cooperation, which allows comparisons of their performance with other EU Member States. The chapter then analyses in greater detail the involvement of non-state actors in EU development funding in each of the

* Authors of the specific sections: Introduction, Poland, summary – Oskar Chmiel, Agnieszka Kulesa, CASE – Center for Social and Economic Research; Czechia – Daniel Šitera, Ondřej Horký-Hlucháň, Institute of International Relations Prague; Slovakia – Daniel Kaba, Juraj Jando, Ambrela – Platform for Development Organisations; Hungary – István Tarrósy, Zoltán Vörös, University of Pecs.

8 See for example: Zázvorková M., *The Involvement of Development NGOs from Visegrad Countries in the Financial Instruments of the European Commission*, FoRS – Czech Forum for Development Cooperation, Prague, 2011, http://fors.cz/user_files/dokumenty/v4verzeweb.pdf; O. R. Badan, M. Sutrop, *A Decade of EU 13 Civil Society Participation in European Development Cooperation Projects*, TRIALOG Study, 2014; O. Chmiel, *The engagement of Visegard countries in EU-Africa relations*, German Development Institute / Deutsches Institut für Entwicklungspolitik (DIE), 2018, https://doi.org/10.23661/dp24.2018; B. Szent-Iványi, *European Civil Society and International Development Aid. Organisational Incentives and NGO Advocacy*, Routledge, 2023.

V4 countries, identifying the obstacles and difficulties in this field. Indeed, accessing EU development funding is challenging and often requires considerable technical, professional, and financial capacities, as well as previous experience in the field – and these are oft-missing elements in businesses and NGDOs from V4 countries. Ultimately the chapter strives to find solutions for increasing the level of non-state actors' engagement in EU development funding. Identifying these potential solutions allowed for the formulating of several country-specific recommendations.

In the analyses included in this chapter, the necessary data were often retrieved from the European Commission's Financial Transparency System (FTS). Please note that although this database offers a unique source of information on the involvement of various actors in EU development cooperation funding, there are certain shortcomings that come with its use (see the data accuracy disclaimer).

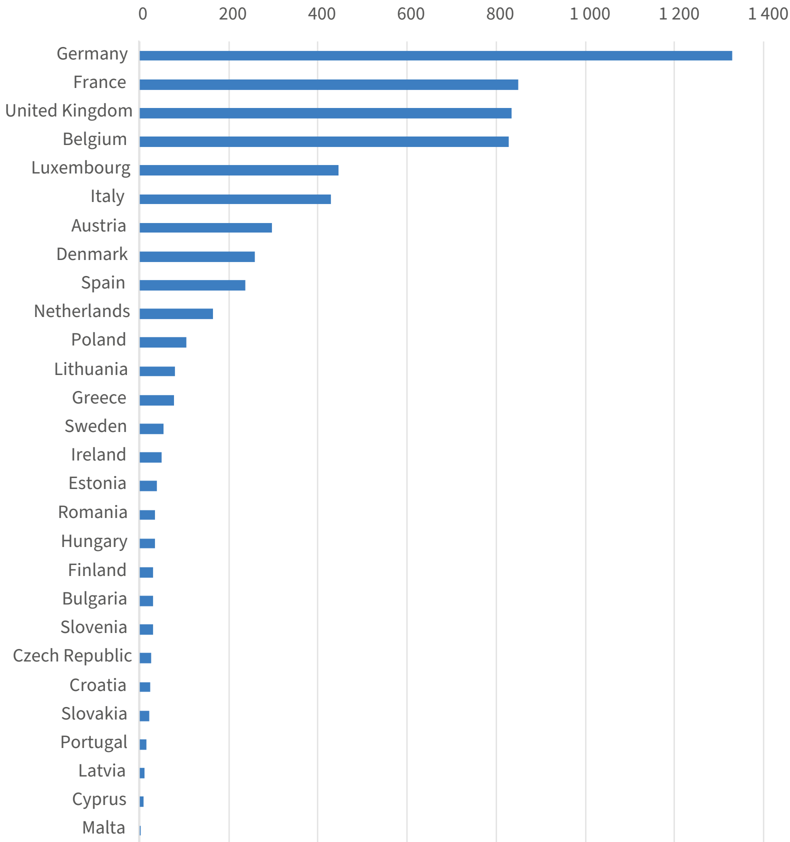
Initial overview of V4 engagement in EU development funding

Among the top most successful EU Member States in terms of beneficiaries' contracted amount from funding managed by DG NEAR[9] over the period 2014-2021 were Germany, France, the United Kingdom and Belgium. In this context, the V4 countries' performance varied: among the 28 EU Member States, Czechia was placed 22nd, Hungary 18th, Poland 11th, and Slovakia 24th (see Figure 1). At the same time, their share in this funding was many times lower than the share of the top EU Member States, as it did not reach 1% (save Poland) while in the cases of France, the United Kingdom, and Belgium, amounted to 13% (see Table 2). This stark contrast also appears in the case of the funding managed by DG DEVCO/INTPA over the period 2014-2021: among the top four EU Member States were again France, Germany, Belgium and, differently this time, Italy. The V4 states in turn were placed as follows: Czechia was 16th, Hungary 22nd, Poland 18th, and Slovakia 17th. Also their

9 Please note that for the period starting in 2014 this also includes funding managed by Directorate-General Enlargement (DG ELARG).

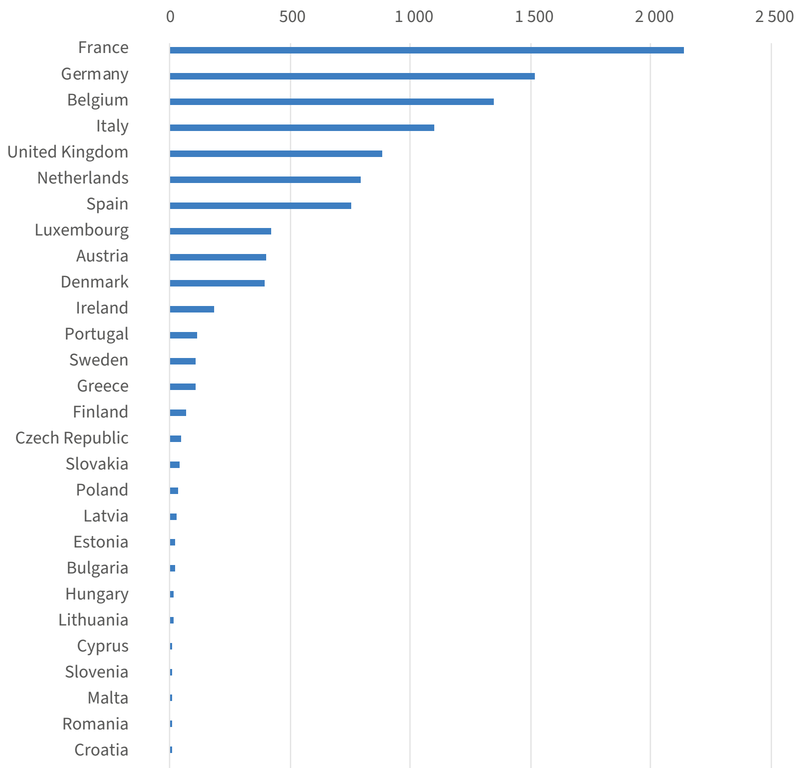
share of the funding was very low (as none of the V4 countries even reached 1%, the V4 countries' total share amounting to just 1%), especially in comparison with the top four EU Member States (together accounting for 58%), for example France (20%) or Belgium (13%; see Table 1).

Figure 1. Beneficiaries' contracted amounts (EUR million) from DG ELARG/NEAR funds (2014-2021).



Own elaboration based on the data retrieved from EC FTS.

Figure 2. Beneficiaries' contracted amounts (EUR million) from DG INTPA/DEVCO funds (2014-2021).



Own elaboration based on the data retrieved from EC FTS.

Table 1. EU member states' shares in funding managed by DG DEVCO/INTPA (in terms of beneficiaries' contracted amount in EUR million; 2014-2021).

Country	EUR mln	Share in EU-28 total
Czech Republic	45.36	0.43%
Hungary	10.34	0.10%
Poland	28.60	0.27%
Slovakia	38.99	0.37%
V4 total	**123.29**	**1.18%**
France	2,133.82	20.39%
Germany	1,515.39	14.48%
Belgium	1,339.90	12.80%
Italy	1,093.51	10.45%
EU Top 4 total	**6,082.62**	**58.11%**
EU–28 total	**10,466.67**	**100%**

Own calculations based on the data retrieved from EC FTS.

Table 2. EU member states' shares in funding managed by DG ELARG/NEAR (in terms of beneficiaries' contracted amount EUR million; 2014-2021).

Country	EUR mln	Share in EU-28 total
Czech Republic	26.15	0.41%
Hungary	33.38	0.53%
Poland	104.04	1.64%
Slovakia	20.47	0.32%
V4 total	**184.04**	**2.91%**
Germany	1,329.61	20.99%
France	848.66	13.40%
United Kingdom	833.30	13.16%
Belgium	827.45	13.06%
EU Top 4 total	**3,839.02**	**60.61%**
EU–28 total	**6,333.87**	**100%**

Own calculations based on the data retrieved from EC FTS.

Considering that some of the top EU Member States are at the same time among the most significant economic actors in the EU, the disparities between them and the economically less powerful V4 states do not come as a surprise.[10] However, among the most efficient states are also those that are more comparable in terms of their economic size with the V4 countries (such as Denmark, Austria, or Luxembourg). For this reason, it is also important to examine the involvement of V4 countries in EU development funding in more relative terms. And for this purpose, the analysis took into consideration the size of contributions to the EU ODA (see Table 3).

10 Moreover, the presented amounts refer to the "beneficiary's contracted amount" which often tends to focus on the project coordinators or single beneficiaries. As a result, the performance of beneficiaries from the V4 countries may be further understated as they are relatively rare in these roles.

Table 3. Ratio of multilateral ODA net contributions to the EU institutions and the contracted amounts for the selected EU Member States (responsible departments: DG DEVCO/INTPA, DG ELARG/NEAR, DG ECHO; 2014-2021).

Country	Multilateral ODA net contributions to the EU (EUR* million)	Beneficiary's contracted amount (EUR million)[11]	Ratio
Czech Republic	1204.86	176.88	15%
Hungary	823.99	60.95	7%
Poland	3095.28	157.74	5%
Slovakia	538.68	61.81	11%
Belgium	4178.90	2471.03	59%
Denmark	2089.19	1439.75	69%
France	17811.03	4306.58	24%
Germany	22070.82	3562.88	16%
Spain[11]	8453.46	1460.01	17%

Own calculations. Data sources: OECD Stats and EC FTS. *The calculation used the average annual exchange rate USD/EUR in 2020 = 0.877.

Rough estimate of the ratio of multilateral ODA net contributions to the EU institutions and the contracted amounts for the EU Member States in the period 2014-2021 reveals interesting findings.It confirms that the involvement of V4 countries in EU development funding is not only low in absolute terms, but also relatively low when their multilateral aid contributions to the EU are taken into account (in fact, Poland

11 Please note that the ratio calculated in Table 3 refers to the "beneficiary's contracted amount" which represents the amount committed only to beneficiaries from the country in question (often, due to the lack of budget repartition, these amounts are only specified in the case of project coordinators or single beneficiaries). However, if we look at the "commitment contracted amount", which represents the amount committed to all beneficiaries (all countries) for projects where there is at least one beneficiary residing in a given country, then the ratio is as follows: Czech Republic (35%), Hungary (28%), Poland (13%), Slovakia (36%), Belgium (101%), Denmark (91%), France (34%), Germany (23%), Spain (30%). These results seem to put the performance of the V4 countries in a more favourable light. However, the commitment contracted amounts often relate to whole project consortia, where the beneficiaries from V4 countries are relatively rarely the lead partners (and these partners often take the main share of the amounts contracted for the whole project). Moreover, given the relatively modest amounts contracted by beneficiaries from e.g., Hungary or Slovakia, the participation of some beneficiaries from these countries in large consortia may inflate the ratio in question. Therefore, although both approaches to calculating this ratio are imperfect, estimates based on the beneficiary's contracted amount seem to be more relevant in the case of the V4 countries.

has the lowest score of all EU Member States – 5%). At the same time, the analysis also confirms some of the findings of previous studies[12] about certain highly efficient EU Member States in this field, such as Denmark (72%), and Belgium (61%), since the disparity in performance of these countries and the V4 is significant.[13] However, it is also interesting to note that the ratio in question is relatively low in the case of some of the most significant beneficiaries, such as Germany (17%) or Spain (18%).

In the following sections, the involvement of V4 non-state actors in EU development funding is examined in greater detail, and for each of the Visegrad countries.

Czechia

Introduction

Czechia is the leader among the EU-13 Member States in terms of its ability to participate in the EU's funding for development cooperation. Still, it remains at one end of the considerable gap between the "new" and "old" member states. According to the FTS, for the Directorates-General INTPA and DEVCO, as many as 19 beneficiaries with a registered address in the Czech Republic contracted EUR 39.54 m in their role as standalone recipients or leaders of larger projects between 2014 and 2021. On the one hand, this means that a part of their budget may have been subcontracted to project partners at home or abroad. On the other, another 30 beneficiaries based in Czechia became indirect beneficiaries as members of project consortia

12 This particularly high efficiency may be related with the presence of international organisations' offices in these countries; see P. Kugiel, *Udział sektora prywatnego w wielostronnej pomocy rozwojowej. Szanse dla Polski*, Polski Instytut Spraw Międzynarodowych, Warszawa, 2015; see also B. Szent-Iványi, *European Civil Society and International Development Aid. Organisational Incentives and NGO Advocacy*, Routledge, 2023.

13 The only EU Member State with higher result than Denmark and Belgium is Luxembourg – 369%.

with an unknown budget, making the total balance quite possible but still indicative.[14] The Czech government does not collect any data that would enable the inherent methodological lacunae in the data provided by the EC's FTS to be overcome.

These imperfect figures place Czechia in 16th place among EU Member States and in first place among those of Central and Eastern Europe. The sums received by Czech entities were declining between 2012 and 2021, in contrast to the pretty consistent EU average. Among the EU-13, Czechia can only be rivalled by Slovakia and the Baltic States in per capita terms. It would seem, however, that the Czech model of mobilising EU development funding has reached its limits. Unless the underlying causes of these constraints are tackled by the Czech government, the upward mobility of the country towards the "old" Member States will be impeded. These constraints can be summed up in three ways:

1. The weak institutional and coordinating capacities of the government are very closely related to the low funding and repeated cuts in bilateral development cooperation in the years preceding the war in Ukraine. Non-state actors, that is, businesses and non-governmental development organisations (NGDOs), are thereby unable to profit from a thriving domestic environment induced by national development policy.

2. The Czech model relies on the underdeveloped sector of domestic small and middle-sized enterprises (SMEs). Although the Czech development policy is vocally oriented at furthering the interests of Czech businesses in developing markets, it constantly fails to do so, and evidence of businesses following up state support from bilateral development cooperation is anecdotal.

14 Data retrieved from: European Commission, *Financial Transparency System*, https://ec.europa.eu/budget/financial-transparency-system/.

3. The Czech model is extremely unequal due to the dominant position of People in Need (*Člověk v tísni*, PIN), the largest NGDO based in Central and Eastern Europe. PIN's share of the combined funding of Czech entities overseen by the Directorates-General DEVCO, NEAR and ECHO amounts regularly to decisively more than 50%, which is rather extreme even though FTS statistics tend to overrate the funding share of project leaders at the expense of project partners without recorded budgets.

Consequently, NGDOs and their international networks are the main implementors of the EU's development policy, despite their huge internal diversity in institutional capacities for successfully applying for bilateral and EU funding. It must be emphasised here that, unlike for businesses, the European Commission designed the EU development cooperation programmes to explicitly encourage experienced NGDOs from the "old" member states to include their "new" counterparts in their projects, and thus help them build up a track record to later apply for EU funding as project leaders. It must also be said, though, that these incentives mostly concern the Development Education and Awareness Raising (DEAR) Programme that tends to be implemented within the member state concerned, and not in the partner countries, thus limiting the spillover effect into other thematic and geographic programmes.

It is crucial to understand the deeper roots of the Czech model from a political economy perspective. The duality between the foreign-owned and domestic sectors of Czechia's dependent economic model produced a dominant sector of foreign-owned banks and large industrial firms, but left the domestic governmental, non-governmental and SME sectors relatively weak. Unfortunately, the state's limited ability to overcome this duality by building up the institutional and absorption capacities of SMEs and NGDOs is inherent to the Czech neoliberal model of governance. This cripples the potential of the national development policy as well as the ability of government agencies, other public actors, SMEs and NGDOs to participate in EU funding.

In the rest of this sub-chapter, we explore Czech participation in EU funding, and its constraints. These constraints are inherent to the governance model of Czechia, but some may be generalised to the broader V4. We proceed step by step, analysing the deficiencies within the triangular relation of government, SMEs and NGDOs, thereby providing space for recommendations.

Declining political support and fragmented government capacities

The consolidated system of the Czech development policy is relatively new and still lacks the capacities to fully support the participation of SMEs and NGDOs in EU funding. The system was designed to strengthen the Ministry of Foreign Affairs (MFA) as the primary actor in the making and coordination of the development co-operation body from 1995, and complement it with the Czech Development Agency (CzechAid, Česká rozvojová agentura, ČRA) as the unified implementation body. CzechAid was established in 2008 and the development policy system was legally anchored by the Law on Foreign Development Cooperation in 2010. However, the necessary capacities for CzechAid to fulfil the complete range of its functions were never allocated by the MFA.

The ODA/GNI indicator does not provide an accurate representation of the bi-lateral funding. However, the fact that Czechia comes last with a ratio of 0.13% in the OECD DAC's 2021 statistics, behind all other V4 countries, is quite telling.[15] CzechAid's budget reached its peak in 2019, at CZK 525 m (EUR 21 m), and in spite of rising public funding it was gradually cut to CZK 323 m (EUR 13 m) in 2022 under

15 Data retrieved from: OECD, *Development finance data 2021*, https://www.oecd.org/dac/financing-sustainable-development/development-finance-data/.

the pretence of mitigating the Covid-19 and energy crises.[16] Moreover, institutionally, the system was at its most centralised around the time of the European refugee crisis in 2015. In line with the EU-wide practice of decreasing programme aid, the Ministry of Interior and the MFA created new or took over existing programmes from then on. Contrary to the intent of the 2010 law, the Ministry of Trade and Industry is also seeking a major role in the reconstruction of Ukraine.

Considering these fragmentation tendencies and following the shifting narrative of the Sustainable Development Goals (SDGs), the Czech strategy for Foreign Development Policy (2018-2030) explicitly aims at the future task of blending national and European funds, including a more active involvement in the EU External Investment Plan and the European Fund for Sustainable Development.[17] The plan also includes the establishment of a bilateral development finance institution (DFI) by adding its mandate to the rebranded National Development Bank (*Národní rozvojová banka*, NRB) for this purpose. In spite of its revamped mandate, the NRB remains mainly focused on financing domestic SMEs, and lacks an international outlook to scale up its activities in development financing or, potentially in the future, use EU guarantees for local SMEs.

Many of the plans in the 2018-2030 Strategy are to remain on paper due to long-term and deepening underfinancing. In spite of the continued bilateral funding of the guarantee fund for businesses in developing countries, the absorption capacity of Czech firms has been near to zero, which is delaying the long-term plans to implement EU funding through the NRB. According to the Czech stakeholders, the Western-owned Czech branches of commercial banks are prohibited by their parent banks from financing the operations of Czech companies in developing countries

16 Data retrieved from: Ministry of Finance, *Česká rozvojová agentura – druhový rozklikávací rozpočet pro výdaje*, https://monitor.statnipokladna.cz/ucetni-jednotka/75123924/rozpocet/vydaje-druhovy?obdobi=2207&rad=t.

17 Ministerstvo zahraničních věcí České republiky, *Strategie zahraniční rozvojové spolupráce České republiky 2018–2030*, 2017, http://www.czechaid.cz/wp-content/uploads/2016/09/Strategie_ZRS_CR_2018-2030.pdf.

where the banks operate through different corporate structures, and hence the guarantees cannot be drawn.[18] In addition, the size of projects that would be viable for the commercial banks with regard to applying due diligence significantly exceeds the overall funding of the guarantees.

CzechAid is another good example of these problematic and contradictory dynamics. On the one hand, in 2017 it succeeded in undergoing the certification of the European Commission for delegated cooperation as the very first implementation agency from the EU-13 and hence the V4.[19] On the other hand, despite this success, much of its proposed mid-term strategy remains on paper, including the promotion of Czech actors in EU funding.[20] The lack of financial resources is related to insufficient personnel capacities, limited operational powers, and other deficiencies that prevented it from solving the problem of inadequate absorption of national funding in the first place. In the current context, there is no single governmental actor that would be able to organise and implement a coherent ecosystem to mobilise the support of other public sector entities. This is even more paradoxical when considering that according to a meta-analysis of external evaluation reports on Czech development cooperation, the quality of projects implemented by public actors, both governmental and non-governmental, is better than that of private actors.[21]

At this point, the Czech model is at the crossroads. The decreasing financial resources at home (with the single exception of Ukraine that alone is able to mobilise

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18 Information provided in closed policy workshops and personal discussions with governmental officials.

19 Česká rozvojová agentura, *Zpráva o činnosti a hospodaření české rozvojové agentury, Výroční zpráva*, 2017, http://www.czechaid.cz/wp-content/uploads/2016/09/Vyrocni-zprava-CRA-2017.pdf.

20 Česká rozvojová agentura, *Střednědobá vize posilování kapacit České rozvojové agentury v kontextu dokončení transformace systému zahraniční rozvojové spolupráce*, [n.d.], http://www.czechaid.cz/wp-content/uploads/2016/09/St%C5%99edn%C4%9Bdob%C3%A1-vize-posilov%C3%A1n%C3%AD-kapacit-%C4%8Cesk%C3%A9-rozvojov%C3%A9-agentury-v-kontextu-dokon%C4%8Den%C3%AD-transformace-syst%C3%A9mu-zahrani%C4%8Dn%C3%AD-rozvojov%C3%A9-spolupr%C3%A1ce.pdf.

21 O. Horký-Hlucháň, *Kvalita rozvojové spolupráce roste, veřejná správa boduje, ale kde jsou kapacity?*, Policy paper, Institute of International Relations Prague, 2019, https://www.iir.cz/en/kvalita-rozvojove-spoluprace-roste-verejna-sprava-boduje-ale-kde-jsou-kapacity.

political and public support for humanitarian aid and development cooperation) are creating pressure on all the participating actors to find external resources, and particularly EU funding. The model tends to reproduce the capacities of the very few actors already active in European development policy, and at the same time further reduce their dependence on the government, thus increasing the extreme inequalities within the Czech development cooperation ecosystem. This worrying trend can only be reversed with intentional capacity building and, above all, the political will to significantly increase the stagnating financing of the bilateral cooperation (see also the lessons from the Danish model).

Private sector involvement and SME business strategies

Even though the Czech development policy is rhetorically very business-oriented, in reality the participation of Czech SMEs in EU funding has been negligible. According to our analysis of EC FTS data, no more than six companies managed to contract or implement the total amount of EUR 14.16 m during the 2014-2021 period, an equivalent of EUR 2 m per year. The huge gap between NGDOs and businesses can be partly explained by the aforementioned in-built incentives for the inclusion of NGDOs in the EC's development cooperation programmes, while public support for the private sector is bound by the rules of the EU internal market. However, the main underlying reason is structural once again, and consists in Czechia's dual economic structure. This cripples the willingness and chances of SMEs to act autonomously, offer products with orientation matching the development policy priorities, and actually succeed on the developing markets.

Unfortunately, the Czech state does not seem to be willing to adapt its government strategies to reverse the trend. The latest plan to promote a combination of export subsidies with development cooperation via the NRB backfired, thus revealing the SMEs' lack of absorption capacity and inability to succeed in developing markets on the existing terms. The official Czech SME Strategy ignores the development policy altogether.[22] The Czech Export Strategy gives it only a cursory mention, without emphasising the opportunities of EU funding alongside the national resources.[23] As already mentioned, the proper Development Cooperation Strategy sees EU funding as a future task. In practice, a diplomat based at the Czech Permanent Representation in Brussels works as a focal point for inquiries from Czech SMEs, but awareness of this service and the consequent demand is very low.

Reading from the data available, there have been two ways for SMEs to participate in EU funding schemes over the span of 2014 to 2021. In many respects these business strategies cover engagement with the wider Eastern Europe, Central Asia, Africa, and China. The first strategy is sectoral specialisation. The companies Envinet, Nuvia, OGResearch and VF Nuclear, as well as the public-owned Nuclear Research Institute, have succeeded in providing their consultancy in the field of nuclear energy and safety as part of the EU's specific Instrument for Nuclear Safety Cooperation. For example, as the case of the Nuclear Research Institute shows, this points to a niche specialisation that could be further promoted through new hubs around research institutes and their spin-off companies ready to provide their own expertise and technologies.

The second business strategy is illustrated by the company Geotest. It provides a wide range of services – from consulting to supplier services – in the fields of environment, engineering geology, geotechnics, geophysics and hydrogeology. It is the only Czech firm to have been able to participate in EU funding projects on a regular basis. This is thanks to its prior engagement in Czechia's post-war reconstruction efforts in Iraq and Afghanistan, which spilled over into regular cooperation

22 Ministerstvo průmyslu a obchodu České republiky, *Strategie podpory malých a středních podniků v České republice pro období 2021–2027*, 2021, https://www.mpo.cz/assets/cz/rozcestnik/pro-media/tiskove-zpravy/2021/3/Strategie-podpory-MSP-v-CR-pro-obdobi-2021-2027.pdf.

23 Ministry of Industry and Trade, Ministry of Foreign Affairs of the Czech Republic, *Updating the Export Strategy of the Czech Republic 2012 – 2020*, 2017, https://www.mpo.cz/assets/en/foreign-trade/support-for-export/conception-and-strategy/2017/4/updating-Export-Strategy.pdf.

with CzechAid, furthering EU programmes and other international frameworks.[24] The company is also well connected in international networks, such as the Innogen Alliance for independent consulting companies. It must be emphasised that Geotest is an exception to the rule, with dozens of Czech SMEs implementing millions of EUR in bilateral development projects financed by CzechAid being unable to step up to the EU level.

For the future, more public support should go towards reinforcing the hubs of specialised businesses, which could learn from those few to have already been successful. The Czech policymakers should, first of all, identify special sectoral activities or hubs of firms that can mutually support each other in areas where CzechAid has had some experience, and secondly support the sharing of best practices among businesses and foster scale-up and blending with respect to those already successful in national funding. The Technology Agency of the Czech Republic, which provides funding to applied research, should also explicitly encourage innovations that provide frugal and replicable technologies suitable for emerging markets.

Civil society and other public institutions

Against this background, the NGDOs are the most important Czech beneficiaries, having received 64% of the total Czech funding between 2014 and 2021, while PIN received 52% of this national total alone. Indeed, the NGDOs are more successful than businesses as they already specialise in areas complementary to global development, such as sustainable development and human rights. Humanitarian aid is another area where the private sector has by definition fewer opportunities. Furthermore, NGDOs have a much better networking status than private companies: while PIN is a part of Alliance 2015, the likes of Czech Caritas, ADRA and Diakonie can rely on the international networks of these faith-based organisations. The

24 GEOtest website, https://www.geotest.cz/.

NGDOs are also well networked within FoRS – the Czech Forum for Development Cooperation, and participate closely in bilateral development assistance.

It proved possible to identify participation of all major NGDOs in development between 2014 and 2022, albeit on different scales. This included Arnika, Diakonie, Caritas, CEE Bankwatch, Sourcefabric, and of course PIN. Their activities spanned across Eastern Europe, Central Asia, Caucasus, Africa and South-East Asia. As mentioned above, their projects ranged from promoting democratic institutions and rights to sustainable and green development. The scope of their projects varied thematically from supporting human rights and democratic governance to independent journalism and socio-economic and environmental transitions.

At the same time, the dominance of one NGDO within the whole model invokes again the problem of duality. Being underfinanced in the general economy and on the labour market, the civil society sector also has limited personnel, administrative, and thus absorption capacities. Therefore, only those NGDOs that are well networked are capable of scaling up their activities to succeed in securing EU funding independently of any governmental assistance.

Due to its dominance, PIN strongly influences the shape of the Czech model as a whole, and Czech participation in EU funding in particular. In terms of size, it is the most successful domestic NGDO in the V4 context, and is able to rival other leading NGDOs in advanced small and middle-sized countries, such as the Danish Refugee Council in Denmark. People in Need has shown a capacity for combining domestic leadership with EU funding on a steady basis. The existing local branches of PIN in developing countries and their proximity to EU delegations, where the most important funding decisions are taken, have been key to enabling this success story.

This makes PIN a role model for potential knowledge transfers, but also a problematic case given its monopolising tendencies within the Czech context. It also shows that such asymmetry does not spill over into growth of equally competitive NGDOs. Indeed, besides Caritas, no other Czech organisation has so far been able to receive grants on a sustained and regular basis. However, the EU project Switching on the Green Economy, led by PIN in partnership with Caritas and other local NGOs in Mongolia, shows that cooperation among the Czech NGDOs is a potential way forward.[25]

Once again, in order to increase and incentivise the capacity of NGOs in EU funding, so that the system becomes more balanced and multi-actor, the state would have to promote the spillover of experience while also using national funding to support the success of NDGOs in EU funding. This can be through targeted partnerships with individual NDGOs, or through the Czech Forum for Development Cooperation.

Conclusion

This sub-chapter shows that the Czech development policy model and its participation in EU funding is unsustainable and at risk. The financial cuts in the bilateral development cooperation combined with annual two-digit inflation rates mean that participation in EU funding will become crucial for SMEs and NGDOs engaged in development cooperation in order for them to sustain their activities outside Ukraine. However, there has to date been no concise government strategy or support for participating in this funding. With the decrease in national funding, the potential for blending national and EU funding has also shrunk. At best, this will translate into business as usual for the actors that have already cast off their dependence on Czech government funding (such as PIN). This might keep the highly unbalanced Czech model in the forefront of the Eastern group of EU Member States, but is hardly likely to enable it to cross the gap between old and new Member States.

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25 People In Need: Jak jedna zapálená ekonomka bojuje proti změně klimatu zahradničením.

To do so, these recommendations would have to be fulfilled:

- There must be a restoration of the national context, which has to date faced a series of cuts. Without robust national coordination, neither Czech governmental agencies nor other actors can be successful at the EU level. This means an increase in CzechAid capacities and leadership.

- This should lead to the allocating of strategic resources supporting the blending and participation of Czech SMEs and NGDOs in EU funding and international networking.

- Successful Czech cases could be generalised across the field through state support for sharing experience and mutual cooperation in EU funding between individual actors or via established platforms.

- Governments should identify and support multi-stakeholder niches where public institutions, including research institutions, NGDOs and SMEs, can create strong specialised sectors with the potential to obtain EU funding.

Hungary

Introduction

Hungary, similarly to other Central and Eastern European countries (CEECs) as part of the former communist Eastern Bloc, gained substantial experience as a donor of foreign aid up until the regime changes at the end of the 1980s. Since the early 2000s, Hungary has been re-engaging in foreign aid, and over the past 20+ years has been articulating policies and pursuing strategies dedicated to development cooperation. This renewed engagement increased in particular after it became a Member State of the European Union (EU) in 2004.

It is a common EU commitment to reach 0.33% of GNI per year for countries that joined the EU after 2004. Since 2003, Hungary has spent billions of Hungarian Forints (HUF) a year on Official Development Assistance (ODA) for low and middle-income countries. Although Hungary has not yet met the target, it has now reached 0.25% of GNI, and plans to do so by the end of the decade. Important questions are whether contributions can be sustained and whether they are really being well spent, i.e. whether the Hungarian development contribution is effective. The HAND 2019 report[26] also underlines that Hungarian international development and humanitarian aid must continue to make progress in this latter aspect, and the strategies put in place in recent years serve this aim.

The Hungarian landscape of actors involved in development cooperation has widened over the years. NGOs – such as the Artemisszió Foundation[27] which has been active in Global Education among others; the DemNet Foundation for Development of Democratic Rights,[28] which has organised various awareness-raising campaigns since its foundation in 1996; or the Foundation for Africa,[29] a dynamically developing NGO in the field of development and aid since 2002 in Hungary and since 2004 in the Democratic Republic of Congo – play an important role in the development aid policy framework, as they have gradually become active in implementing projects in partner countries. Furthermore, they foster awareness-raising and contribute to global development education.

26 HAND Fenntartható magyar NEF, http://hand.org.hu/media/files/1606472318.pdf.

27 The Artemisszió Foundation, https://artemisszio.blog.hu/2014/06/17/about_us_237.

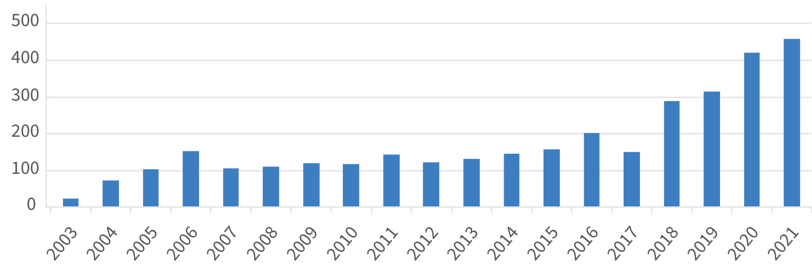
28 DemNet Foundation for Development of Democratic Rights, https://demnet.hu/en/rolunk/misszio/.

29 Foundation for Africa, http://afrikaplatform.hu/en/magunkrol/.

Bilateral development cooperation

According to the OECD data, Hungary's ODA in 2021 amounted to USD 455 m, representing 0.29% of GNI, which ranks Hungary as the donor country in 16th place among DAC members. While this represents a minimal decrease of 0.1% in real terms of volume, the share of GNI increased by 0.02% points from 2020. Since 2015, Hungary has more than doubled the volume of its ODA, which stood at USD 156 m, or 0.13% of the country's GNI at the time. In 2020, Hungary surpassed the 0.25% ODA/GNI it had set itself to reach by 2025. The government has announced that the country remains committed to achieving a 0.33% ODA/GNI ratio by 2030, and collectively to achieve a 0.7% ODA/GNI ratio by 2030 at the EU level. In 2020, Hungary provided all of its ODA as grants.[30]

Figure 3. Hungary ODA (US Dollar, million).



Source: World Bank Data.

When we break down the total gross ODA, technical co-operation accounts for the largest share with 50.4%. Another 44.3% (in 2020) of the country's bilateral ODA was spent on scholarships. With regard to civil society, the share of bilateral ODA for CSOs decreased substantially from 2019 to 2020, from 53.8% to 23.6%. Bilateral

30 OECD, Hungary, Development Co-operation Profiles, OECD Publishing, 2022, https://doi.org/10.1787/a80b014d-en.

ODA mainly went through the public sector, NGOs and multilateral organisations, as earmarked funding.[31] The largest part of Hungarian bilateral ODA is connected with the Stipendium Hungaricum[32] scholarship scheme, which has been running for 10 years, based on bilateral inter-governmental agreements with 90 countries across the globe, attracting 5,000+ students each year to attend more than 600 full degree programmes at all degree levels, including part-time and doctoral programmes.

The greatest focus of Hungarian bilateral ODA in 2020 was linked to social infrastructure and services, accounting for nearly 68%, with an emphasis on education and health. Aside from this, Hungary committed 18.1% of its total bilateral allocable aid to promoting aid for trade and furthering the Global South's emerging countries' integration into the world economy. Hungary's Ministry of Foreign Affairs and Trade has a dedicated Deputy State Secretary for Export Development, under whom the Department for International Development coordinates Hungary's international development policy. Humanitarian assistance in 2022 amounted to 3.4% of bilateral ODA.

Engagement of Hungarian actors in EU development cooperation funding

In terms of participation in EU funding for development cooperation, Hungary is not performing well compared to the other "new" Member States. Between 2014 and 2021, 35 beneficiaries registered in Hungary were part of projects managed by DG INTPA and DG DEVCO where a total of EUR 149.70 m was committed to all beneficiaries; EUR 10.34 m was attributed to 11 beneficiaries from Hungary (mostly, coordinators or single beneficiaries). These figures place Hungary in 22nd place among EU Member States, and 7th among Central and Eastern European Member States, behind the Czech Republic, Slovakia, Poland, Latvia, Estonia and Bulgaria.

31 Ibid.

32 Stipendium Hungaricum, https://stipendiumhungaricum.hu/about/.

If we also include DG NEAR, we can talk about 52 beneficiaries which participated in the projects where a total of EUR 199.33 m was committed to all beneficiaries involved; besides, 8 beneficiaries were attributed a total amount of EUR 32.21 m for projects for which DG NEAR was responsible (as they were coordinators or single beneficiaries in most of these cases).[33]

In the following sections we analyse the engagement of the Hungarian government, NGOs and business-sector stakeholders in the country's international development co-operation. The final section will summarise recommendations.

Government

Following the 1182/2014. (III. 27.) Government Decision on International Development Cooperation Strategy and Strategic Concept for International Humanitarian Aid of Hungary (2014–2020), in 2019 Hungary published its International Development Co-operation Strategy for the period 2020–2025 (officially abbreviated as IDC2025). The new strategy embraces several tasks and measures that the government intends to take in order to strengthen the country's "donor profile" and to increase the visibility of Hungary's development assistance, while contributing to the country's international commitments. The opinion of the Hungarian Association of NGOs for Development and Humanitarian Aid (HAND) about this strategic approach was positive: it considered it refreshing after the rather ad hoc planning, implementing and monitoring mechanisms of previous years, even though Hungarian NGOs do not necessarily agree with the overall direction and certain objectives of the strategy itself.

The bulk of the country's development assistance in 2020, that is, 56.6% of gross bilateral ODA, went to recipients in Europe, the Middle East and the Asia-Pacific

33 Data retrieved from: European Commission, *Financial Transparency System*, https://ec.europa.eu/budget/financial-transparency-system/analysis.html.

region, with a substantial focus on the immediate neighbourhood – in particular the Western Balkans and Eastern Europe. Although the government published its Africa-strategy[34] in April 2019, there was no substantial increase in ODA directed towards the Least Developed Countries (LDCs) across the African continent. In the current strategy[35] we can read, however, that Hungary will strive to engage more substantively with the African continent, in particular Sub-Saharan Africa and the LDCs in general, as well as countries of the Middle East. At the same time, prioritising the European neighbourhood and the Eastern Partnership – in line with Hungary's traditional foreign policy interests – will continue to be an important feature of Hungary's development cooperation.

Hungarian development assistance is rather fragmented, as there is a relatively wide geographical range of partner countries. Not only the source is fragmented, but also the responsibilities deriving from Hungary's commitments are split among various ministries. To be able to achieve a more concentrated policy implementation, the IDC2025 strategy appoints international development coordinators at each relevant ministry, together with the Inter-Ministerial Committee for International Development Co-operation (IDC Committee), which meets on an annual basis. In addition to the annual international development reports, the strategy is also tasked with producing a comprehensive review of IDC2025 by the end of 2024, with the involvement of the relevant ministries, experts and civil society organisations. The coordinators had their first meeting on 30 October 2020, at which their new government network, the International Development Co-operation Coordination System (NEFEKOR), was launched.

34 Magyar Közlöny 56. szám, Magyarország, Hivatalos Lapja, 2019. április 2., kedd, http://www.kozlonyok.hu/nkonline/MKPDF/hiteles/MK19056.pdf.

35 Ministry of Foreign Affairs and Trade of Hungary, *Hungary's international development cooperation strategy for the period 2020-2025*, [n.d.], https://nefe.kormany.hu/download/7/3f/92000/NEFE2025_summary_en.pdf.

The core intention of the government is to achieve greater specialisation in order to enhance thematic activities. Referring to its perceived comparative advantage, Hungary aims to prioritise projects and programmes in the following areas: water management and sanitation, agriculture, health, education, the environment and information technology. Technical assistance, in particular in the fields of food security, sustainable water management and green growth, lies at the heart of Hungary's enhanced involvement plans.

International development co-operation is underfunded in Hungary, even in light of the substantial ODA increase of the past years. The strategic goal of the government is to increase the separate budget line for international development activities and ODA eligible government spending of the Ministry of Foreign Affairs and Trade (MFAT). The central position of the MFAT in this regard has been confirmed by the government. The MFAT has been implementing Hungary's "Global Opening"[36] since this policy document[37] was released after the country held the rotating presidency of the Council of the European Union in the first half of 2011. Tied-aid credits, though considered a problematic and undesirable practice, perceived as inefficient in terms of assisting partner countries, will continue to play a role in facilitating the capacity-building of Hungarian CSOs and private companies.

Before 2015, the Ministry of Foreign Affairs (MFA)[38] coordinated a discussion forum, called Social Advisory Board, about Hungary's development cooperation. Between 2016 and 2019 there were only ad hoc instances of meetings rather than an established multi-stakeholder framework. A new actor entered the arena on 14 April 2019,

36 I. Tarrósy, Z. Vörös, *Hungary's global opening to an interpolar world*, Politeja: Pismo Wydziału Studiów Miedzynarodowych i Politycznych Uniwersytetu Jagiellońskiego, 2014, 2(28), pp. 139-162, http://cejsh.icm.edu.pl/cejsh/element/bwmeta1.element.desklight-fae35b66-b8ad-42a7-99cf-c5a08b55368a.

37 Ministry of Foreign Affairs of Hungary, *Hungary's Foreign Policy after the Hungarian Presidency of the Council of the European Union*, 2011, https://brexit.kormany.hu/admin/download/f/1b/30000/foreign_policy_20111219.pdf.

38 The name was changed to Ministry of Foreign Affairs and Trade (MFAT) in 2014.

when – based on Act CXX of 2018 – the Hungary Helps Agency was created. As a governmental agency, under the coordination of the Prime Minister's Office, it works as a non-profit organisation and has several core tasks, such as:

- the preparation of international humanitarian developmental assistance projects, donations and grant contracts,
- the management of humanitarian and development projects,
- paying out subsidies, follow-up on transactions, on-site monitoring, financial and technical coordination, reporting,
- cooperation with other agencies,
- taking part in the implementation of bi – and multilateral humanitarian and development projects and policies,
- collaboration with humanitarian organisations of partner countries, in particular the V4 states and other EU Member States,
- and fundraising.

The Hungarian government initiated the Hungary Helps Programme back in 2017 (the agency came into being in 2019); the plan was for it to function as a framework for the coordination of aid and development activities. Since July 2022, the agency responsible for the coordination of the programme has been operating under the MFAT. By now it has become obvious that both the programme and the agency are closely tied to the Hungarian government's foreign policy directives in the wake of the 2015 refugee crisis. Several previous initiatives have been incorporated into the programme, but the most important factor in the implementation of new projects is that they are based on input from community representatives. Its primary documents emphasise cooperation with humanitarian organisations in the Visegrad countries and other EU Member States. The OECD Development Assistance Committee (DAC) peer review[39] partner assessment by HAND reveals that Hungary

39 OECD, *OECD Development Co-operation Peer Reviews: Hungary 2023*, OECD Development Co-operation Peer Reviews, OECD Publishing, 2023, https://doi.org/10.1787/ec7d67f1-en.

Helps is now seeking partnerships with non-governmental entities, although in an ad hoc manner rather than through open tenders or consultations. The programme published Activity Reports up until 2021, including activities for the year 2020, but since then there has been no summary of activities and initiatives, making it difficult to maintain transparency. The most recent report[40] emphasised that 2020 was a difficult year, but 54 projects were managed in 2020 for a total of EUR 15.42 m, the majority in Africa and the Middle East.

NGOs

NGOs have experienced many crucial direct and indirect effects over the past 15+ years. First and foremost, Hungarian NGDOs could get access to European Commission-administered development grants. They also acquired the opportunity to participate in EU-wide advocacy in the field of development, since they were able to become members of the national NGDO platform – HAND,[41] the central player in CSO representation and related activities, with its 13 full members – and therefore connect with the pan-European platform of national and European platforms, CONCORD, as well as the EU-wide AidWatch Initiative. However, scholars such as Balazs Szent-Iványi and Simon Lightfoot[42] have been indicating that citizens' initiatives or very small development NGOs may not be aware of the wider sector they work in, and have little knowledge about the national platform or the services it offers. They also believe that even some larger NGDOs are absent from the platform.

In general, we can point out that public awareness and support for development cooperation is rather low in Hungary and the CEE region compared to other

40 Hungary Helps Agency, *Activity Report 2020*, [n.d.], https://hungaryhelps.gov.hu/wp-content/uploads/2021/11/HungaryHelps_Activity_report_2020_200x270mm_v3_FINAL.pdf.

41 HAND was created in 2003, while government funds were rather scarce for NGOs between 2015 and 2019.

42 B. Szent-Iványi, S. Lightfoot, *Determinants of civil society influence: The case of international development and humanitarian NGOs in the Czech Republic and Hungary*, Comparative European Politics, 14, pp. 761–780, 2016, https://doi.org/10.1057/cep.2014.50.

members of the European Union.[43] It is also valid to underline that media, in general, have not cultivated interest in international development. In addition, following accession to the EU, creating a new culture of international development driven by EU norms and expectations requires a great deal of time, as it can only manifest itself as part of the resocialisation of society at large – and for that, we know from Ralf Dahrendorf that sixty years (at least) would be needed in such a country in transition.[44] This entails resocialisation of the hearts and minds of members of society regarding the new context, the new framework, and the new set of behavioural values, or in other words how to contribute to international development now from within the community, the EU, as a Member State and its citizens. The new strategic framework wants to place more emphasis on and provide means for reaching out to society at large, and NGOs in particular. However, far too limited funding is available for awareness-raising, and basically no dedicated funds are provided for this by the government. As HAND emphasises, NGOs have more access to EU funding, and specifically for raising awareness on development and global education, from the EU Development Education and Awareness Raising (DEAR)[45] programme than from Hungarian sources.

Whatever forms of partnership, cooperation and governmental financial support were available previously to CSOs, those have been curtailed during the past 5-10 years. Only big humanitarian NGOs, such as the Foundation for Africa, were able to remain in partnership with the government. The support distributed by the Hungary Helps agency for development projects is meant to further growth of the NGO sector in general (and smaller NGOs in particular), but the fact that this is not done through open calls does not help with gaining experience in development tenders, and does not provide a transparent, accountable, consistent, and predictable

43 O. Chmiel, *The engagement of Visegard countries in EU-Africa relations*, German Development Institute / Deutsches Institut für Entwicklungspolitik (DIE), 2018, https://doi.org/10.23661/dp24.2018.

44 R. Dahrendorf, *Reflections on the Revolution in Europe,* Crown, 1990.

45 Development Education and Awareness Raising Programme (DEAR), https://dearprogramme.eu/.

application process, or a level playing field for all. Furthermore, the open tenders of the MFAT are targeted at the private sector rather than NGOs.

In some countries NGOs are supported by the government in applying for EU funds. This used to be the situation in the past in Hungary too for a couple of years, and open calls were launched for providing financial support from the MFAT, but since 2015 this has no longer been the case. These developments of the past 5-10 years are among the main factors that stalled the development of the NGDO sector and put Hungarian organisations at a comparative disadvantage, even vis-à-vis their regional counterparts, for example in the other V4 countries.

Private sector stakeholders

Hungary's first SME strategy was launched in 2019. The entrepreneurship and SME policy framework is set out in the new government Strategy on Small and Medium Enterprises for 2019-30 and the National Employment Strategy. According to the EBRD,[46] among the key constraints holding back private-sector growth in Hungary is the fact that the value-creating capacity of domestic SMEs remains subdued. Hungary's heavy reliance on imported inputs and the strong presence of foreign-owned companies suggest that SME links to the domestic economy are weak.

An aim of the government with regard to international development cooperation is that it promote Hungarian foreign policy and economic interests. From this perspective, the government wants to place a greater emphasis on new financing mechanisms encouraging private sector actors to invest in developing countries on their own accord, as stated in the IDC2025.

46 M. Szczurek, M. Tomaszewski, *Hungary Diagnostic*, EBRD, 2021, https://www.ebrd.com/publications/country-diagnostics/hungary.

A new tool was developed to showcase Hungary's development cooperation projects, programmes and activities: the IDC Mapping Tool[47] contains all items between 2018 and 2020, and provides an overview of engagements across the globe. The tool is in its initial phase, as only basic data – such as year, region, country, income group, SDG, and main sector – are searchable. This makes it difficult to collect and analyse current data about the different stakeholders involved in international development cooperation activities, as the responsible Department for International Development of the MFAT does not provide its reports for the public at large on its official website[48] (the current link does not work).

Hungary is a major actor in water diplomacy, mixing diplomatic tools, expertise and development cooperation for sustainable water management. Several private-sector entities, such as Pureco or VTK Innosystem, have been active in the linking of the domestic water sector to development cooperation, substantially supported by the government. The ODA loans to developing countries are tied to Hungarian providers in the water sector (amounting to more than EUR 750 m since 2009).[49] It is worth noting that in principle tied aid should be discouraged.

Hungary's flagship comprehensive international development programme is located in Uganda. The programme was launched in 2019 with a total volume of EUR 16 m and it encompassed the following fields: water management, cyber security, e-governance, tourism and healthcare.[50] It involved many companies, including VTK

47 Ministry of Foreign Affairs and Trade of Hungary, *International Development Cooperation Mapping Tool*, [n.d.], https://idcmap.mfa.gov.hu/index.

48 See: https://nefe.kormany.hu/tenyek-szamok-adatok.

49 OECD, *Hungary's water diplomacy harnesses international action,* Development co-operation tips: tools, insights, practices, 2022, https://www.oecd.org/development-cooperation-learning/practices/hungary-s-water-diplomacy-harnesses-international-action-4c561d9b/.

50 Ministry of Foreign Affairs and Trade of Hungary, *Hungary's international development programme in the Republic of Uganda,* [n.d.], https://nefe.kormany.hu/download/3/d1/c2000/Uganda%20-%20IDC%20programme.pdf.

Innosystem Ltd., Carinex Ltd., and Senso-Media Plc., each implementing projects with a budget ranging from EUR 909,080 to EUR 3,614,942.

In recent years, there has been an increase in the involvement of IT and cybersecurity companies, but they remain closely linked and managed by the state. The project implemented by Carinex in Uganda is a good example, and a Hungarian company, ACPM, has also entered the IT consulting field in Pakistan, where a cooperation agreement was signed under an Eximbank credit line at the end of 2021. A third such initiative occurred in the Seychelles in 2021, where an agreement was reached to establish a cybersecurity centre, but no information is available on the company or the investment's status. When looking at the participation of Hungarian private companies in EU development funding, we can conclude that between 2014 and 2021 it has been rather minimal: only 7 actors contracted EUR 23.99 m.

The only country where Hungary has undertaken a broader country-wide programme is Uganda, and the government has not extended the horizon to other partner countries. As the OECD country peer review report points out in its raising of efficiency concerns, Hungary's large-scale tied-aid projects are mostly independent, while its largest ever grant programme in 2020 (Serbia, USD 38 m) was not part of a multi-year country programme either.[51]

Conclusion and recommendations

This chapter shows that there is no Hungarian development policy model yet and a more concentrated policy focus is needed, so that in the longer run a model-like scenario could be built up and managed. Strategic country partnerships would enhance this entire idea of long-term thinking, which would also result in a more efficient mechanism of capacity-building, dialogue with the different stakeholders, and

51 OECD, *OECD Development Co-operation Peer Reviews: Hungary 2023*, OECD Development Co-operation Peer Reviews, OECD Publishing, 2023, p. 31, https://doi.org/10.1787/ec7d67f1-en.

partner coordination. Eliminating fragmentation is therefore crucial for the years to come. In general, the government needs to work on creating and safeguarding the necessary enabling and facilitating environment for CSOs as well as public and private actors. Enhancing local knowledge can be strengthened with the involvement of the academic sector, which could offer field research, training, preparatory courses and events, together with dedicating background research work commissioned by the government. This could also contribute to a more professional and efficient nationwide awareness-raising. In sum, to be able to catch up with those CEE countries that are ahead of Budapest, and to manage to fulfil EU requirements, Hungary needs to foster a new holistic approach with a pragmatic touch to increase the country's participation in relevant EU funding schemes.

Poland

Introduction

To begin the analysis of the engagement of non-state actors in the EU development funding schemes, it is necessary to provide a brief overview of the general situation in Poland's development cooperation. In 2021, Poland disbursed USD 971.22 m in Official Development Assistance (ODA net disbursements). Most of it was disbursed through multilateral channels (USD 687.30 m, i.e. 71% of the total) – predominantly through EU institutions (USD 631.16 m; 65% of the total) – and USD 283.92 m (29% of the total) bilaterally. Poland's ODA rose significantly that year (12%), mainly due to the increase in its bilateral aid. This included COVID-19 related support and vaccine donations, and in fact USD 67.44 m (i.e. 7% of the total ODA net disbursement) comprised total ODA for COVID-19 activities, whereas the majority was linked with the ODA for vaccine donations (USD 54.40 m in the doses in excess from domestic supply). Furthermore, from 2020 to 2021, Poland noted a sharp increase in in-donor refugee costs reported as ODA net disbursements (from

USD 7.14 m to 16.88 m).[52] Naturally, this category of costs rose much further after Russia's full-scale invasion of Ukraine on 24 February 2022, which caused a massive inflow of refugees. In consequence, Poland's ODA net disbursements skyrocketed in 2022 to USD 3.5 bn and 65% of it (or USD 2.2 bn) was related to the in-donor refugee costs.

Table 4. Poland's ODA net disbursements (US Dollar, millions, constant prices, 2021) and ODA as percent of GNI.

Year	ODA net disburs.	ODA as % of GNI
2012	420.90	0.08
2013	472.09	0.09
2014	435.14	0.08
2015	500.91	0.09
2016	787.25	0.15
2017	759.75	0.13
2018	801.33	0.13
2019	828.88	0.13
2020	861.48	0.14
2021	971.22	0.15
2022	3,481.95	0.51

Own calculation. Source of data: OECD, https://stats.oecd.org/.

Despite the growth trend in ODA net disbursements throughout the 2012-2022 decade, Poland has been far from achieving the EU target of 0.33% net ODA as a percentage of GNI (gross national income) until 2030, set for Member States that joined the Union in 2004, as in 2021 it was still at the low level of 0.15% (see Table 4).[53] Naturally, the situation in this regard was different in 2022, when net ODA as a percentage of GNI amounted 0.51%, but this enormous increase was primarily caused by the so-called "inflated ODA" related to in-donor refugee costs, as the country took a key role in supporting millions of people fleeing Ukraine after the Russian full-scale invasion. Including these costs in ODA is, however, a contro-

52 Source of data: OECD, https://stats.oecd.org/. Please note: preliminary figures for 2021.

53 From 2000 till 2016, this value did not surpass the level of 0.10%; from 2016 till 2020 it remained steadily at 0.13%-0.14%; source of data: OECD, https://stats.oecd.org/.

versial issue[54] and according to the DAC OECD methodology, in-donor refugee costs should be included in ODA statistics only regarding covering the costs of temporary support for up to twelve months after receipt of confirmation of the person's application for refugee status or crossing the border of the donor country in the case of persons in the process of relocation. If these costs were excluded from Poland's 2022 ODA statistics, the ODA/GNI indicator would amount to only 0.18%, and therefore it is likely that Poland's ODA may soon come back to the levels closer to the pre-war situation – still not meeting the 0.33% ODA/GNI target.[55]

Poland's ODA disbursements in 2021 focused on Europe (USD 165.58 m) whereas much smaller amounts were directed towards partner countries in other regions: USD 66.89 m in Asia, USD 28.25 m in Africa, and only USD 1.53 m in South America. As regards ODA allocation by income group, Poland primarily focused on lower middle-income countries (LMICs; USD 149.21 m) – mainly Ukraine (USD 94.89 m) – and upper middle-income countries (UMICs; USD 79.03 m) – mainly Belarus (USD 56.27 m). The least developed countries (LDCs) received the smallest share (USD 32.08 m).[56] It is noteworthy that Poland's multi-annual plan of development cooperation for the period 2021-2030 mentioned that one of the criteria taken into account while selecting the priority partner countries[57] was Poland's foreign policy objective of "increasing international capacity to include Polish companies, social

54 See more: K. Szeniawska, *Polska współpraca rozwojowa – raport 2022*, Grupa Zagranica, 2022, pp. 13-14, https://zagranica.org.pl/raport2022/.

55 Grupa Zagranica, *Wysokie koszty wsparcia uchodźców z Ukrainy zmieniły polską ODA. Wstępne dane dla 2022 roku*, 13.04.2023, https://zagranica.org.pl/wysokie-koszty-wsparcia-uchodzcow-z-ukrainy-zmienily-polska-oda-wstepne-dane-dla-2022-roku/.

56 Source of data: OECD, https://stats.oecd.org/.

57 Poland's development cooperation plan for 2023 specifically mentions ten priority partner countries: Belarus, Georgia, Moldova, Ukraine, Lebanon, Palestine, Ethiopia, Kenya, Senegal, and Tanzania. It also mentions several thematic priorities (for example health, peace, justice and strong institutions, climate and natural resources); see: Ministerstwo Spraw Zagranicznych, Plan współpracy rozwojowej w 2023 roku, Warszawa, 2022, p. 5, https://www.gov.pl/attachment/718132ff-355c-4419-8e0d-ba40874d08b7.

organisations and experts in development projects".[58] The plan also explicitly mentions the intention of increasing the capacities of Polish businesses to participate in tenders and engage in development projects funded by international organisations (and Poland's development cooperation plan for 2023 specifically states that there will be support for including Polish actors in the implementation of EU initiatives aiming to increase private sector engagement in development cooperation).[59] This should be achieved through "creating a resource of publicly available knowledge and organising training on existing procurement and tendering procedures, as well as informing about the related reputational and economic benefits".[60]

However, the modest size of Poland's bilateral development cooperation may be reflected in the relatively low engagement of Polish actors in EU development cooperation funds. According to the data retrieved from EC's FTS, Poland was the 18th beneficiary country in terms of the amounts contracted in the funds managed by DG INTPA (formerly, DG DEVCO) among 28 EU Member States in the period 2014-2021 (see Figure 2). In total, 50 beneficiaries were registered in Poland; 10 of them contracted EUR 28.60 m (most of the amounts were attributed to them because they were coordinators or single beneficiaries); as the remaining beneficiaries were part of consortia – and FTS often does not provide the exact breakdown for each beneficiary – it is not possible to indicate the amounts contracted by them.[61] The amount contracted by beneficiaries from Poland is thus much below the level of amounts contracted by entities from leading EU Member States, such as France (EUR 2.13 bn),

58 Serwis Rzeczpospolitej Polskiej, *Solidarność dla Rozwoju: Wieloletni Program Współpracy Rozwojowej 2021-2030*, p. 14, 19.01.2021, https://www.gov.pl/web/polskapomoc/wieloletni-program-wspolpracy-rozwojowej-na-lata-20212030-solidarnosc-dla-rozwoju

59 Ministerstwo Spraw Zagranicznych, *Plan współpracy rozwojowej w 2023 roku*, Warszawa, 2022, p. 21, https://www.gov.pl/attachment/718132ff-355c-4419-8e0d-ba40874d08b7.

60 Serwis Rzeczpospolitej Polskiej, *Solidarność dla Rozwoju: Wieloletni Program Współpracy Rozwojowej 2021-2030*, p. 30, 19.01.2021, https://www.gov.pl/web/polskapomoc/wieloletni-program-wspolpracy-rozwojowej-na-lata-20212030-solidarnosc-dla-rozwoju.

61 The amount committed to all beneficiaries (all countries) for projects with at least one beneficiary residing in Poland was EUR 197.81 m.

Germany (EUR 1.51 bn), or Belgium (EUR 1.33 bn). Among these entities, only seven took the role of coordinator, meaning that they implemented the projects as single recipients or leaders of larger consortia. The rest of the entities in question were thus members of project consortia. Most of the Polish beneficiaries were academic institutions (17), 19 were CSOs,[62] 4 were local authorities, and only 3 were private companies. Over the analysed period, the trend in terms of contracted amounts was volatile and declining. And in comparison with the rest of the V4 states, Poland was behind the Czech Republic (16th) and Slovakia (17th), and ahead of Hungary (22nd; see Figure 2). Similarly, the analysis of the contracted amounts received from the funds managed by DG NEAR over the period 2014-2021 revealed that entities from Poland performed well below the level of leading EU Member States, such as Germany, France, or Belgium. However, Poland is 11th on that list, and the beneficiaries registered in this country contracted much more in this regard than those in the rest of the V4 countries (in total, there were 29 beneficiaries; 17 of them contracted EUR 102.22 m and most of the amounts were attributed to them because they were coordinators or single beneficiaries[63]). Over the analysed period there was a growth trend in terms of contracted amounts.[64]

Political support and government capacities

The main institutional body responsible for the planning, implementation, and coordination of Polish development cooperation policy (although not the only one engaged in it) is the Department of Development Cooperation at the Ministry of Foreign Affairs. Every year, the Ministry publishes the annual plan of development cooperation, which should be consistent with a longer-term, strategic document,

62 Among these organisations, 12 were categorized as NGOs in the FTS.

63 The amount committed to all beneficiaries (all countries) for projects with at least one beneficiary residing in Poland was EUR 150.65 m.

64 Based on the data retrieved from European Commission, *Financial Transparency System*, https://ec.europa.eu/budget/financial-transparency-system/.

i.e. the multi-annual plan of development cooperation (the current document concerns the period 2021-2030). The plan specifically refers to engaging both CSOs and businesses in Polish development cooperation. It acknowledges the important role played by these actors in securing sustainable development around the world. In this context, the document states that "[f]inancial profit and measurable development and environmental effects can, and often should, go hand in hand". Businesses are thus perceived in this document as actors that can help increase the efficiency and visibility of Poland's development and humanitarian assistance brand "Polish Aid" through their engagement in this programme. This activity is also seen as an opportunity for Polish businesses to not only contribute to solving global challenges but also increase their export and investment capacities. In turn, as for the role of NGOs, the document recognises its importance, as the inclusion of these organisations in the cooperation with businesses can help increase the sustainability and transparency of operations.[65]

Until recently, the involvement of Polish businesses in development cooperation was supported mostly through the use of tied aid, and the current multi-annual plan of development cooperation specifically mentions it as one of the most important measures in this regard.[66] However, this instrument is in general heavily criticised for its inefficiency, and Poland's development cooperation plan for 2023 recognises that the Ministry of Foreign Affairs will take steps to fulfil OECD DAC's recommendation on untying ODA.[67] Also, in recent years new forms of cooperation with businesses have been emerging, and they could help the move away from tied aid

65 Serwis Rzeczpospolitej Polskiej, *Solidarność dla Rozwoju: Wieloletni Program Współpracy Rozwojowej 2021-2030,* pp. 8-9; 30, 19.01.2021, https://www.gov.pl/web/polskapomoc/wieloletni-program-wspolpracy-rozwojowej-na-lata-20212030-solidarnosc-dla-rozwoju.

66 Serwis Rzeczpospolitej Polskiej, *Solidarność dla Rozwoju: Wieloletni Program Współpracy Rozwojowej 2021-2030*, pp. 30, 19.01.2021, https://www.gov.pl/web/polskapomoc/wieloletni-program-wspolpracy-rozwojowej-na-lata-20212030-solidarnosc-dla-rozwoju.

67 Nevertheless, it is worth noting that the same document has the information that the Ministry of Finance envisages more than USD 14 m and EUR 61 m for the tied aid credits in 2023; Ministerstwo Spraw Zagranicznych, *Plan współpracy rozwojowej w 2023 roku*, Warszawa, 2022, p. 21; 29, https://www.gov.pl/attachment/718132ff-355c-4419-8e0d-ba40874d08b7.

in parallel with greater usage of EU innovative financial instruments.[68] Only recently Poland gained an institutional body that can fully engage in EU development co-operation funding. In December 2020, the Polish national development bank (Bank Gospodarstwa Krajowego – BGK) passed the accreditation procedure of pillar assessment, and thereby gained the capacity for working with EU funds under the indirect management mode. The Department of the International Development Instruments (Departament Międzynarodowych Instrumentów Rozwojowych – DMIR) at BGK will lead the institution's engagement in the EU's development finance. BGK already takes part in the TEIs and gets funding from the NDICI-GE. Some of the EU development and humanitarian aid projects that were implemented with its participation concerned excess COVID-19 vaccines for Armenia, and humanitarian support (for example, the purchase of emergency ambulances) for Ukraine launched after the full-scale Russian invasion. Furthermore, within the European Fund for Sustainable Development Plus (EFSD+), BGK will provide EC-guaranteed loans to firms for projects focusing on digitalization in sub-Saharan Africa,[69] and in March 2023 the bank joined the Joint European Financiers for International Cooperation (JEFIC) – a network of European bilateral banks and financial institutions that mostly work with the public sector in developing countries, but also support cooperation between the public and private sectors.[70]

There are a few main characteristics that can highlight the key problems in Poland's government development cooperation policy and its support for the involvement of domestic CSOs and businesses at the EU level. Firstly, the bilateral aid remains low, and therefore the funds potentially most accessible to domestic

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68 P. Kugiel, *Innovative Financial Instruments in International Development Cooperation: Opportunities for Poland*, PISM Bulletin, No. 2 (1248), 2019, https://www.pism.pl/publications/Innovative_Financial_Instruments_in_International_Development_Cooperation__Opportunities_for_Poland.

69 Bank Gospodarstwa Krajowego, *Sprawozdanie Zarządu z działalności Grupy Kapitałowej Banku Gospodarstwa Krajowego w 2022 roku, Raport Zintegrowany*, 2022, p. 95, https://www.bgk.pl/files/public/Pliki/Sprawozdanie_finansowe/2022-skonsolidowane/SSD_BGK_2022-12-31_PL.pdf.

70 KfW, *JEFIC – Joint European Financiers for International Cooperation*, https://www.kfw-entwicklungsbank.de/About-us/Our-commitment-in-Europe/JEFIC.html.

actors are limited. Efforts in the area of development cooperation in Poland are underfinanced, and this may inhibit any further efforts due to the low political salience of this topic in the Polish public and political debate. Moreover, the funds have often been channelled through competitions, which assume a relatively short term of project implementation, which in turn causes the low sustainability of operations. This factor also puts Polish NGDOs in a difficult situation, as they struggle to ensure the continuity of their engagement in the developing countries. Secondly, the institutional setup of this policy is fragmented as there is no specific body that could not only coordinate the efforts of the various ministries and agencies, but also accumulate the necessary institutional memory and have sufficient resources to scale up the development action. For many years now there has been an ongoing debate on the possibility of establishing a development cooperation agency that could coordinate the work of ministries in this field, offer new and innovative instruments,[71] support the acquisition of funds from the EU budget, and provide the necessary technical and knowledge support for domestic organisations both in Poland and in the partner countries.[72] Thirdly, the lack of sufficient diplomatic representation in the developing countries may inhibit greater engagement by the domestic actors. And fourthly, there is no systemic, comprehensive, and sustainable support for facilitating dialogue and creating synergies between different types of stakeholder, for example in terms of establishing cooperation between the NGDOs and businesses or for fostering their access to EU development funding.[73]

71 In regard to the financial instruments, there is now space for BGK activity and greater engagement in the field of development finance.

72 See more, e.g.: Serwis Rzeczpospolitej Polskiej, *Solidarność dla Rozwoju: Wieloletni Program Współpracy Rozwojowej 2021-2030*, p. 28, 19.01.2021, https://www.gov.pl/web/polskapomoc/wieloletni-program-wspolpracy-rozwojowej-na-lata-20212030-solidarnosc-dla-rozwoju.

73 Nevertheless, in this context one should recognise certain initiatives planned among the Polish MFA's tasks for 2023; see: Ministerstwo Spraw Zagranicznych, *Plan współpracy rozwojowej w 2023 roku*, Warszawa, 2022, p. 30, https://www.gov.pl/attachment/718132ff-355c-4419-8e0d-ba40874d08b7.

Firms

Businesses in Poland remain mostly uninvolved in development cooperation, and often have a limited presence in developing countries. Currently there is no platform for engaging them in this field, and the mechanisms for engaging the private sector in Polish development cooperation remain limited.[74] Although there have been certain efforts to facilitate this involvement (for example, the Warsaw Humanitarian Expo 2019, the United Nations Development Programme's (UNDP) project "Polish Challenge Fund" launched together with the Polish MFA in 2020, or the organisation of seminars on private sector engagement in development cooperation dedicated to public administration experts and firms), there are few opportunities that could facilitate sustainable cooperation between businesses and NGDOs. And even though the participation of businesses in Polish development cooperation raises certain risks and has been a controversial topic among the NGDOs, this has recently been changing slightly.[75] In this context, the Polish NGDOs' umbrella organisation, Grupa Zagranica, published a set of recommendations for Poland's strategy of private sector engagement in global development cooperation. As regards the role of Polish businesses operating in the partner countries, it was reminded that their engagement should focus on bringing about a positive developmental impact, should be efficient and transparent, and should comply with the highest standards of social and environmental responsibility.[76]

74 Creating the institutional and regulatory setting for engaging the private sector in development cooperation could not only support Polish firms in accessing this field but also help mitigate certain risks associated with it; Kosowicz K., *Wybrane formy zaangażowania sektora prywatnego we współpracę rozwojową – inspiracje dla Polski*, Analiza Polska Akcja Humanitarna, 2013, p. 12.

75 Zalas-Kamińska K., *Polska współpraca rozwojowa w roku 2021. Nowa perspektywa programowa i nowe wyzwania w niepewnych czasach*, [in:] Polska Współpraca Rozwojowa, Raport 2022, Grupa Zagranica, 2022, p. 11.

76 Szeniawska K., *Sektor prywatny we współpracy rozwojowej – przegląd zagadnień i rekomendacje*, [in:] Polska Współpraca Rozwojowa, Raport 2018, Grupa Zagranica, 2018, pp. 27-28.

The little interest, limited opportunities, insufficient financial and technical capabilities, and relatively modest experience of Polish businesses in operating in developing countries, coupled with scarce involvement in bilateral aid, may also be factors affecting their engagement in the EU's development cooperation. Prior experience in working on development projects in the partner countries, as well as financial, technical, and professional capacities are particularly important in this context, as these are often some of the criteria considered in the EU procurement procedure.[77]

During the period in question (2014-2021 for DG DEVCO/INTPA and DG ELARG/NEAR), consulting companies were among the businesses registered in Poland that were most successful in acquiring EU development funding. This was so in particular for EPRD – Office for Economic Policy and Regional Development; the beneficiary's contracted amount was the largest amount of funding for which DG DEVCO/INTPA was responsible (EUR 15.93 m) and second largest in terms of funding managed by DG NEAR (EUR 12.48 m). The company often took the role of project coordinator, and provided consultancy and advisory services in projects implemented in various geographical areas, such as Europe, Asia, Africa, and Latin America. Another example is the Polish office of NIRAS IC Sp. z o. o. international engineering consultancy, which participated in a number of projects; the beneficiary's contracted amount in terms of funding for which DG NEAR was responsible was EUR 10 m. The number of companies specialised in other fields remained low (6 in total). Among the rest of the top firms in this field were RAFAKO S.A. (a Polish company providing specialised solutions in the energy sector, which led a project whose contract on reduction in dust emissions from a thermal power plant in Serbia valued over EUR 4 m) and NUCTECH Warsaw Company Limited Sp. z o.o. (a supplier of integrated security systems which participated in two projects, one focused on border security implemented at a border crossing point on the Belarus-Ukraine border,

77 P. Kugiel, *Udział sektora prywatnego w wielostronnej pomocy rozwojowej. Szanse dla Polski*, Polski Instytut Spraw Międzynarodowych, Warszawa, 2015, pp. 20-21; 49.

and the other concerning customs control in North Macedonia).[78] This low number of Polish firms among the beneficiaries may confirm that they are mostly uninterested in – or lack the capability of – getting involved in EU development cooperation. Insufficient institutional support may be one of the reasons for this. Strong international competition in this sector, and the necessity to compete for the funding with well-established actors from "traditional" donor countries, could also be discouraging and inhibiting their involvement.

Non-Governmental Development Organizations

Participation by Polish NGDOs in bilateral and EU development funding is modest. In 2021, the participation of NGOs in Polish bilateral ODA amounted to just PLN 80.34 m (notably 36% of this went to the Solidarity Fund PL, which is a State Treasury foundation).[79] However, NGOs have noticed some positive initiatives on the part of the Ministry of Foreign Affairs, which could help to improve this situation (for example consulting with stakeholders on the annual plans of development cooperation). There are also certain Polish MFA initiatives that can support raising their capacity and chances for accessing other sources of funding, such as "Call for proposals to strengthen the capacity of NGOs to implement development projects" or "Call for proposals for own contributions for Polish NGOs (Middle East and Africa), financed from sources other than Poland's budget for 2023".[80] Nevertheless, these resources remain limited, and CSOs believe them to be insufficient for the effective inclusion of civil society in Polish development cooperation. They are proposing a few solutions for meliorating the situation, such as an increase in Polish bilateral

78 Data retrieved from: European Commission, *Financial Transparency System*, https://ec.europa.eu/budget/financial-transparency-system/.

79 Zalas-Kamińska K., Polska współpraca rozwojowa w roku 2021. Nowa perspektywa programowa i nowe wyzwania w niepewnych czasach, [in:] Polska Współpraca Rozwojowa, Raport 2022, Grupa Zagranica, 2022, p. 9.

80 See: Ministerstwo Spraw Zagranicznych, Plan współpracy rozwojowej w 2023 roku, Warszawa, 2022, p. 30, https://www.gov.pl/attachment/718132ff-355c-4419-8e0d-ba40874d08b7.

aid and the share of NGOs in it, as well as the provision of institutional support for NGOs in the acquisition of EU funding.[81] Such support appears particularly needed, since Polish NGDOs seem to be the least successful in terms of participation in EU-funded development actions in relative terms (on a per capita basis over the period of 2016-2019).[82]

But in absolute terms as well their performance does not come across as successful. In the period concerned (2014-2021 for DG DEVCO/INTPA and DG ELARG/NEAR) there were in total 16 NGOs[83] that participated in EU development funding, the majority of them taking the role of a partner in a consortium. Only a handful of such organisations – for example, the Podlaska Regional Development Foundation (beneficiary's contracted amount: EUR 2.50 m; it participated in a single project), Solidarity Fund PL (beneficiary's contracted amount: EUR 0.62 m), and Helsinki Foundation For Human Rights (beneficiary's contracted amount: EUR 0.28 m) – took on the role of coordinator.[84] The geographical focus of actions carried out by the Polish NGOs was in the EU, but they were also involved in the countries of EU's Eastern Neighbourhood (Ukraine, Moldova, Georgia, and Armenia). These projects were often related to civil society development, awareness raising activities, and the promotion of human rights.[85]

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81 Zalas-Kamińska K., *Polska współpraca rozwojowa w roku 2021. Nowa perspektywa programowa i nowe wyzwania w niepewnych czasach*, [in:] Polska Współpraca Rozwojowa, Raport 2022, Grupa Zagranica, 2022, p. 9-10.

82 B. Szent-Iványi, European Civil Society and International Development Aid. Organisational Incentives and NGO Advocacy, Routledge, 2023, p. 97.

83 In accordance with the definition of an NGO used in the EC FTS; see: https://ec.europa.eu/budget/financial-transparency-system/faq.html.

84 Although the Solidarity Fund PL was listed among these NGOs by the EC FTS, please note that it is a State Treasury foundation.

85 Data retrieved from: European Commission, *Financial Transparency System*, https://ec.europa.eu/budget/financial-transparency-system/.

Conclusion and recommendations

Polish development cooperation suffers from low spending in bilateral aid, insufficient capacities of non-state actors to compete with the well-established actors from the "traditional" donor countries, a lack of comprehensive, political and institutional support for non-state actors in the EU procurement procedure, and insufficient representation in the partner countries. These factors may be contributing to the generally low involvement of NGDOs and businesses in development cooperation at the EU level.

To increase the involvement of Polish non-state development actors in the EU development cooperation, there is, first and foremost, the need of increased government engagement. The government should invest in increasing bilateral development aid that is more accessible to domestic actors and could facilitate building their capacities and accumulating the necessary experience. At the same time, the government could consider reforming the development cooperation system to better align it with the EU's setup, and to allow for smoother cooperation within some of the recent EU flagship initiatives – especially the TEIs. The question of such reform is particularly timely at the moment, with the debate around Poland's role in future efforts for the post-war reconstruction of Ukraine.[86] Considering the relatively low experience that Polish businesses have in participating in development cooperation, the government should consider systemic, sustainable solutions to offer expertise and support for those interested in applying for EU funding. As such services already exist in other European countries, the government could look there for inspiration (see more in Chapter 2).[87] The government could also consider extending its diplomatic representation in the partner countries, not only through establishing new

86 P. Kugiel, *EU Development Cooperation Policy Shifts from Charity to Self-interest*, PISM Bulletin, no. 80 (2199), Polski Instytut Spraw Międzynarodowych, Warszawa, 2023, https://www.pism.pl/publications/eu-development-cooperation-policy-shifts-from-charity-to-self-interest

87 See also P. Kugiel, *Udział sektora prywatnego w wielostronnej pomocy rozwojowej. Szanse dla Polski*, Polski Instytut Spraw Międzynarodowych, Warszawa, 2015, pp. 39-47.

embassies but also by increasing the capacities of those that already exist. In this context, it is crucial to establish close cooperation with the EU delegations in the selected partner countries. In addition, facilitating information exchange between the EU institutions and domestic actors through dedicating specific resources for this purpose at the Permanent Representation of Poland to the EU in Brussels could also be supportive (see more in Chapter 2). Last but not least, the government could be more active in creating lasting platforms of dialogue to foster synergies between various types of stakeholder (i.e. the public authorities, CSOs, and businesses), as well as by developing specific instruments and adapting relevant regulations for engaging the private sector in development cooperation. This, however, should be done with careful consideration for preserving the developmental value of such initiatives (i.e. it should commit to ensuring that such operations will be in line with the international development effectiveness principles), and in cooperation with the domestic and local NGDOs in the partner countries.

Slovakia

Introduction

The participation of Slovak non-state actors in EU development funding programmes could have been the story of a Cinderella not being looked for by a prince. Perhaps "she" has not yet even demonstrated her charm and other qualities. Be it as it may, Slovakia entered the EU in 2004, almost 20 years ago. This research primarily targets the funding mechanisms under DG INTPA (formerly DG DEVCO) and DG NEAR for the period of the previous Multiannual Financial Framework, i.e. from 2014 to 2020.

The Slovak case can be described as follows:

- The situation of non-governmental organisations in donor countries like Slovakia is somehow detached from the seemingly positive trends in the overall funding increase to such organisations at the EU level.

- Only a handful of businesses have had procurement contracts with the EC. The vast majority are consultancy companies with a common shareholder structure.

- The ability to access EU funding is critically low, and no significant progress has been made since joining the EU in 2004. Analysing the trends from FTS since 2014 reveals that, on average, only 3 CSOs have participated each year in the project consortiums, and none of them have been involved in more than one project per year. In regard to businesses, there have been few participants, although the top 4 of them were very active and were contracted altogether in 285 projects.[88]

- There is little or no awareness of the opportunities; the topic appears invisible to the European Union representation to Slovakia as well as dedicated state authorities, such as the Slovak Business Agency, Slovak Investment and Trade Development Agency and the Plenipotentiary for Civil Society.

- There is no systemic support at the national level for Slovak entities to access EC funding under DG INTPA or DG NEAR. The only systemic element is of a rather “ex-post” flavour, that is, once EC funding is obtained, its recipient can apply for a SlovakAid grant for co-funding. While this might

88 Data retrieved from: European Commission, *Financial Transparency System*, https://ec.europa.eu/budget/financial-transparency-system/.

be a useful instrument for some CSOs, based on the composition of applicants it seems of no relevance at all for business entities.[89] Please see more on this in chapter 3.

Broader trends

There are also other less Slovak-specific and broader trends, such as an increase in the EU development funding towards multilateral organisations such as UN agencies, reducing the amount of finance for CSOs, including V4 CSOs, and thereby making it even more challenging to access the funds. The EU funding for multilateral organisations increased from approximately EUR 200 m in 2011 to EUR 2.8 bn in 2016, whereas the funding for CSOs increased from a similar amount to around EUR 1.2 bn in 2016.[90]

The current re-focus of the EC on Ukraine and Eastern neighbourhood could be a niche where V4 countries might have a comparative advantage, especially in the light of the mega-crisis in Ukraine. However, even such an advantage is not projected into the strengthened participation of V4 organisations in so far.

When it comes to shifts in thematic areas, then according to Concord "the EC made a clear move towards using CSOs to implement human rights, advocacy, peace and stability, and capacity-building work, rather than partnering on development projects in 'traditional' sectors such as nutrition and food security, education and human development".[91] This creates additional barriers, since most Slovak CSOs are active in the field of education, health, water and sanitation, or human development.

89 Data requested from the Slovak Agency for International Development Cooperation on European Commission cofinancing.

90 Concord Europe, *CSOs access to EU funding: external instruments,* 2018, https://concord.se/wp-content/uploads/2018/08/cso-access-to-eu-funding-external-instruments-2018-concord-europe.pdf.

91 Ibid.

Another barrier for (not only) Slovak CSOs is the difficult and volatile administration environment. According to the Concord report, "(…) the large envelopes of funding that were diverted towards the Trust funds may have been accessible to more CSOs had they remained within DCI or EDF. To access Trust Fund contracts, CSOs have had to learn and apply new sets of rules, or experiment in the absence of rules. And not all CSOs could afford to make this effort above and beyond the onerous EU administrative and regulatory frameworks they have invested to comply with. In some cases, Trust Fund implementation is entrusted to other entities, such as EU member state agencies, whose rules are completely different, and often new to the EU's CSO partners".[92]

Government

In order to better understand the participation of Slovak entities in EU development funding programmes it is important to describe the main systemic contours and trends of the Slovak ODA. Slovakia became a EU Member State in 2004, and entered the OECD DAC in 2013. There is a weak sense of agenda ownership at the political level, translating into an inability or unwillingness to either increase the volume of the Slovak ODA, or improve its quality. The Slovak ODA has for many years been sitting around the level of 0.13% GNI, with marginal increases every year. If such a rate of increase were to continue, Slovakia would not reach its international commitment of 0.33% of GNI until 2060.

In 2014–2020 Slovakia provided EUR 88 m to the EDF and EUR 355 m to the DCI. That adds up to EUR 443 m. The overall Slovak contribution to the EU was around 65% of its total ODA, and annually close to 90% of its multilateral aid.[93] Based on the FTS, in that period Slovak entities belonged to consortiums that succeeded in obtaining

92 Ibid, p. 13

93 Other funding flowing to the EU under SlovakAid bilateral aid, such as to the FRIT, Trust funds, etc., are not included.

grants and contracts of EUR 152 m in total.[94] However due to the data accuracy constraints of the FTS, this figure says more about the ability of Slovak entities to build partnerships and of their implementing capacity as project partners, but less about their direct access as main beneficiaries or lead partners. Thus Slovak contributions to the development cooperation budget of the EU, including the EDF, are several times higher than the total amount of EU development grants and contracts that Slovak entities managed to access (see also Table 3).

Almost all of the Slovak ODA was outsourced in the period 2014–2020, and Slovak entities could only access around 5% of it;[95] this ratio is further deteriorating, towards a level below 4%. Combined with inflation in Slovakia soaring to 15%[96] in 2021 to 2023, this does not help to build up the capacities of any national actors, including the state apparatus, e.g. the department of development aid and section of commercial and development cooperation of the MFA, the SlovakAid agency, or the CSOs, and it precludes any significant improvement to the system, including in access to EU funding. In such an environment one may well be inclined to think of how to preserve or maintain the system vis-à-vis factors, rather than to plan any significant improvements. In reality, though, it is not and should not be one or the other; stepping up efforts by the Slovak MFA to create an enabling environment for Slovak entities to improve access to EU funding should be part of the solution, without giving up the ultimate goal of increasing the quantity and quality of the Slovak ODA itself.

The two main underlying drivers of the Slovak ODA, with at least some political support and/or attractiveness, are countering irregular migration and the involvement of Slovak businesses in development cooperation. The former is based on “flexible

94 Data retrieved from: European Commission, *Financial Transparency System*, https://ec.europa.eu/budget/financial-transparency-system/.

95 Concord Europe reports: AidWatch 2020, AidWatch 2021, AidWatch 2022.

96 Statistical Office of the Slovak Republic, *Index of consumers prices – January 2023*, https://bit.ly/3zy58m9.

solidarity", meaning the refusal of any mandatory EU mechanism of refugee relocation, which was triggered during the refugee crisis in 2015. This explains not only the annual bilateral contributions to the EU Facility for refugees in Turkey, the MADAD fund and the EU Emergency Trust Fund for Africa, but also why SlovakAid started its interventions in the Middle East (namely in Lebanon, Syria and Iraq). A similar justification, i.e. "addressing the root causes of migration", was used for Sub-Saharan Africa, although here the SlovakAid interventions started long before the refugee crisis. With the exceptions of SlovakAid's endeavours in the broader Levant region and Kenya, the Slovak–EU interactions mentioned above are rather unsystematic and ad hoc in their essence.

Unlike the driver of migration, which is more of an external push factor for the EU and linked with the geopolitical situation in the EU neighbourhood, the second driver has more of a domestic flavour, as it is sometimes difficult to draw a line between economic diplomacy with no ODA elements and the business in development component. Be it as it may, the interplay between Slovakia and the EU in this field is spearheaded by three institutions: the SlovakAid agency, the Eximbanka–Slovak export–import bank, and the Ministry of Finance. The first two successfully went through the EU pillar assessment, and can administer EU money as part of their delegated competence. The former launched a project for media freedom in Moldova in 2022, and has in the pipeline several projects in Serbia, Kenya and South Africa that are intended to involve businesses. The latter is still waiting for its first project to be implemented.

The geographic fragmentation of SlovakAid is another element that to a larger or lesser extent contributes to the inability to focus more on the overlapping interest of the EU and Slovakia in specific partner countries. In the mid-term strategy of the Slovak development cooperation for 2019–2023 there are 27 partner countries in five regions, from the Western Balkans and Eastern Partnership through the

Middle East and North Africa to Sub-Saharan Africa. In 2019, 63% of bilateral aid went to 20 SlovakAid partner countries.[97]

The global COVID-19 pandemic brought some ad hoc vaccine donation related co-operation within the TEIs, but this did not constitute a wake-up call for the Slovak ODA system to be modernised or to start systemic cooperation between the EU and SlovakAid. It was mainly related to in-excess vaccines being donated elsewhere both bilaterally or through COVAX. This created 41% of bilateral aid in 2021, or EUR 12.8 m. As for the humanitarian and refugee mega-crisis in Ukraine, the government's insufficient response in humanitarian aid placed Slovakia – giving EUR 9 m for 2022 – in 27th place among the donors when comparing humanitarian aid to GDP.[98] When it comes to the quality of the Slovak ODA, no piece of legislation (lex corona, lex Ukraine) that would improve humanitarian aid was adopted.

Civil society

In the analysed period of 2014–2021, there were about 20 Slovak NGOs that managed to target EU funding in 34 consortiums that accessed around EUR 89 m, and many of them are members of Ambrela – a platform for development organisations (such as People in Need Slovakia, Habitat for Humanity, SFPA, Živica, PDCS, Caritas, and SCCD; non-members include Amnesty International, Globsec, League for Human rights, Scouting Slovakia and a few others). A rough estimate suggests that the cumulative annual EU funding-related budget of all Slovak NGOs would not exceed EUR 2 million. Slovak NGOs were almost exclusively in the role of project partners. However, it is not possible to access the budget repartition for each

97 Concord Europe, *Concord AidWatch 2020: Knock-on effects: an urgent call to leave no one behind*, Concord Europe, 2020, https://concordeurope.org/2020/10/28/aidwatch-2020-knock-on-effects-an-urgent-call-to-leave-no-one-behind/.

98 Kiel Institute for the World Economy, *Ukraine Support Tracker Data*, https://www.ifw-kiel.de/publications/data-sets/ukraine-support-tracker-data-17410/.

beneficiary since it was not available in the EC central accounting system "ABAC" at the time of publication.

Except for the partial focus on DEAR projects, the sectors, partner countries and the funding programmes of CSOs usually vary a lot, and no particular CSO has dominated so far. In most cases EU funding provides CSOs with financial stability for up to 3-4 years, and also enables them to hire senior staff and experts. Out of 34 grants, the majority (22) have been implemented inside the EU, focusing on global citizenship and awareness. The rest are represented by projects implemented in Eastern Partnership partner countries, while a handful of projects have been implemented in Sri Lanka, Haiti, Palestine and Kazakhstan (see more in chapter 3).

Business and other actors

The situation with involving businesses in development cooperation is difficult to judge due to the lack of information. The Slovak platform for businesses ceased to exist a couple of years ago. The top three businesses most successful in obtaining EC funding, namely NOOKOM EZHZ, TRANSPORT & INFRASTRUCTURE EXPERTISE GROUP – TIEG EZHZ, CONSULTING & MANAGEMENT, SRO*C ANDM are all consultancy companies with the same or similar owner structure. According to the EC FTS, their total share in contracts and grants reached EUR 40 m in the period 2014–2020. However, it is likely that the contracts included other businesses as partners. There are almost no end product companies, other than a few such as MICROSTEP MIS SPOL SRO and VUEZ with radiation protection and nuclear safety projects.

Other non-governmental actors apart from CSOs and business entities are municipality networks, such as ZMOS or ZDRUZENIE MIEST A OBCI SLOVENSKA and UNIA MIEST SLOVENSKA, with projects aimed at local activisation and good governance, sui generis like the National Bank of Slovakia with an experience-transfer project, academia represented by the Slovak university of agriculture in Nitra with a rural development master's programme and the Slovak academic association for international cooperation with the Erasmus+ programme.

Recommendations

- The Slovak MFA should increase its capacity to identify opportunities for Slovak entities. This could be done on a regular basis, and also when it comes to the milestone – the upcoming mid-term review of the NDICI/ Global Europe instrument. Another specific window of opportunity is in the EU's funding supporting Ukraine's recovery and reconstruction.[99]

- The MFA and the Slovak embassies, at least in the SlovakAid programme countries and the Slovak Agency for International Development Cooperation (SAIDC), need to be involved in the new EU programming that starts way before the end of the current MFF in 2027.

- Existing SlovakAid instruments, such as the strategic partnerships (SP), could be modified to provide the resources for the implementer to increase the chances to apply for EC funding (the SP can include a position of partnership officer, budget to have regular in-person communication with the EUDEL, and capacity-building elements to increase the capacity to write project proposals, etc.).

- It is also recommended that SlovakAid continue with delegated competence[100] that brought not only extra funding but also new experience,

99 See more: European Commission, *Joint press release: Ukraine Recovery and Reconstruction Needs Estimated $349 Billion (€349 Billion)*, 09.09.2022, https://ec.europa.eu/commission/presscorner/detail/en/IP_22_5428.

100 SAIDC successfully completed the so-called Pillar Assessment (EU audit), which allowed it to obtain delegated authority and manage EU funds.

partnerships and flexibility in implementation for the stakeholders (CSOs and national donors). After the initial successful steps such as the launch of first EU delegated project in Moldova, it is advisable to strategically shape future EC projects implemented through the SlovakAid agency so that they would create synergies with other SlovakAid instruments, Slovak geographic and sector priorities and others.

- Slovak CSOs and their local partners should be actively involved in EU programming through their local partners, their networks, and at the national level through Ambrela.

Summary

The V4 countries' share in EU development funding is at a low level, especially in comparison with the top EU Member States. Moreover, when their multilateral ODA contributions to the EU are taken into consideration, their performance also appears relatively low – especially in comparison with the top EU Member States in this regard, such as France or Belgium, but also some other donor states like Denmark or Ireland. Naturally, it is not only the V4 countries that face such difficulties in accessing EU development funding, but also many other EU Member States (e.g., Croatia, Romania). Another interesting finding is that although the V4 countries are often challenged by similar obstacles in accessing EU development funding (the most common and important being the relatively low investment in their respective bilateral development cooperation policies), they vary in their participation in EU development funding. As regards the ratio of multilateral ODA net contributions to EU institutions and the contracted amounts for selected EU Member States, the most efficient in this regard is Czechia, and the least – Poland. However, this relatively good performance of Czechia seems to some extent related to only one particularly successful organisation: PIN. This is a unique situation among the V4 countries.

Worth noting here is that some of the obstacles to greater involvement of V4 non-state actors in EU development funding that had already been identified in previous studies also came up in the exchanges between the authors and representatives of these organisations in the course of the V4DevCo project. This suggests that problems already identified some years ago remain unaddressed. The role of governments in this context, and their potential for enabling national non-state actors to participate in EU development cooperation is crucial and it is thus discussed further in the next chapter.

Chapter 2.
V4 Governments as enablers of national participation in EU development policy

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Introduction

The key message from the peer-learning process for a more efficient and coherent participation of V4 state and non-state actors in EU development policy could be summarised as follows: to get to Brussels, start at home. Indeed, a collaborative, capacity-building and networked approach, based on strong capacities of the public and private sectors and society as a whole at the domestic level is a precondition for diversifying the sources of finance for developmental cooperation in the V4. With the exception of Poland, the V4 countries are rather small in size and have relatively small economies, making such an approach quite difficult to implement. Moreover, many of the V4's shared problems are also inherent to the type and quality of governance in these countries. Yet there is some potential for overcoming these issues, and in the field of development policy in particular.

From a comparative perspective, three particular problems can be identified in the V4's development policies. First of all, the representation of V4 governmental and public agencies in the European Financial Architecture for Development (EFAD) is rather low. Secondly, the domestic capacity of V4 states in the public sector – for establishing institutional conditions and an approach enabling action – is also relatively low. Thirdly, the capacities of businesses and CSOs for fully participating in national development policy, let alone that at the EU level, are equally limited. The intensity of these problems varies across the four states, but they apply to all of them.

This section showcases the Danish experience as inspiration for the V4. Denmark has been involved in EU development policy since 1973, and the volume of its bilateral development aid is much higher than that of the V4. What is more, the country has been consistently performing better than most Member States. As will be shown, this is due to the strength of its public sector, which enhances the capacities of national actors, acts in close collaboration with them at home and at the EU level, and also gets deeply involved with EU stakeholder and decision-making networks.

V4 participation in the European Financial Architecture for Development

Until now, the EFAD has lacked coherence and harmonisation among Member States and EU institutions. A new set of regulations and initiatives has been introduced to fix this under the new Multiannual Financial Framework ending in 2027. First, the External Investment Plan aims at fostering cooperation and pooling investment amongst all actors. For this, the European Fund for Sustainable Development (EFSD) constitutes its financial arm connecting blended finance and guarantees. Secondly and most importantly, the NDICI-Global Europe and Team Europe Initiatives (TEIs) were introduced. The NDICI and its open financial architecture blend finance and guarantee tools through the EFSD+ and the External Action Guarantee. The “Team

Europe" approach is an emergent coordination framework at the EU level. In all this new architecture, the V4 states and actors are lagging behind in participation.[101]

The NDICI is the grant-centred financial arm of the Global Gateway – an emerging, unified label for the various EU development-related initiatives. With an overall budget of EUR 79.5 billion for 2021-27, and incorporating the European Development Fund, it is aimed at rationalising and consolidating EU development spending, although it still partly relies on the institutional setting of the dispersed tools during the preceding multiannual budget. Geographic programmes underpin it with a EUR 60 billion allocation, which is concentrated mainly in two priority regions for EU development: at least EUR 29.18 billion for Sub-Saharan Africa; and EUR 19.32 billion for the EU's (Eastern and Southern) Neighbourhood. This instrument also earmarks 30% of spending for climate objectives, and commits 0.2% of EU GNI for aid to the least developed countries by 2030. Finally, 93% of EU development assistance should qualify as Official Development Assistance (ODA), thereby demonstrating the EU's adherence to international norms and standards.

The Team Europe approach originated as a single collaborative framework for the European external response to the COVID-19 crisis. Team Europe comprises the European Commission and EU Member States, implementing agencies and development financial institutions (DFIs), the EIB, and other European financial institutions including the EBRD. It is aimed at fostering cooperation among the various actors and partners, although still has no institutional grounding. In the programming phase of the NDICI, this new framework has become the norm for TEIs coordinating the actions of all stakeholders in specific sectors. The EU is currently preparing around 168 TEIs at country or regional/global level. A country TEI consists of at least three Team Europe members, while a regional/global TEI has at least four members.

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101 M. Gavas, A. Pérez, *The future of the European Financial Architecture for Development, Workshop requested by the DEVE committee*, European Parliament, 2022, https://www.cgdev.org/sites/default/files/Future%20of%20European%20Parliament.pdf.

Moreover, joint programming (JP) brings together the Commission's expertise and funding with that of Member States and European or national DFIs as the norm rather than the exception. TEIs have been strongly criticised by CSOs for excluding them, and by the European Parliament for their lack of transparency and accountability.

So far, the V4 states and their development actors have lagged behind. For example, their national DFIs do not participate in the joint programming, and only some of them have started to engage in the TEIs and with other bilateral DFIs associated in the EDFI, the Association of bilateral European Development Finance Institutions. The same goes for other stakeholder forums, such as Enhanced Partnership and the Practitioners' Network.[102] In the Practitioners' Network, with the only members from the V4 being CzechAid and SlovakAid. This sits in contrast to Danish practice, which engages Danida and the Danish Investment Fund for Developing Countries in multiple stakeholder forums. Much of this denies V4 states and actors the shaping and sharing of common standards and a more organised permanent dialogue with EU institutions, resulting in them thereby missing information that could profit other non-state actors at home.

This is reflected in V4 participation in TEIs at country and regional/global levels, and in JP.[103] There are national differences in the participatory rate, but the V4 average participation is 3 regional/global TEIs, 7 country TEIs, and 10 JP initiatives. That is 9% of all regional/global TEIs, 5% of all country TEIs, and 21% of JPs. For comparison, Denmark alone participates in 9 regional/global TEIs (28%), 20 country TEIs (15.2%), and 12 JPs (25.5%). As for the V4 states, Czechia participates in 7 regional/global TEIs, 12 country TEIs, and 15 JPs; Hungary participates in 3 regional/global TEIs, 6 country TEIs, and 13 JPs; Poland participates in 2 regional/global TEIs,

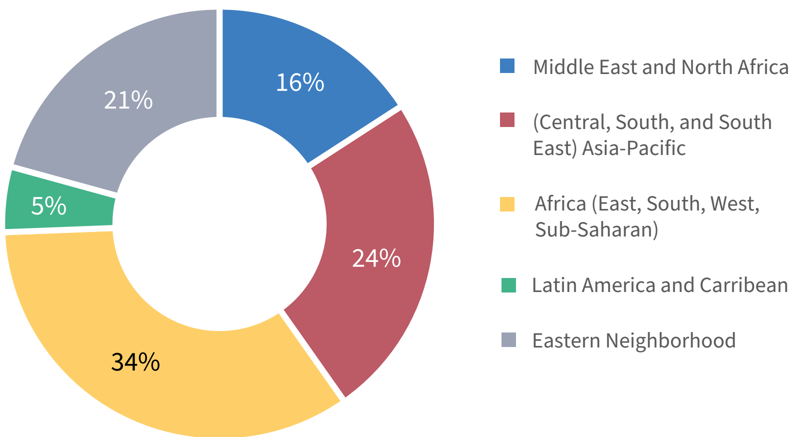
102 European Commission, C*ommission's roadmap for an improved European financial architecture for development and 2021 progress report*, Report from the Commission to the Council, COM(2022) 139 final, 24.03.2022, https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52022DC0139.

103 Capacity4dev, *Team Europe Initiatives and Joint Programming Tracker*, [Data as of December 2022], https://europa.eu/capacity4dev/tei-jp-tracker/.

6 country TEIs, and 9 JPs; and Slovakia participates in 0 regional/global TEIs, 4 country TEIs, and 3 JPs.

Geographically, the V4 engagement for all TEIs and JPs is shown in the Figure 4. V4 participation in TEIs generally reflects V4 geographical priorities. Africa and the Middle East constitute a combination of low-income countries, war-torn fragile states, and places of migration origin. They have all been traditionally targeted by West European and EU development policy. At the same time, the Eastern Neighbourhood countries are relatively more represented in the V4 profile than in the rest of the EU average. Given that the V4 states should have a natural specialisation in such a geographical area, there is still huge potential for greater engagement. Czechia seems the most geographically inclusive, although Hungary is the only V4 state engaging with South America. Poland focuses on the Eastern Neighbourhood, being the only V4 state in one of the two regional TEIs for this region. Slovakia´s country TEIs are also oriented towards the Eastern Neighbourhood, particularly Moldova and Georgia.

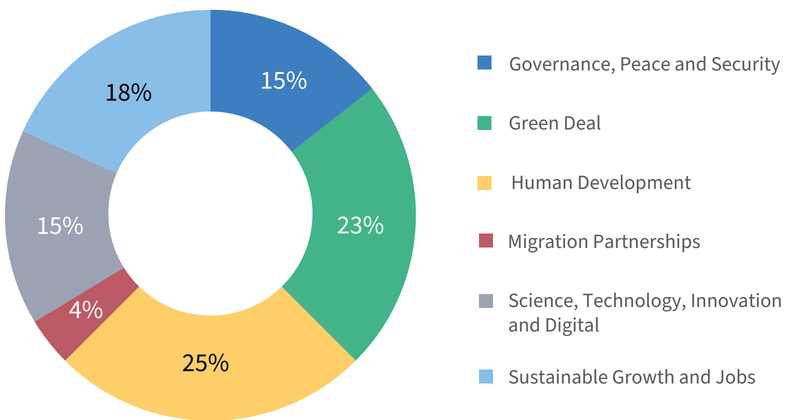
Figure 4. V4 Participation in Team Europe and Joint Programming (geographical areas).



Source: Team Europe Initiative and Joint Programming Tracker (December 2022).

In a sectoral perspective, the V4´s TEI profile is shown in Figure 5. This is similar to the average EU profile, which is dominated by the Green Deal, Human Development, and then Sustainable Development and Jobs. However, migration partnerships are generally underrepresented for the V4, as they are typically included mostly in the regional TEIs. These partnerships focus on sustainable management of the Afghan displacement or the Western and Central Mediterranean migration routes. Czechia's involvement is quite evenly balanced across all sectors. The Hungarian inclination towards Latin America translates into dealing more with the Green Deal and sustainable growth and jobs, namely in the Amazon basin, and specifically in Ecuador. The TEIs with Polish participation are mostly oriented towards human development, which also includes the health sectors and gender equality in the southern and eastern Neighbourhoods, namely Georgia and Moldova, and Morocco. Along with Poland and Czechia, Slovak engagement in the Team Europe Democracy and the Georgian and Moldovan country TEIs on economic development, environment, and democracy proves the potential for V4 states' greater engagement in the Eastern Neighbourhood.

Figure 5. V4 Participation in Team Europe Initiatives (thematic objectives).



Source: Team Europe Initiative and Joint Programming Tracker (December 2022).

For the time being, any TEIs related to Ukraine are suspended, but the country's post-war reconstruction will refocus EU development policy on the Eastern Neighbourhood. Thanks to their territorial, political, economic and cultural proximity to the region, the V4 governments, CSOs and businesses are best positioned to becoming suitable actors for implementing EU development policy there. To be capable of doing so, they must first overcome their own structural limitations to participating in EU development policy, as explained below.

The role of V4 public sectors in enabling non-state actors in EU development policy

The public sector is the key enabler for both for-profit and non-profit non-state actors in EU development policy. Three strategic activities are important in this role. First, the promotion of deliberative collaboration between state and non-state actors already in the planning of national development cooperation enables advanced cooperation at the EU level. Secondly, the purposeful enhancement of capacities of domestic actors increases their readiness to compete and cooperate at the EU level. Thirdly, networking enables active participation in shaping European dialogue concerning the priorities and strategy of EU development policy.

The first key for success is a cooperative and deliberative representation of the government, public agencies, CSOs, and businesses in the coordinating and planning bodies. Although the V4 governments have established solid institutional frameworks for their national development policies, these remain very rigid and formal. The Councils for Development Cooperation in the V4 states take the non-governmental stakeholders' position as merely advisory, if any meaningful space for their inclusion is left in the first place. For a more efficient and coherent implementation of national development policy and the subsequent success of national actors in EU development policy, there needs to be higher involvement of non-governmental capacities in setting the priorities of the V4 development cooperation programmes.

Furthermore, capacity-building in terms of institutional and human resources is crucial. For this, EU Pillar Assessment (PA) is an important instance of how V4 states can increase national capacities, just as increasing the number of EU specialists in the pool of experts on development policy. The PA procedure promotes institutional harmonisation, because it brings the procedural and implementation rules of national actors into compliance with the rules for the indirect management of EU funds. There are nine different pillars, which include system pillars (internal control system, accounting system, independent external audit), procedural pillars (providing financing from EU funds through grants, procurement, and financial instruments), and procedural abilities (exclusion from access to funding, publication of information on recipients, and protection of personal data).[104] The PA makes the public agencies, CSOs, and businesses compliant, known, and ready to act in relations with key EU gatekeepers such as the Commission, and thereby making them more successful in winning EU tenders. However, it is a resource-demanding procedure. This is why the V4 states should follow the Danish example, and provide financial support for their national actors both in the preparations and when undergoing the procedure. The same goes for increasing the number of EU specialists as essential personnel.

Another enabling action is the active participation at the EU level of V4 governments (through permanent representations) and the other key public actors in the EU stakeholder networks. The permanent representations should be more engaged in influencing EU funding priorities and national relations with the Commission while promoting national priorities, as well as national engagement in TEIs and

104 European Commission, *Annex to the Commission decision establishing new terms of reference for the pillar assessment methodology to be used under Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council*, C(2019) 2882 final, 17.04.2019, c-2019-2882-f1-annex-en-v10-p1-1013087_en.docx (live.com).

joint programming. This also involves the support of national actors in European stakeholder forums. The very limited presence of V4 DFIs in the EU's TEIs, and their absence in the joint programming and the EDFI association, is a case in point. It also reveals further information about the V4 DFIs. *Národní rozvojová banka, Bank Gospodarstwa Krajowego, Magyar Fejlesztési Bank, and Slovenská záručná a rozvojová banka* – in stark contrast to EU-14 states – do not have capacities to sponsor even their own national development cooperation and actors, let alone their participation in EU funding. For example, the Czech *Národní rozvojová banka* has not financed any loan in spite of a €10 M budget allocated to guarantees.

Hence, the governments should focus on realising the enabling conditions already established and on further improving them in the aforementioned areas. When fulfilling this role, the public sectors should further seek to become informed leaders in exploring niches at the EU level. Otherwise the V4 states risk missing the window of opportunity, as the EFAD is refocusing on the Eastern Neighbourhood. Other EU actors have to date been better positioned to influence and use EU development policy, which could also easily be the case with Ukraine. Not only would Ukraine's reconstruction efforts thereby be deprived of CSOs and businesses better situated to understanding local conditions, but V4 actors would also miss the opportunity to become major development actors in the EU through assisting Ukraine.

Danida: Good practices from Denmark [105]

Danida is the national framework behind Denmark's development cooperation policy, promoting a collaborative, capacity-building, and networked approach.[106] It has been oriented towards making Denmark an influencer in EU decision-making and establishing of priorities. It is still highly reflective of the EU's agenda, to which it adapts in order to shape it through a trust-building process that implements projects in targeted countries and Danish areas of specialisation within the *humanitarian-development-peace nexus.*[107] This approach requires, on the one hand, robust investment in professionalism and capacity-building within the public administration as well as CSOs, businesses, and their associations. On the other hand, in such a small state this requires a coordinated and focused orientation on the efficient use and concentration of national resources for identifying niche areas relevant at the EU level.

Danida has its own cabinet Minister of Development Cooperation, due to which development cooperation priorities are directly represented at government level, and not as a sideline of Denmark's foreign policy. Its key success is in a *highly intensive and highly deliberative* governance framework organised among the public sector, CSOs, and businesses with roots in the 1960s. Having a dedicated cabinet minister already highlights the public support for and importance of development cooperation attributed to the Danish international profile and ambitions. This can be held in contrast with V4 levels of organisation which fall under the

105 This section builds mostly on the outcome of the V4DevCo workshop "Towards a multi-stakeholder trialogue on the V4 participation in EU development policy: Learning from the Danish experience", see: https://v4devco.eu/workshops/workshop-1.

106 INTRAC/Nordic Consulting Group, *Evaluation of the Danish support to civil society*, Ministry of Foreign Affairs of Denmark/Danida, 17.05.2022, https://um.dk/en/danida/results/eval/eval_reports/danish-support-to-civil-society-22.

107 OECD, *OECD Development Co-operation Peer Reviews: Denmark 2021*, OECD Development Co-operation Peer Reviews, 01.09.2021, https://www.oecd-ilibrary.org/development/oecd-development-co-operation-peer-reviews-denmark-2021_6e9b77e5-en.

wider portfolios of non-specialised Deputy Ministers. The triangular deliberation between government, CSOs, and businesses is institutionalised in the highly active Council for Development Policy, which is inherent to the general governance model in Denmark.

Such collaboration is funded to promote overlapping partnerships and coherence, and specific flagship initiatives provide evidence of this. The *Danida Green Business Partnerships* bring commercial – and non-commercial actors together in partnerships to promote sustainable climate and economic development through projects that are able to promote both commercial and development objectives.[108] Likewise, Strategic Partnerships are organised by the government to implement the strategy for Danish development cooperation[109] through dynamic and mutually reinforcing partnerships with independent Danish CSOs. These partnerships highlight the strategic priorities set out in the strategy, namely democratic values and human rights, fragile contexts, displacement, and climate and green solutions. Unlike in any of the V4, the Strategic Partnerships provide a predictable framework over a four-year period for such CSOs, so that they have enough time to stabilise their capacities and further institutional development.[110]

Secondly, the capacity-building orientation is the most important way to enable the Danish public authorities, CSOs, and businesses to get EU funding. As explained above, the PA procedure is taken very seriously here. The relevant Danish public actors have undergone it, and the government provides the CSOs with funding for

108 Ministry of Foreign Affairs of Denmark/Danida, *Danida Green Business Partnerships*, [n.d.], https://danida-business-partnerships.dk/.

109 Ministry of Foreign Affairs of Denmark/Danida, *The world we share: Denmark's Strategy for Development Cooperation*, 2021, https://amg.um.dk/-/media/country-sites/amg-en/policies-and-strategies/strategy-for-denmarks-development-cooperation/denmarks-strategy-for-development-cooperation-the-world-we-share-1-.ashx.

110 Ministry of Foreign Affairs of Denmark/Danida, Strategic Partnerships with Danish Civil Society Organisations, Information note, Full Application 2022 — 2025, 2021, https://um.dk/-/media/websites/umdk/danish-site/danida/partnerskaber/civilsamfundspartnere/stoetteformer/information-note-strategic-partnerships-2022-2025_final.ashx.

undergoing this procedure due to its resource-demanding character. It is generally understood that the PA is a must which allows the Danish and EU counterparts to learn about each other, establish mutual relations and their predictability, as well as harmonise the different institutional setups and traditions. This makes the CSOs able to promptly engage with certain imminent tasks at the EU level.

Danida is also focused on creating a sustainable pool of human capital for development policy expertise in the public sector, in CSOs, and businesses. The formation of a *high level of professionalism and expertise* at home is understood as a basis for efficient and successful multilateral and EU activity. For example, it is recognised that the extent of expertise among Danish CSOs is related to the success in gaining EU funding as they keep up with EU agendas and programmes. In addition, the Danish system remains open to international experts, since the domestic pool cannot cover certain areas (for example, in the area of preventing and combating corruption). This was showcased in the big Danish-led project on fighting corruption in Ukraine, where international experts had to be recruited.[111]

Thirdly, although this domestic capacity-building and deliberation is primarily formulated on the national level and with respect to domestic priorities, there is a drive to reflect these domestic priorities in the shaping of EU development policy through the Council of the EU in particular. Having influence is more important than the return of Danish financial contributions to the EFAD, although the readiness to commit these resources is understood as part of this influence. For example, the early Danish provision of funding for the EU External Investment Plan was understood by the government as a way to exert influence on its priorities being in synergy with the Danish ones. These synergies are expected to make Danish CSOs and businesses more ready to participate in EU programmes. While Danish diplomats at the permanent representation to the EU strive to shape the priorities within and with

111 European Union External Action Service, *EU and Danish government announce major anti-corruption initiative in Ukraine*, 23.09.2016, https://www.eeas.europa.eu/node/10946_en.

EU institutions, Danish non-state actors are expected to lead their implementation through using the EU developmental framework and funding.

Fourthly, this articulation of domestic capacities and priorities reflects the understanding that the EU nowadays has capacities and expertise that cannot be matched even by larger member states, let alone Denmark. Therefore, domestic resources are used to complement and engage EU institutions with Danish priorities and activities. Through a *trust-building orientation*, Danish actors invest domestic aid to showcase the viability of their priorities in concrete policy areas and states. By doing so, they incentivise EU institutions for further support that can be effectively channelled for scaling-up the projects with EU funding.

Two examples can be offered in Mali and Ethiopia. These two cases are symptomatic of Denmark's increasing geographical focus on the Sahel and the Horn of Africa in line with its humanitarian-development-peace nexus. In both cases, national support was first provided to support national initiatives to convince the European Commission and solicit EU support for such initiatives. In Mali, following the coup d'état in 2012, Denmark refocused on civil society projects on reconciliation, where it did not have initial national expertise. As a result, it was initially unable to convince the EU to support its activities. Danida provided the initial financing for such an initiative by Danish entities, which convinced the EU within several months. In Ethiopia, by using the Danish Investment Fund for Developing Countries, Denmark started projects in renewables and especially wind energy, which then brought an increase in EU funding that could be implemented by Danish actors. Danish green businesses could thus establish themselves as leaders in the Ethiopian green energy transition.

Finally, Danida also has past shortcomings that the V4 states and actors should avoid.[112] Over the last two decades, the financial resources have been cut overall from the target of 1.0% of GNI in the 1990s to 0.7% of GNI in the 2020s. Its scope has also been reduced, and has been getting more politically oriented towards non-development areas and solely commercial interests. The aid is no longer allocated to the poorest and most instable countries, but is dedicated more to humanitarian aid and the origin areas of migration to Europe. Other purposes such as security concerns, global climate change mitigation and reducing migration flows have also largely substituted the objective of poverty reduction. Much of this has had a crippling effect on what was historically one of the most successful models of development cooperation.

Summary

While the V4 states differ in terms of their successful participation in EU development policy, they face similar structural problems. This might prevent them from fully using their own potential to jointly shape and profit from the geographical shift of the EFAD to the Eastern Neighbourhood with the future post-war reconstruction of Ukraine.

Some of these problems in the V4 states can be solved in the short run, but a more structural change is also required. First of all, the governments must promote increased engagement in the newly formed initiatives, such as the TEIs. This means increased activity not only at the level of permanent representations to the EU, but also participation in the stakeholder networks, and in particular involving the

112 L. Engberg-Pedersen, A. M. Fejerskov, *The transformation of Danish foreign aid*, [in:] K. Fischer, H. Mouritzen (eds.), Danish Foreign Policy Review 2018, DIIS – Danish Institute for International Studies, 2018, pp. 138-161, https://pure.diis.dk/ws/files/2381782/DIIS_Review_2018.pdf#page=140; A. M. Kjær, *The Paradigm Shift of Danish Development Policy (1990–2020)*, Forum for Development Studies, 49:3, 2022, pp. 345-371, https://www.tandfonline.com/doi/full/10.1080/08039410.2022.2080762.

EU Delegations in partner countries. The continuing absence of V4 DFIs in the EDFI association and their limited participation in TEIs and joint programming is proof of their need. Secondly, the domestic capacities and a more efficiency – and coherence-enhancing orientation must be improved so that state and non-state actors can successfully reach for EU funding. A good step forward would be government support for identifying relevant experts in the public sector, CSOs, and businesses or their associations. Another step would be assisting all of these actors in undergoing the PA procedure. Thirdly, as the Danish case shows, much of this involves a deliberative and collaborative framework – centred around the coordinating Councils for Development Policy – which creates space for reinforcing synergies among the various actors, but also between domestic and EU development policy-making.

At the same time, the Danish case also shows that these recommendations are not a panacea. It is impossible to "put the cart before the horse" and, in the absence of capacities and expertise built through bilateral cooperation and localised in the partner countries, it is impossible to mobilise resources and prove that there is a genuine comparative advantage for any of the V4 countries at the EU level. Therefore, it remains crucial for the V4 countries to first of all invest in their bilateral cooperation, and only then use bilateral cooperation tools to enhance eligibility for EU funding (for example through the so-called trilateral cooperation programmes, or by supporting their entities in undergoing Pillar Assessments). In any case, EU funding cannot replace bilateral funding, especially in a situation where none of the V4 countries met the 0.33% ODA/GNI target – excluding the reported domestic cost of receiving Ukrainian refugees, and none except Hungary was on track to meet the goal. To compare, before the war broke out in Ukraine, Denmark's ODA accounted for almost USD 3 billion, 20 times more than Slovakia with a comparable population, with most of the difference accounted for by the extremely different extent of bilateral cooperation.[113]

113 Own calculations; OECD, *OECD's Development Co-operation Profiles*, 2022, https://www.oecd-ilibrary.org/development/development-co-operation-profiles_2dcf1367-en.

Finally, the post-war reconstruction of Ukraine presents a special window of opportunity for improving participation in the EFAD and EU development cooperation policy-making. The V4's public institutions, non-state actors and businesses are best positioned to assist Ukraine in such reconstruction efforts due to their historical and geographical proximity, but most importantly their relatively fresh experience in meeting EU accession criteria, and deep conviction about the importance of accountable institutions. Indeed, an accelerated Europeanisation would be a major driving force for the reconstruction of Ukraine in the current geopolitical environment. Such an opportunity to apply the V4's expertise depends, however, on their ability to address the aforementioned structural problems and scale up their participation in EU development policy alongside other EU Member States.

Chapter 3.
Roles, challenges and the future of V4 civil society engagement with EU funding mechanisms

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Introduction

This chapter aims to identify ways for civil society organisations (CSOs) from the V4 countries to increase their potential to better access EU funding administered under the European Commission's DG INTPA (former DG DEVCO) and DG NEAR. It will look at practicalities such as the needs of V4 CSOs, their underlying motivation, the competition that they face and their cooperation with other stakeholders. In this chapter we asked ourselves questions such as:

- What are the main challenges in accessing EU funding? What common difficulties do V4 applicants face?
- What are the key ingredients behind successful application?
- What were the main trends in EU development funding within the MFF 2014–2020, and since 2021?
- How much funding have V4 CSO consortia accessed, and how should we interpret the data in EC FTS?

We have provided some practical tips in response to these questions.

Firstly, we briefly outline the MFF 2014–2020 instruments and programmes. This is mainly to provide the reader with a basic orientation in the structure of the MFF in question, since this varies to a larger or lesser extent from the current MFF, and the text includes statistics on the engagement of V4 CSOs with EU development funding mechanisms in the period in question. Secondly, we list the main trends in EU funding from 2014 to 2020, and from 2021 onwards. Thirdly, we describe the challenges to and opportunities for V4 CSOs in accessing the funding, and the practicalities – such as a description of the key ingredients behind a successful application and the preconditions for a fruitful and longstanding partnership in consortia. In the conclusion we share recommendations for the main stakeholders, from CSOs and national stakeholders (CSO platforms as well as institutional donors such as MFAs and national agencies) to EU institutions.

EU funding outline 2014–2020

The EU funding under DG INTPA and DG NEAR accessible to CSOs is not homogenic, and its different parts have different conditions and dynamics that the CSOs need to take into consideration.

The EU development cooperation budget in 2014–2020 was divided into several funding instruments with a thematic or geographic focus. Each instrument was then divided into different programmes that could be regional, country-based or thematic.

The main geographic instrument was the EDF (European Development Fund), with its budget for Africa, the Caribbean and the Pacific region. The EDF budget in the current period of 2021–2027 is part of the NDICI/GE budget. Other geographic instruments were the DCI (Development Cooperation Instrument), ENI (European Neighbourhood Instrument) and IPA (Instrument of Pre-Accession). The two thematic instruments were represented by the EIDHR (European Instrument for Democracy and Human Rights) and IcSP (Instrument contributing to Stability and Peace). The two programmes within the DCI more attractive to V4 CSOs based on the statistics were the CSO-LA (Civil Society Organisations and Local Authorities programme) and GPGC (Global Public Goods and Challenges programme). This was partly due to the prevalence of DEAR projects.

The Global Public Goods and Challenges thematic programme with a budget of EUR 5 bn was introduced in 2014, and it replaced the four previous DEVCO thematic programmes: ENRTP (Environment and Climate Change), FSTP (Food Security), Migration and Asylum, and Investing in People.

The thematic programme EIDHR had a budget of EUR 1.3 bn, and was accessible through global, country calls for proposals, small grants and direct awards. Another thematic programme, the Instrument contributing to Stability and Peace, had an allocation of EUR 2.3 bn. It covered three main areas, namely: assistance in response to situations of crisis or emerging crisis to prevent conflicts; assistance for conflict prevention, peacebuilding, and crisis preparedness; and addressing global, trans-regional and emerging threats.

For each programme the EC drafted MIPs (multiannual indicative programmes) or NIPs (national indicative programmes) for geographical programmes. The MIPs were then broken down into Annual Action Programmes and Annual Work Programmes. There was a committee for each instrument where the EU MS had a say. After the first 3 years there would be a mid-term review of MIPs.[114]

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114 CONCORD Europe, *Guide to EuropeAid funding instruments 2014–2020: CSO engagement in EU development cooperation*, 2014, https://concordeurope.org/2014/11/03/guide-to-europeaid-funding-instruments-2014-2020/.

Facts and Figures

This part focuses on only one type of funding – grants contracted by CSOs (in the FTS under private companies) – because this is by far the most accessible funding type for most CSOs. As in some cases, the exact repartition of the beneficiary amount is not available in the FTS, it is difficult to attribute an exact funding amount to a specific CSO. Therefore data on the total amount of funding per consortium was used.

In the period 2014–2020 the amount accessed by consortia with a Polish CSO totalled EUR 120 m in 44 grants (total number of consortia including all funding types accessible by private companies – 275; total EUR 200 m). Partner consortia with Hungarian CSOs accounted for EUR 115 m in 43 grants (total number of consortia including all funding types accessible by private companies – 153; total EUR 144 m). Czech CSOs were in 99 successful consortia or grant partnerships that obtained EUR 183 m (total number of consortia including all funding types accessible by private companies – 187; total EUR 216 m). In the Slovak case, 34 consortia with Slovak CSOs managed to target EU funding of around EUR 89 m (total number of consortia including all funding types accessible by private companies – 313; total EUR 152 m). However, these statistics might include duplication across V4 and other data imperfections.

In order to know the total funding contracted by consortia involving V4 CSOs we decided to minimise FTS data imperfections as follows. To avoid duplication, identical projects based on “the subject of grant” differentiator were not included. This helped avoid double duplication, i.e. the same projects being listed more than once, but also in cases of V4 CSO overlap (consortia with more than one V4 CSO), only the V4 CSOs with the largest budget were counted. This also provided a number of unique consortia with V4 CSOs.

The total number of unique consortia with V4 CSOs reached 163, and they contracted EUR 298 m, i.e. on average EUR 1.9 m. The most successful V4 CSO by far was People in Need – its consortia accessed EUR 56 m. Consortia with Fundacja Kupuj Odpowiedzialnie, at EUR 23 m, were second, and consortia of the Polish Green Network, with EUR 19 m, were in third place.[115]

Another factor to look at is the ability of a CSO to lead a project consortium. Polish CSOs coordinated 6 of 44 grants (a ratio of 1 in 7). Hungarian CSOs led 9 of 50 (1 in 5), Czech CSOs held a coordinator role in 46 times out of 99 (1 in 2), and Slovak CSOs were coordinators in 10 of 34 cases (1 in 3).

When it comes to market diversification and monopolisation, then in Poland, Slovakia and Hungary no player stands out significantly. In Czechia, the most frequent coordinator was People in Need, with such a position in 28 out of 46 cases. The second, Caritas CZ, was the coordinator only 7 times. In total, V4 CSOs led 71 consortia.

The table below shows EC instruments and programmes, plus the total amount of EUR contracted by consortia that included V4 CSOs (duplication in the denominator "subject of grant" was removed). Thus the financial figures pertain to whole consortia, and do not show the figure for total V4 CSO funding per instrument or programme.

115 In some instances the V4 CSOs were also in the role of lead partner.

Table 5. Share of instrument or programme funding held by consortia with V4 CSOs.

Instrument/programme	Commitment contracted amount (EUR) (A)	Share (%)
11th European Development Fund (EDF)	2,093,326.00	0.70%
Instrument for Pre-accession assistance (IPA II)	7,591,100.00	2.54%
European Neighbourhood Instrument (ENI)	41,339,445.00	13.83%
Development Cooperation Instrument (DCI)	230,447,207.00	77.12%
European Instrument for Democracy and Human Rights (EIDHR)	7,221,630.00	2.42%
PPPA – Pilot projects and preparatory actions	750,000.00	0.25%
SPEC – Actions financed under the prerogatives of the Commission and specific competences conferred to the Commission	120,000.00	0.04%
Neighbourhood, Development and International Cooperation Instrument – Global Europe (NDICI – Global Europe)	8,569,254.00	2.87%
Pre-Accession Assistance (IPA III)	700,000.00	0.23%
Total	**298,831,962.00**	**100%**

Based on data retrieved from EC FTS and own calculations.

The most accessible instrument is by far the DCI, for which the overall share accounted for by consortia with V4 CSOs is 77%. The DCI thematic programme Civil Society Organisations and Local Authorities had a total allocation of EUR 1.9 bn for the period 2014–2020. This programme had three priorities:

- Focusing on country level: enhancing CSOs' and LAs' contributions to governance and development processes.
- Reinforcing regional and global CSO networks and associations of LAs.
- Developing and supporting education and awareness-raising initiatives, fostering citizens' awareness of and mobilisation for development

issues and related to the DEAR (Development education and awareness raising) programme.[116]

The FTS denominators "geographical zone EU Europe and the subject of grant" clearly show a strong focus on DEAR programme projects. V4 CSOs implemented 80 projects within the DCI, and of these almost 40 were DEAR projects or related to the EU presidency. We give more on the geographical preferences of V4 CSOs in the following section.

The table below depicts the geographic focus of EC funding beneficiaries taking into account consortia with an V4 CSO element, and thereby shows which recipient countries such consortia focus on. It reveals a trend of EU-Europe focus among many V4 CSO consortia, mainly involving DEAR projects. Although it is difficult to assess the exact share of People in Need CZ, it is undoubtedly one of the factors behind the scene. When comparing the focus of consortia with Czech or Slovak CSOs, there is evidently a much more geographic alignment with Czech ODA recipient countries than with the Slovak ones.

Projects in the EU, mainly DEAR projects under the DCI, accounted for 54%. The second largest geographic portfolio was that of the Eastern Partnership countries, exceeding 13%.

116 See more on the DEAR programme: https://dearprogramme.eu/.

Table 6. Geographic zones where consortia with V4 CSOs implemented projects.

Geographic zone	Commitment contracted amount (EUR) (A)	Consortia/ grants	Share (%)
-	1,343,326.00	5	0.45%
ACP Countries	315,000.00	1	0.11%
Afghanistan	2,021,146.00	1	0.68%
Angola	1,823,406.00	4	0.61%
Armenia	6,037,030.00	8	2.02%
Asia	1,000,000.00	1	0.33%
Azerbaijan	159,945.00	1	0.05%
Belarus	1,055,854.00	3	0.35%
Bosnia and Herzegovina	243,149.00	1	0.08%
Cambodia	9,865,663.00	5	3.30%
Central Asia Region	820,955.00	1	0.27%
Eastern Europe Region	10,412,985.00	7	3.48%
Ethiopia	4,000,000.00	1	1.34%
EU Europe	161,400,736.00	47	54.01%
Georgia	9,919,550.00	12	3.32%
Haiti	750,000.00	1	0.25%
Iran	439,941.00	1	0.15%
Jordan	3,958,088.00	1	1.32%
Kazakhstan	586,120.00	2	0.20%
Kosovo (under UNSCR 1244/99)	265,894.00	2	0.09%
Macedonia (Former Yugoslav Republic of)	1,298,674.00	2	0.43%
Mediterranean Region	2,500,000.00	1	0.84%
Moldova	2,878,008.00	4	0.96%
Mongolia	8,555,374.00	9	2.86%
Montenegro	1,000,000.00	1	0.33%
Myanmar	1,935,000.00	2	0.65%
Philippines	3,262,161.00	2	1.09%

Geographic zone	Commitment contracted amount (EUR) (A)	Consortia/ grants	Share (%)
Region IPA instrument	5,434,791.00	4	1.82%
Region Miscellaneous	18,641,989.,00	4	6.24%
Region Neighbourhood	1,128,278.00	2	0.38%
Russia	1,263,859.00	3	0.42%
Slovakia	120,000.00	1	0.04%
South Asia Region	494,681.00	1	0.17%
South Sudan	1,360,000.00	1	0.46%
Sri Lanka	14,000,000.00	1	4.68%
Syria	5,940,000.00	2	1.99%
Tajikistan	681,019.00	2	0.23%
Thailand	973,698.00	2	0.33%
Turkey	800,863.00	2	0.27%
Ukraine	6,304,781.00	8	2.11%
Uzbekistan	330,000.00	1	0.11%
Venezuela	759,998.00	1	0.25%
West Bank and Gaza Strip	2,000,000.00	1	0.67%
Zambia	750,000.00	1	0.25%
Total	**298,831,962.00**	**163**	**100%**

Based on the data retrieved from EC FTS and own calculations.

Main trends

2014-2020

An increase in funds but decrease in the number of contracts suggests larger grant size (in EUR millions). According to Concord, EUR 563 m was spent on grants in 2014 through 2050 contracts, while in 2016 the figure was EUR 2 bn through 1006 contracts. The balance between grants and procurement for DG DEVCO and DG NEAR budget implementation also changed from 2011 to 2016, with the number of grants falling sharply from 2014 and procurement commitments remaining constant.[117]

Average grant size has grown much more than procurement contract size. Grants increased sharply from an average of EUR 0.27 m in 2014 to EUR 1.95 m in 2016, whereas contracts only rose slightly, from EUR 0.24 m to 0.36 m over the same period.[118]

The shift away from CfPs to direct awards at the EU delegation level is therefore a worrying trend for CSO access to EU funding. It not only decreases transparency and accountability, but also further limits access to EU funding for V4 CSOs.[119]

From 2021

In the new NDICI/ Global Europe MFF 2021–2027 several changes occurred in terms of access to funding. The thematic programmes CSO-LA and EIDHR have seen an increase in funding for CSOs. The Instrument contributing to Stability and Peace (IcSP), like its predecessor the Instrument for Stability (IfS), provides more opportunities for CSOs to engage. The GPGC is becoming more accessible for the UN and other international organisations, with less room for CSOs.[120]

The conditions in the current MFF seemed to be less favourable for V4 CSOs as well as for EU-13 due to the increase in grant size and reduction of grant awards. This was also demonstrated lately in the DEAR calls for proposals in autumn 2022. For example the increase of minimum budget thresholds makes it more difficult for V4 CSOs

117 CONCORD Europe, *CSO access to EU funding: external instruments*, 2018, pp. 14-15, https://concord.se/wp-content/uploads/2018/08/cso-access-to-eu-funding-external-instruments-2018-concord-europe.pdf.

118 Ibid., p. 15.

119 Ibid., p. 15.

120 CONCORD Europe, *Guide to Global Europe Funding 2021-2027: For civil society organisations, Part I*, 2022, https://concordeurope.org/resource/guide-to-global-europe-funding-2021-2027-for-civil-society-organisations/.

to become lead applicants, and the limitation of one partner per lot does not allow a CSO to be in more consortia within the same lot but with a different topic or role.

Practical tips

The following section contains practical tips for an EC funding applicant. It is based partly on the V4DevCo online workshop that took place on 31 January 2023 in which 2 experts from successful CSO applicants shared their experience.[121]

There are numerous challenges as well as opportunities for V4 CSOs to apply for EC funding. The donor's preference for reducing the number of partners and providing more funding to large consortia is but one of the trends. V4 CSOs usually have limited and rather sporadic or ad hoc support from their MFAs and permanent missions when it comes to engaging with EC funding. They also face short project life cycle and a lack of institutional funding. The historically high inflation rates are further exacerbating the capacities of V4 CSOs as they are expected to deliver the planned results within the original estimated budget, which might be almost 20% lower. They also lack personnel specialised in EU affairs, such as project writers or partnership officers, etc. Nevertheless, some CSOs are in a transition phase, and are looking towards EU funding rather than from their country.

NGOs basically have three main options on how to engage with EU funding mechanisms. They can either become the lead partner or coordinator, the project partner, or a subgrantee or re-grantee. At a much lower level that is equally difficult to trace in the FTS as it is with the subgrantee, their role can be as a specific contractor or service deliverer with a particular expertise.

121 The workshop was primarily attended by CSOs and donor representatives from V4 countries.

Taking all these challenges into account, if an organisation wants to be successful it should consider the following tips:

- Engage on a regular basis with the EC. Meet the DG INTPA, DG NEAR teams and EEAS in Brussels or elsewhere.

- Differentiate and identify the right entry point whether it is the direct funding of EC and EU delegations or indirect through EU Member States, their national agencies, and/or UN agencies.

- Be ready for what is coming and get ready ahead of time. Become familiar with MIPs – multi-annual indicative programmes (2021–2027) and annual action plans in order to formulate specific interventions in the country/per topic. This is a good source of information if you need to know more about financing decisions.

- Engage with the EU delegations at the local level. 75% of the funding is managed at country level by EU delegations.

- Consider the donor trends, e.g. fewer calls for proposals, but with increased funding.

- Reach out to new and foster existing partnerships well in advance.

- Invest resources in developing capacities and the experience of your local partners. It is worth striving to understand the needs and challenges, but also the capacities and added value, of your partner.

- Use the benefits of your HQ if you are part of a network organisation.

- When working in a consortium take into account the following: time is of the essence – allocate enough time-space because, for example, forming a consortium is a long process. Do not underestimate communication (internal and external). Consider having a Memorandum of Understanding in order to settle possible questions and avoid disputes.

- When working on a concept note or a project proposal it is highly advisable to use EC language in order to convey the right meaning to the evaluators.

- Try to bring something extra to position yourself. Being successful in applying for funds does not only depend on your organisation's strength or the quality of your proposal. It also depends on having "something extra" – for example favourable circumstances, or a preestablished presence in the partner country concerned.

- Use your comparative advantage, such as (but not limited to) historical connection and geographical proximity to certain countries/regions.

- Work in the field as much as needed because, for example, once you have collected complex, direct data, it later becomes easier to justify why your intervention is needed.

Recommendations

The recommendations were formulated through discussion among project partners. They are also based on previous experience of the Slovak NGDO platform, and workshops organised within this project. The recommendations are specific to different stakeholders.

- The V4 embassies, at least in the programme countries, and national agencies or MFAs should be involved in EU programming.

- National platforms of NGDOs can advocate towards respective MFAs being more active in the EU programming at different stages.

- National platforms of NGDOs can advocate towards respective national agencies becoming pillar assessed and securing EU delegated competence to administer the EU budget. This could not only contribute to an increase in EU funding at the national level but also provide CSOs with (i) access to EU funding through the national entity they are used to working with, (ii) a less competitive environment given the number of applications, and (iii) getting used to EU project management and EC rules as a springboard for seeking EC funding under DG INTPA and DG NEAR at a later date.

- V4 CSOs should be actively involved in EU programming either through their local partners, national platforms, their international NGO network, or Concord.

- In order to better analyse and move forward V4 CSOs' engagement with the EC, an improvement in the data accuracy and data complexity of FTS is needed. The FTS should avoid duplications (e.g. the same entity listed several times under a slightly different name). It would also be instrumental to have more information on the exact budget repartition of the consortium partners, and the number of unsuccessful applications, in order to know the success rate.

Chapter 4.
Experience, needs and expectations of non-state actors in partner countries: the case of Africa–V4 cooperation

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Introduction

This chapter offers an overview of the collaborative frameworks and practices of European actors, in particular V4 non-state stakeholders, in their cooperation with Sub-Saharan African (SSA) partners. It first looks at the EU–Africa strategic context, which dates back to 2000 when the first Africa–EU summit was held in Cairo; expectations following this were high on the African side, but real and non-patronising partnership took years to begin taking shape. In fact, as of 2022, African opinions still often echo the criticism, and demand cooperation involving change in behaviour and attitude. In the new geopolitically challenging environment, the EU is pushing for a revitalised comprehensive strategy with African actors, and would like to see tangible manifestations of this. Some initiatives, such as the Global Gateway, can enhance the EU's competitive presence and engagements across Africa, while also contributing to greater human security and development. The second section of the chapter provides a critical discussion about the cooperation of V4 non-state actors with EU institutions in the field of development aid. Subsequently, the chapter discusses the prerequisites for successful projects of V4 stakeholders with African partners. Finally, it concludes with a section examining the issue of localisation in the context of mutual expectations about the future of cooperation between the V4's and African partner countries' non-state development actors.

A look at the new EU–Africa strategy

After the historic first Africa–EU Summit in Cairo in 2000, a Joint Africa–EU Strategy (JAES) was formulated in 2007, featuring a major new approach (as mentioned in the document): "To move away from a traditional relationship and forge a real partnership characterised by equality and the pursuit of common objectives".[122] This, however, did not truly materialise over the years. Although the start was definitely promising, the haunting legacy of the colonial period resurfaced and it was rather inequality that prevailed.[123] The real face of this unbalanced relationship was revealed during the global pandemic, when neither access to the vaccines, nor the technology and production of them on African soil, finally took shape along the expected timeline. However, in early June 2022 the European Investment Bank (EIB) committed EUR 75 m to finance the construction of a vaccine production facility in Senegal,[124] thus contributing to making the continent vaccine self-sufficient in the long run. In the meantime, numerous dynamic actors, such as – to name some of the most active – China, Turkey, India, Brazil, the Gulf states and, once again, the USA with its renewed policy approach, created an environment in which the EU found many competitors for African "deals".

122 *A Joint Africa-EU Strategy*, 2007, https://www.eeas.europa.eu/sites/default/files/eas2007_joint_strategy_en.pdf

123 This has been confirmed by many scholars including Nicoletta Pirozzi of IAI, for instance; see: N. Pirozzi, *EU-Africa relations need a new strategy*, International Politics and Society, 2022, https://www.ips-journal.eu/topics/foreign-and-security-policy/eu-africa-relations-need-a-new-strategy-6382/.

124 Reuters, *New vaccine plant in Senegal gets 75 million euros from EIB*, 02.06.2022, https://www.reuters.com/business/healthcare-pharmaceuticals/new-vaccine-plant-senegal-gets-75-million-euros-eib-2022-06-02/.

African countries have articulated expectations concerning real partnership. A June 2022 survey by Kenyan think tank Inter Region Economic Network (IREN), commissioned by the Friedrich Naumann Foundation, showed that Africans are critical of the EU particularly in the light of the tangible competition with China (and other external actors): "The EU's perceived complacency deep rooted in its legacy thinking and 'paternalistic approach to Africa' is confronted with an agile China's strategy that is breaking new ground in Africa."[125] As opposed to China, for instance, Selassie Tay underlines that "Europe is stimulating investments to drive the green transition and digital transformation, the development of major infrastructure, and job creation."[126] African partner countries have been demanding a more enhanced cooperation with European actors in the field of regular and legal migration and fostering circular migration, which "can bring mutual benefits, providing employment opportunities that meet labour market needs and driving development gains."[127]

To revitalise the relationship, the sixth summit was organised in February 2022; under the continent-to-continent theme, African Union and European Union leaders met in Brussels, hosted by the European Commission (EC) led by Ursula von der Leyen. The EU's current approach involves the drawing up of a new comprehensive strategic framework. Back in 2020, the European Commission published a communication titled "Towards a comprehensive strategy with Africa",[128] which laid down the basis for the new strategy. Here the word "with" is particularly

125 J. Shikwati, N. Adero, J. Juma, T*he Clash of Systems: African Perceptions of the European Union and China Engagement*, Friedrich Naumann Foundation for Freedom, 2022, https://shop.freiheit.org/#!/Publikation/1278.

126 S. Tay, *AfCFTA and the Creeping Power Play: Africa, the European Union, and China*, Policy Center for the New South, 2023, https://www.policycenter.ma/publications/afcfta-and-creeping-power-play-africa-european-union-and-china.

127 H. Désir, *There is need for a reset of the EU–Africa partnership*, Al Jazeera, 2022, https://www.aljazeera.com/opinions/2022/2/17/there-is-need-for-a-reset-of-the-eu-africa-partnership.

128 European Commission, High Representative of the Union for Foreign Affairs and Security Policy, *Joint Communication to the European Parliament and the Council: Towards a comprehensive Strategy with Africa*, JOIN(2020) 4 final, 2020, https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020JC0004&from=EN.

significant, as it demonstrates Europe's understanding and willingness to treat Africa as an equal. The plan is for joint actions to be taken together with Africa in five key strategic areas (priorities, or "partnerships" as given in the document):

- green transition and access to energy;
- digital transformation;
- sustainable growth and jobs;
- peace and governance;
- migration and mobility.

The Neighbourhood, Development and International Cooperation Instrument (NDICI) is a decisive instrument of the EU's 2021–27 development budget (with the mentioned EUR 29.2 billion dedicated to Sub-Saharan Africa, SSA). Although development aid policy still constitutes a large chunk of the European approach, the aspects of diversification strategies and better compliance with what the African side underscores, meaning "African solutions to African problems", have been granted a crucial voice. Acknowledging the continent-wide actors and initiatives, first and foremost the African Union's "Agenda 2063: The Africa We Want" and the African Continental Free Trade Area (AfCFTA), is the basis of any future scenario. At the same time, the EU's geopolitical agenda is a response to the new realities of our transnational global world. If this new EU response comes with a genuine contribution – as the strategic approach promises – towards what Africa wants (i.e. boosting intra-Africa trade, particularly trade in value-added production and across all sectors of Africa's economy),[129] it could also enhance other dimensions, such as the launch of a substantial investment package in the framework of the Global Gateway initiative.[130]

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129 African Continental Free Trade Area (AfCFTA) Secretariat website, https://au-afcfta.org/.

130 R. Bloj, *The European strategy for a 'New Deal' with Africa*, Fondation Robert Schuman, European issues no. 622, 2022, p. 4, https://www.robert-schuman.eu/en/doc/questions-d-europe/qe-622-en.pdf.

In the Global Gateway framework, major infrastructure projects are foreseen to be financed by the EU, which is in line with African needs for facilitating better global connectivity for the entire continent. This is a tangible reaction to infrastructure investment schemes by China and all other external actors, both of the Global North and the Global South (including some of the most recent newcomers, such as Indonesia[131]). As the President of the EC, von der Leyen, put it at a press conference at the end of November 2022: "The difference between Global Gateway compared to others who come with infrastructure projects is that there is transparency, there is good governance, and there is the absolute goal to have locally added value and skills".[132]

Cooperation of V4 non-state actors with EU institutions in the field of development aid – a critical overview

Before assessing the cooperation of V4 non-state actors with EU institutions in the field of development aid, certain tendencies should be summarised. Within the period 2007–2010, FoRS, the Czech Forum for Development Cooperation, put together a report on the V4 countries focusing on development NGOs, and pointed out that the "EC awarded a total of 77 grants to V4 CSOs with the major participation of Czech CSOs (40%), followed by Polish (32%), Hungarian (19%) and Slovak ones (8%)."[133] The report also highlighted certain recommendations for V4 ministries and V4 NGDO platforms; here we can emphasise the recognition given to "the importance of capacity building of the state and non-state actors for a higher engagement of V4 countries in the EU external actions within development cooperation and humanitarian

131 *Indo-Africa Infrastructure Dialogue 2019*, TSG Indonesia, 24.06.2021, https://tsg-indonesia.com/2021/06/24/indo-africa-infrastructure-dialogue-2019/.

132 African Business, *EU reveals details of $150bn Global Gateway Plan for Africa*, 29.11.2022, https://african.business/2022/11/trade-investment/eu-reveals-details-of-150bn-global-gateway-plan-for-africa.

133 Marie Zázvorková, *The Involvement of Development NGOs from Visegrad Countries in the Financial Instruments of the European Commission*, FORS, 2011, https://fors.cz/user_files/dokumenty/v4verzeweb.pdf.

aid" and the recommendation for NGDO platforms on strengthening "the capacities of their members in order to increase their understanding of the EC financial instruments and involvement in their implementation".[134] More than a decade later, these recommendations are still valid, as we argue in the concluding chapter of this Guide.

Further on, among the many issues brought up by Mazur and Banach in regard to the development processes of V4 states, the following stand out: development assistance is an instrument of foreign policy; development aid is frequently directed to neighbouring or politically significant countries, but not to countries in need, the Least Developed Countries (LDCs); lack of cooperation at the V4 level in development policies; and development procedures and systems are shaped more by the countries' experiences than by the aid recipients' needs.[135]

The V4's pragmatic cooperation has currently come to a halt due to the Russian invasion of Ukraine and the countries' differing views over sanctions against Russia and support for Ukraine; it is clear to see that Hungary's views in particular differ from the others'. "The diplomatic activities of the Visegrad countries in Moldova, Ukraine, and Belarus indicate their involvement in providing development aid assistance, monitoring, and evaluating the progress on the reform agenda of the host countries, as well as building bridges and creating partnerships with local stakeholders."[136] It is, however, unlikely that all Visegrad members can forge cooperative frameworks for non-state actors under the current political circumstances.

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134 Marie Zázvorková, *The Involvement of Development NGOs from Visegrad Countries in the Financial Instruments of the European Commission*, FORS, 2011, https://fors.cz/user_files/dokumenty/v4verzeweb.pdf.

135 G. Mazur, J. Banach, *V4 & Development Co-operation Policy*, Open Political Science, vol. 4, no. 1, 2021, pp. 180-193, https://doi.org/10.1515/openps-2021-0017.

136 D. Baltag, *The resilience of the Eastern Partnership: what role for the Visegrad countries?*, Think Visegrad, 2021, https://think.visegradfund.org/wp-content/uploads/The-resilience-of-the-Eastern-Partnership-what-role-for-the-Visegrad-countries.pdf.

Furthermore, V4 states' cooperation with EU institutions has been challenging. Prior to the ongoing armed conflict, which contributed to policies within the group diverging, the V4 response to the 2015 Mediterranean refugee crisis had translated into consistent group resistance to EC efforts "for an EU-wide solution".[137] However, this temporarily increased coherence within the group did not last for long, and the V4 states' engagement in development cooperation has involved mainly individual commitments and, only in rare cases, joint V4 projects. Dominik Kopiński summarised in 2012 that: "Development cooperation policy in the V4 is largely focused on the close neighbourhood, and current political and business stakes triumph over the 'needs and merits' logic of aid allocation. [...] the official message coming from the governments significantly diverges from reality".[138] Oskar Chmiel added in 2018 that: "taking into account the current stance of the Visegrad countries on questions related to the migration crisis in the EU arena, the V4 cooperation does not necessarily appear as a possible vehicle for the promotion of sustainable development in Africa".[139] Apart from a few examples, the picture has not changed.

Although all Visegrad countries agree that stabilising Africa is the foremost goal, the focus has been on how to manage the migration crisis, and so far policies have been seemingly ad hoc. Of course, all V4 countries subscribe to the SDGs and foster policies and projects accordingly. One good example of joint efforts in this respect is the project funded by the European Union Emergency Trust Fund (EUTF for Africa) titled "Enhancement of Livelihoods in the Kenyan Coastal Region by Supporting Organic and Fair trade Certification of Smallholders (EUTF05-HoA-KE-18/04)", implemented in the coastal counties of Kilifi, Kwale and Lamu, and coordinated by SlovakAid. The

137 L. Cabada, S. Waisová, *The Visegrad Group as an Ambitious Actor of (Central-)European Foreign and Security Policy*, Politics in Central Europe, vol. 14, no. 2, 2018, pp. 9-20, https://www.politicsincentraleurope.eu/documents/file/VISEGRAD_us_CELEK.pdf.

138 D. Kopiński, *Visegrad Countries' Development Aid to Africa: Beyond the Rhetoric*, Perspectives on European Politics and Society, vol. 13, no. 1, 2012, pp. 33-49, DOI: 10.1080/15705854.2011.649172.

139 O. Chmiel, *The engagement of Visegrad countries in EU-Africa relations*, German Development Institute / Deutsches Institut für Entwicklungspolitik (DIE), Discussion Paper, 2018, https://www.idos-research.de/die-aktuelle-kolumne/article/the-engagement-of-visegrad-countries-in-eu-africa-relations/.

project amount represented EUR 1.9 m. The main objective of the four-year project was to contribute to the development of coastal counties by enhancing access to better market opportunities and increasing food security for 16,000 smallholder farmers through Organic and Fair Trade cashew nut and sesame production.[140]

A briefing paper from May 2011 clearly stated in regard to Visegrad countries' development cooperation in an EU context that: "the V4 countries lag far behind in sources, capacities but also relevance devoted to development cooperation. The accession of the V4 countries to the EU highly accelerated the formation of V4 development policies. Nevertheless, development as well as global issues has been of marginal interest in the political agendas of V4. Foreign policies above all address the affairs within the EU, some transatlantic relations and the nearest neighbours".[141] The enhanced stability of the entire macroregion of Central and Eastern Europe, including the prosperity of its countries, became an obvious necessity for the V4 after they all joined the EU. As Andrzej Sadecki underlined, "the Visegrad countries saw an opportunity [after joining the Schengen zone in 2007] to shape the emerging Eastern dimension of the EU neighbourhood policy and have their own contribution in the sphere of EU external actions".[142] As of the 2020s, the entire situation has changed in terms of relevance to development cooperation, since all V4 countries have published their respective strategies and plans with detailed activities with partner countries. Poland's example (similarly to the other three V4 countries) represents a convinced stance: "The 2022 Development Cooperation Plan is the second plan that implements the objectives of the Multiannual Development Cooperation Programme 2021–2030 – Solidarity for Development. […] The actions

140 SlovakAid, *The joint project of Visegrad Four (V4) countries in Kenya*, [n.d.], https://slovakaid.sk/en/european-projects/joint-project-of-the-v4-countries-in-kenya/.

141 P. Krylová, J. Miléřová, Z. Sládková, *Development cooperation of the Visegrad Group in the context of the European Union*, FORS, Briefing Paper, 2011, http://www.fors.cz/user_files/fors_brief_v4_final.pdf.

142 A. Sadecki, *The Visegrad Group Policy towards the EU Eastern Partnership*, [In:] P. Stepper (ed.) Central Europe and the Visegrad Cooperation: Historical and Policy Perspectives, Antall József Knowledge Centre, 2018, p. 260.

to be undertaken will serve to support partner countries of Polish development co-operation in implementing the Sustainable Development Goals (SDGs)".[143]

As of today, the change in the EU context – in addition to the circumstances in the immediate neighbourhood mentioned earlier – is again providing a major reference framework. "Under the mandate of EC President Ursula von der Leyen, the EU has seen a shift in approach to development cooperation, whereby the EU's geopolitical goals, interests and values play an increasing role in establishing partnerships with the countries to which it delivers ODA. This is reflected in the name change of the EC body responsible for development cooperation from the Directorate General for International Cooperation and Development to the Directorate General for International Partnerships (DG INTPA)".[144] This "shift", however, has had little impact on V4 policies, and we have not seen much change in their approach over the last decade. V4 countries have been quite open about their "interest/business driven" approach for many years, well before the EC's "geopolitical turn".

Prerequisites for successful projects of V4 stakeholders cooperating with entities from partner countries in SSA

A "real network connecting all stakeholders" in EU–Africa relations is a requisite. The current strategies do not really involve NGOs and final project beneficiaries, and sometimes when a meeting involves NGO participation, companies are insufficiently involved. The "Hungarian African Week" (organised in 2022) was acknowledged as an example of a useful good practice, as it helped in understanding how many people in Hungary are working on Africa. A representative of an NGDO from a V4 country during a V4DevCo workshop stated that one of its biggest

143 Ministry of Foreign Affairs of the Republic of Poland, *2022 Development Cooperation Plan*, 2021, p. 4.

144 Concord, *Guide to Global Europe Funding 2021-2027: For civil society organisations*, Concord, 2022, https://concordeurope.org/?smd_process_download=1&download_id=23082.

achievements had been to build a strong network of contacts. In addition, the sharing of know-how with business sector representatives on various aspects of operating in certain African countries was considered an important area for the future, as this knowledge-sharing could consequentially help diversify the NGDO's sources of income. In the particular case of this NGDO, it was emphasised that it could also play a role in facilitating diplomatic ties between an African country and a V4 country.

Awareness-raising is also crucial, and the "education" of potential sponsors is key to success. This education is about providing factual and up-to-date information on the respective African countries, revealing the local context embracing needs and stakeholders, so that the potential sponsors can see the "contextualised" opportunity for cooperation. This is, therefore, rather about the process of sensitising the sponsors.

V4 participation in EU development cooperation in Africa is weak and almost non-existent. Nevertheless, of the scarce instances that exist, Afrikáért Alapítvány (Foundation for Africa) from Hungary seem a good example, as it was among the top 10 NGOs from the V4 countries in terms of the value of EU development projects in which they participated (see Table 7).

There have been also some good initiatives from V4 countries since the early 2000s, although all have revealed

Table 7. Top 10 NGOs from the V4 countries in terms of the commitment contracted amount , 2016–2019 (EUR mln).

People in Need	CZ	24.87
People in Need Slovakia	SK	14.49
Centrum Edukacji Obywatelskiej	PL	13.49
Hungarian Baptist Aid	HU	13.33
Kupuj Odpowiedzialnie	PL	9.23
Afrikáert Alapitvány	HU	7.98
MVRO	SK	7.47
Caritas Czech Republic	CZ	7.05
Wontanara, OPS	CZ	6.56
Institute for Sustainable Development	PL	6.56

Source of data: Szent-Iványi (2023) and in particular, Szent-Iványi's expert talk on "How do V4 NGOs do in implementing EU development funding?", 12 January 2023, workshop. Please note that the financial figures do not show the amounts assigned to these particular NGOs but rather to the whole project consortia in which they belonged. Thus, the exact amounts actually assigned to these NGOs may be much lower.

the importance of inclusive development, with a focus on the local communities – in particular as far as sustainability is concerned. A Czech electrification project in Zambian villages using solar energy,[145] part of Czech development aid assistance to SSA, pointed in this direction. Hungary's governmental Africa Strategy of 2019 identified water-related and infrastructure-related development aid assistance projects, and in the Kobo-Girana Valley, Ethiopia, the company VIKUV drilled three water wells between 2007 and 2012. SlovakAid has been placing emphasis on development education, dealing with forest ecosystems, solar energy and food security while working with different actors.

To conclude: a focus on localisation is needed in future cooperation between the V4 and partner countries' non-state development actors

From a critical perspective, stemming from the EU's realpolitik-driven view of the geopolitical realities within its own geographic proximity and beyond, the above-mentioned change in development cooperation is clearly understood. Although tangible global challenges and common threats (such as the rise of transnational terrorism) paved the way for the new EU communication on the comprehensive strategy with Africa, there is still a lot to be done on the European side to support what Africa wants: home-grown solutions to their local problems. Therefore, local ownership must be at the heart of the activities, and this should be fostered by all stakeholders involved.

As revealed during one of the V4DevCo project workshops, localisation is very important: people in Africa must feel that development projects are not something coming from abroad. The European actors need to speak with the locals and design the projects together with them; the diagnosis of the local people's needs should

145 A documentary was filmed about the project with the title: *Pod sluncem tma* (Solar eclipse).

be carried out locally. Nobel laureate Wangari Maathai stated profoundly back in 2009 that: "In the long run, Africa needs to move beyond aid and the culture of dependency […] when financial resources, including aid, are properly targeted and well spent, they have the potential to transform the lives of the world's poorest people".[146] In sum, focusing on the local dimension of the aid that external stakeholders want to deliver lays the groundwork for future cooperation between the V4 and partner countries' non-state development actors.

146 W. Maathai, *The Challenge for Africa. A New Vision*, William Heinemann, 2009, pp. 71-72.

Chapter 5.
Recommendations for increasing the level of participation of V4 non-state actors in EU development funding programmes

This chapter offers reflections on nine key recommendations stemming from the analyses pursued in this study. The emphasis was put on issues that can be viewed as common to all V4 countries. However, this does not necessarily imply that the proposed solutions should be pursued jointly by V4 actors, as there are considerable differences between each of these countries. Besides, V4 development actors may find themselves competing with each other for EU development funding and on the partner countries' markets. And although some of the recommendations target specific groups of V4 non-state actors, such as NGDOs or businesses, they overwhelmingly recognise the crucial role played by the V4 governments.

The following recommendations were drawn up thanks to the insights from discussions with project partners as well as with the participants of three workshops organised within the V4DevCo project, complemented by comments shared by the interviewed experts and officials.

Key recommendations

Recommendation 1: Increasing V4 bilateral development cooperation.

Both businesses and NGDOs have little support from the public authorities in their respective V4 countries. There is a lack of long-term, institutionalised and predictable support, especially for capacity-building in this field. Along with the V4 countries' present limited budgets, still far from reaching the commitment of securing their ODA at the level of 0.33% of their gross national incomes, excluding aid to Ukrainian refugees in the V4, it is difficult to imagine the capacities of V4 non-state actors growing. Investing in enhancing their capacities is in turn a key precondition of their increased participation in EU development funding. Simultaneously, it is important to recognise that EU funding should only be seen as complementary to bilateral development cooperation funding. Besides, the V4 governments should consider not only enlarging the bilateral development cooperation budgets but also making them more flexible, so as to better respond to the needs of organisations in the partner countries as well as in the V4 countries.

Recommendation 2: Moving away from the "silo approach" could be beneficial for all V4 development actors.

For this purpose, more activities aiming for the facilitation of a "trialogue" between the public authorities, NGDOs and businesses are needed. Although such platforms already exist in some V4 countries (for example as councils for development policy), the private sector in V4 countries remains relatively disengaged. Therefore, a greater emphasis on creating platforms, associations, and concrete regulations and institutional mechanisms that could facilitate exchanges between the V4 development actors (both at the national and EU level) are particularly needed – and the Danish case presented in this study demonstrates the potential of such an endeavour. In addition, through increasing institutional funding and the predictability and consistency of their policies, the V4 governments should also strengthen the dialogue with civil society and the participation of NGDOs in decision-making processes. This could also be supported through the organising of regular high level policy forums or several discussions of a smaller format during the year.

As V4 development actors often face limited resources and capacities, they could focus on certain fields of specialisation where they may find competitive advantages. **The public authorities should support the identification of these areas and facilitate multistakeholder cooperation between the NGDOs, private businesses, and local entities in the partner countries – as the concept of "localisation" should be put at the forefront of future V4 development projects.** Due to the oft-mentioned lack of necessary knowledge and information, this form of cooperation should also involve experts in academia, think tanks and consulting – and from both the V4 and partner countries. Accordingly, the V4 governments should dedicate separate funding to enable these multi-stakeholder fora.

Recommendation 3: Facilitating access to EU development funding should be fostered by the European Commission.

The EC should actively support the idea that having more actors from non-traditional donor member states on board could bring important gains, for example by mobilising additional resources and enhancing the pools of expertise. One of the main obstacles to V4 NGDOs becoming more engaged in EU development cooperation is the significant difference between the capacities of traditionally stronger actors from Western European EU Member States, and those from the V4 countries. Although in this regard the V4 governments will have the most important role to play (since increasing V4 non-state development actors' capacities will very much depend on the shape of their respective bilateral aid budgets), the problem should also be recognised in Brussels. For example a greater emphasis on a more inclusive approach towards the V4, pillar-assessed national DFIs and PDBs could be an important way of facilitating access to EU development funding for V4 businesses. Increasing their involvement in EU development instruments (e.g. EFSD+) could result in enhanced cooperation between these DFIs and V4 businesses. V4 actors could thereby gain necessary experience and knowledge upon which they could build a stronger position in regard to tenders, grants, and framework contracts from other EU development funds. Thus a concerted effort by the EC and the V4 governments would be required. Besides, **increasing the sense of ownership in EU development cooperation** could not only bring additional resources and knowledge, and raise awareness on global issues in societies across the V4, but should also foster the much-needed "fresher" approach to this policy. The V4 countries appear to be well placed to build partnerships of equals, as they have a pragmatic approach, and relatively recent experience in political and economic transition as well as in being net recipients of the EU funds.[147] The move to increase their participation in EU development cooperation could, therefore, contribute to diversifying and enriching what the EU has to offer to partner countries, and ultimately to the desired detachment from the postcolonial roots of EU cooperation with many of its partner countries, particularly in Africa. An increased sense of ownership in the EU could also help in ensuring a coherent stance in the Union's relations with the partner countries and at the global level.

Recommendation 4: Global education and public awareness-raising in V4 countries should become an integral part of any efforts to increase the V4 actors' participation in EU development cooperation.

In the long term, V4 societies and politicians more informed about the global interdependencies (especially as regards climate change, global health, and migration

147 This potential for building partnerships of equals has also been noted in the broader context of relations between the countries of Central and Eastern Europe and Sub-Saharan Africa; see S. Cibian, *Central and Eastern Europe and Sub-Saharan Africa: Prospects for Sustained Re-engagement*, Research Paper, Chatham House, 2017.

flows) may become more convinced that development cooperation plays an important role not only in supporting the wellbeing of societies in partner countries, but also translates into greater stability in their own region. In consequence, the public in V4 countries could become an active force expecting appropriate governmental action in this field. This, in turn, could enhance the political will of the governments to direct more resources towards development policy, and invest in improving the institutional capacities in this area, as the issue would become more politically salient. And as already stated in the first recommendation, without more resources for bilateral development cooperation it would be hard to imagine any progress in increasing the level of participation of V4 non-state actors in EU development funding.

Recommendation 5: Raising awareness of EU development funding among V4 non-state actors should be supported by the V4 governments.

The relative lack of interest on the part of business may, at least to some extent, stem from the insufficient dissemination of knowledge and information. Providing specific training and knowledge-sharing activities, as well as showcasing the opportunities in EU development funding (especially the initiatives created within the new EU development finance architecture, e.g. Team Europe Initiatives) and partner countries' markets may translate into combatting this lack of interest. These efforts should be complemented by developing closer ties with EU delegations and by dedicating specific capacities to focal points at the Permanent Representations to the EU in Brussels, as well as at embassies in partner countries in order to monitor opportunities for V4 non-state actors. Indeed, their support in accessing relevant information on the situation in the partner country, and more specifically, on the EU development actions pursued there is of key importance.

Recommendation 6: Specific mechanisms to encourage cooperation on development projects between NGDOs and businesses should be developed.

Although blending the participation of these actors carries certain risks, it could potentially help the V4 non-state actors increase their participation in EU development funding through the pooling of more resources. For example, the NGDOs could be encouraged to mobilise the private sector to engage in development projects, while the private sector should be encouraged to hire NGDOs to increase the social responsibility and efficiency of their operations abroad. This may also be particularly relevant, considering the current trends in the new EU development finance architecture for increasing the engagement of the private sector. However, such increased engagement should always be assessed with caution, and checked for whether it brings significant development value and not only financial profit.

Recommendation 7: V4 development actors should take advantage of best practices in the field of EU development funding acquisition.

The Danish case presented in this study provides valuable lessons, and at least part of them could be useful in the V4 countries. Also, there are exceptional success stories from within the V4 countries from which lessons could be learnt and disseminated, e.g. the case of the highly efficient Czech NGDO "People in Need". Although exchanges of this kind have already been seen in many fields (for example between various MFAs, development aid agencies, national development banks, and NGDO platforms), they should also embrace dialogue between different types of stakeholder. Besides, since V4 countries face similar problems, organising such an exercise in the V4 format has proven useful and should be continued.

Recommendation 8: Projects focusing on the specific situation in the V4 region (and even more broadly, on CEE) should be developed.

Currently, the Brussels-based NGDO platform, CONCORD, only provides general information on possible involvement in EU funding, and it does not consider differences in terms of the capacities of its members. There are no similar institutionalised channels of communication for business entities. The development actors from EU Member States located in the CEE region could consider joint efforts aimed at highlighting their particular problems concerning their participation in development cooperation at the EU level. The consultancy platform "Afriko" may serve as an example of recent such projects that tackled these problems. The platform focused on analysing the Baltics-EU-Africa trialogue, which could become inspiration for a similar initiative in the V4 countries.[148] The **V4 governments should reconsider enhancing their joint efforts.** They could create a common pool of development cooperation experts which could be useful while applying for EU development funds.

There are few joint V4 development projects. They should be scaled up to assess whether this solution could facilitate V4 non-state development actors´ first steps in certain partner countries, so that they could enrich their portfolio and get the experience necessary for competing successfully for EU funding. However, all of these activities would first require significant political support from the V4 governments, along with their willingness to invest more resources into joint efforts – despite the fact that the development actors from these countries are often actually competing with each other for the EU funding, and in the partner countries' markets.

148 See more: https://www.afriko.lt/.

Recommendation 9: While anticipating the post-war reconstruction of Ukraine, the V4 governments should increase their efforts for improving the capacities of their development cooperation systems.

The reconstruction will engage many international donors, and the EU will play a key role here. The V4 public authorities, NGDOs, and businesses are not only some of the most experienced and well-equipped partners for Ukraine´s post-war reconstruction in the EU but could also share their relatively recent expertise in the areas related to EU accession. However, without improving the capacities of their development cooperation systems, the V4 development actors´ role played in assisting Ukraine at this crucial moment may fall below their potential. Besides, the experience gathered by V4 development actors now in Ukraine may be useful for facilitating their engagement in other partner countries. Operating in emergency and crisis situations brings lessons which have the potential to be used elsewhere. Moreover, this experience could embolden some of the stakeholders and increase their readiness to take more risk, and in consequence, engage in development projects in other partner countries, enhance their portfolio, and make them more competitive in regard to successfully securing EU development funding.

This list naturally does not close here, and more detailed solutions could be proposed. To find out more about our country-specific recommendations, see Chapter 1.

Conclusion

The main intention behind this Guide has been to contribute to the enhancement of knowledge base on the participation of V4 non-state development actors in EU development funding programmes. It stemmed from our conviction that there is a need for broader participation by V4 actors in these programmes. Momentum has also played a role, as at the moment of designing the V4DevCo project, the Covid-19 pandemic was unfolding and the new EU development finance architecture was just emerging. Furthermore, Russia's brutal invasion of Ukraine, which was launched during the course of our work on this study, cemented our belief that V4 development cooperation policies found themselves at a crucial moment – the global poly-crisis was already there, and the need for mobilising the resources to face it could be supported with a more robust engagement of V4 development actors.

Yet the capacities of V4 development actors are relatively low, and without complementary funds, or additional opportunities for gaining experience, they could face serious difficulties in developing. As our main key recommendation stipulates, these capacities should first and foremost be enhanced through increasing V4 countries' bilateral development cooperation budgets. Nevertheless, an increased participation in EU development funding could turn into an important complementary boost for V4 non-state development actors' capacity building. Simultaneously, this could also bring some important gains for the EU development cooperation policy itself, for example in terms of mobilising additional resources or enhancing the pool of expertise. In short, at the current moment of global turmoil the EU should seek ways of seizing its full potential, and in this Guide we have offered recommendations that indicate how this situation may be improved.

Public and academic debates on development cooperation in V4 countries predominantly focus on the role played by the governments. This is not surprising, considering the importance and dominant role taken by the governments in this field. However, if V4 non-state development actors were to increase the level of their participation in EU development cooperation, the focus of discussions should now move towards the question of engaging a broader spectrum of actors. Major trends in EU development funding clearly indicate an emphasis on finding ways of engaging CSOs and the private sector. To increase their level of participation in EU development cooperation, V4 development actors will need to adapt to these trends, and for this purpose they should strive for engaging all key Visegrad stakeholders in a meaningful dialogue. Hopefully this study will serve as a Guide for taking steps in this direction.