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United Nations Development Programme

Emerging Donors Initiative - EDI

Brief description

Emerging donors are playing a growing role in the development process. In the past several years, the demand for expertise in other transition and developing countries has been increasing. As former recipient countries that have successfully navigated the transition process, emerging donors are in a unique position to provide expert knowledge to the development community. UNDP has been helping the emerging donor countries to strengthen national capacities for development cooperation, prepare development cooperation frameworks, and establish ODA delivery mechanisms. Further work with emerging donors will be based on the strategy that proved to be successful during the past years and which will entail the following major elements:

- Support for development of national capacities for development cooperation, in the form of policy advice, staff training, and public awareness raising about development and development cooperation.
- Establishment, adaptation and transfer of delivery mechanisms for development cooperation including trust funds, cost-sharing arrangements, and promotion of other forms of cooperation such as parallel financing or programmatic support.
- Targeted efforts to involve traditional donor countries in trilateral cooperation with the emerging donors.

Part I. Situation Analysis

UNDP RBEC has been supporting 'Emerging Donors'* since the end of the 1990s. In 2003, the Regional Centre launched the Emerging Donors Initiative within the framework of the Regional Programme with seed funding of \$300,000. This initiative has been coordinated with national activities in those countries where UNDP country offices or important UN presences in the area of development cooperation are present. Through UNDP regional programming, the initiative enables emerging donors to leverage their ODA resources in multilateral partnerships with UNDP, with one another, and with traditional donors

UNDP has helped to strengthen national capacities for development cooperation, prepare development cooperation frameworks, and establish ODA delivery mechanisms in the Czech Republic, Slovakia, Hungary and Latvia, and most recently in Russia, Lithuania and Slovenia. Close collaboration is currently being established with Turkey's International Cooperation Agency. In order to promote national expertise and to establish transparent and programmatically sound ODA delivery mechanisms, UNDP has signed trust fund agreements with Slovakia, Hungary and the Czech Republic. These trust funds are important in and of themselves, but in addition, they can promote trilateral cooperation between traditional and emerging donors on the one hand, and recipient countries on the other.

Emerging donors are playing a growing role in the development process. In the past several years, the demand for expertise in other transition and developing countries has been increasing. As former recipient countries that have successfully navigated the transition process, emerging donors are in a unique position to provide expert knowledge to the development community. By sharing the experiences, expertise, and "best practices" of their transition with other donors, emerging donors can help close the gaps in finance and development assistance that stand in the way of fulfilling the Millennium Development Goals.

Based on the lessons learned so far from the cooperation with the Emerging Donor countries, especially through the national Trust Fund mechanisms, it shows up that ED countries are effectively contributing to solve the major development challenges in the region. E.g. in the area of democratic governance it is especially sharing of experience with building up the democratic institutions and their efficient performance such as parliaments, regional governments, local governments, decentralization processes as such, ombudsman, supreme court and last but not least the EU accession process. In the area environment, the most frequent areas of cooperation are the development of strategies for sustainable development, energy efficiency, remediation of old ecological burdens after Soviet troops and old industries. Socio-economic agenda comprises mostly privatization issues, monetary policies during transition period and development of small and medium sized enterprises (SME). Quite significant areas of cooperation have also been health, especially HIV/AIDS and education, namely through the schemes of scholarships for students from the recipient countries that have survived from the socialist times.

* UNDP applies the term 'emerging donors' to the new EU member states, Bulgaria, Romania, Russia and any other country in the RBEC region wishing to start a development cooperation programme.

UNDP has been helping the ED countries to develop their national capacities for development cooperation since most of them did not possess the necessary policy and institutional capacities to effectively deliver their ODA. This assistance has been quite instrumental in gaining the confidence of the governments necessary for setting up the Trust Funds. Last but not least, networking and knowledge sharing among the Emerging donors facilitated by UNDP has also become an important part of this developmental partnership.

Part II. Strategy

Since the current strategy proved to be quite successful in terms of resource mobilization, programme delivery and UNDP's strong facilitating role in national capacity building and donor coordination, it is foreseen that a similar approach will be used in the forthcoming years as well. Briefly speaking, this strategy will contain the following sequence of interventions while respecting the different stages of the donor role among the emerging/new donor countries and their specific requirements:

- Support for development of national capacities for development cooperation, in the form of policy advice, staff training, and public awareness raising about development and development cooperation.
- Establishment, adaptation and transfer of delivery mechanisms for development cooperation including trust funds, cost-sharing arrangements, and promotion of other forms of cooperation such as parallel financing or programmatic support.
- Targeted efforts to involve traditional donor countries in trilateral cooperation with the emerging donors.

As the direct beneficiaries, emerging donor countries can be divided into four groupings, each requiring specific approach:

1. new EU member states (including special subgroup of countries with already established UNDP Trust Funds – Czech Republic, Slovakia and Hungary)
2. EU accession countries (Bulgaria and Romania)
3. EU candidate countries (at the moment Croatia, Macedonia and Turkey, gradually other Balkan countries)
4. CIS countries

Indirect beneficiaries will be the target recipient countries. Involvement of other donors will be promoted. The main stakeholders will comprise the governments, mainly Ministries of Foreign affairs, NGOs and private sector in both donor and the recipient countries.

Massive resource mobilization will be an integral part of the Emerging Donor Initiative also during the period 2006-2010. Establishment of so called national "Trust Funds" (third party cost-sharing agreements) and other delivery mechanisms implicitly entails resource mobilization. E.g., during the 2003-2005 period, EDI mobilized around 12 mil. USD, similar trend is expected

to continue in the forthcoming years. Major partners will be Ministries of Foreign Affairs of the emerging donors as well as traditional donors.

Part III. Management Arrangements

The project will be managed and executed directly by UNDP's Regional Support Centre in Bratislava. UNDP will be implementing partner. There would be designated Project Manager (Emerging Donors Policy Specialist) whose task would be also to prepare annual work-plans for the initiative.

Where appropriate or requested by governments, the project will be implemented in close cooperation with the Country Support Team or Country Offices. This project will put at the emerging donors' disposal UNDP's global infrastructure of 135 country offices, regional centres, policy institutes, and knowledge networks. This infrastructure will support the emerging donors' abilities to engage in "east-east" cooperation, whereby best practices and other lessons of transition can be exported east and south. The lessons learned will be drawn from regular monitoring and evaluation reports as well as from the Trust Funds Annual Reports and will be shared among major stakeholders and discussed at the regional topical workshops.

Part IV. Monitoring and Evaluation

The progress in the project will be monitored by the Senior Management of the Bratislava Support Centre. Project Board would be chaired by the Deputy Director, Executive. Regular weekly meetings will be established between the project manager and the Deputy Director.

Annual project report and annual work-plans would be presented to the PSPD Supervisory Board. The lessons learned will be drawn from regular monitoring and evaluation reports. Regular weekly meetings will be established between the project manager and the Deputy Director.

Part V. Legal Context

This regional project document shall be the instrument referred to as such in Article I of the Standard Basic Assistance Agreement (SBAA) between the Governments participating and the United Nations Development Programme.

PROJECT RESULTS AND RESOURCES FRAMEWORK

<p>Intended Outcome as stated in the Regional Programme Results and Resource Framework: Enhanced development cooperation between emerging donor (ED) and recipient countries with special focus on RBEC region (SEE Europe and CIS)</p>				
<p>Outcome indicators: Increased volume of development cooperation between emerging donor countries and CIS and SEE countries</p>				
<p>Applicable MYFF Service Line: 1.4 Globalization benefiting the poor</p>				
<p>Partnership Strategy: UNDP RSC will work closely with the Ministries of Foreign Affairs of the ED countries as well as with UNDP Country Offices, new partnerships will be established between UNDP and the major providers of ODA in the ED countries, linkages with the regional programme and country programmes in recipient countries will be strengthened, new development cooperation partnerships will be established with other major donors interested in supporting East-East cooperation</p>				
<p>Project title and ID (ATLAS Award ID): 42587</p>				
Intended Outputs	Output Targets	Indicative Activities	Responsible parties	Inputs
<p>Output 1: Establishment and effective use of development cooperation support mechanisms</p> <p>Baseline: Three National Trust Funds operational</p> <p>Indicators: No. of Trust Funds operational No. of Trust Fund established Amount of mobilized financial resources</p>	<p>1.1 ODA delivery and funding mechanisms established and effectively used (national trust funds in support of East-East cooperation or cost-sharing agreements linked to specific projects/programmes, parallel financing, programmatic support)</p>	<p>1.1.1 Management of established Trust Funds (Czech, Slovak, Hungarian) 1.1.2. Replenishment of the ongoing Trust Funds 1.1.3. Establishment of new Trust Funds and development cooperation partnerships</p>	<p>UNDP RSC Emerging Donors Policy Specialist</p>	<p>Partnerships with MFAs of ED countries; RBEC staff time; UNDP seed funding; cooperation with DRM; cooperation with donors; ED countries financial contributions</p>
<p>Output 2: Strengthened capacities in ED countries to deliver effective development assistance</p>	<p>2.1 National programmes/projects for capacity building in</p>	<p>2.1.1 Facilitation of new development cooperation capacity</p>	<p>UNDP RSC Emerging Donors Policy Specialist</p>	<p>UNDP seed funding; RBEC staff time; national consultants; international</p>

<p>Baseline: Five ongoing national capacity building projects in the field of development cooperation and ODA awareness in the RBEC region</p> <p>Indicators: No. of ongoing projects No. of completed projects No. of newly launched projects</p>	<p>the area of development cooperation launched and effectively implemented</p> <p>2.2 Programme based approach to development cooperation introduced in ED countries</p> <p>2.3 Enhanced public awareness about development cooperation issues and MDGs in ED countries</p>	<p>building projects in ED countries</p> <p>2.1.2 Consultancy missions to ED countries</p> <p>2.2.1 Continuous dialogue with ED countries on development cooperation and their involvement in the region</p> <p>2.3.1 Development education projects</p> <p>2.3.2 Sharing of ODA experiences among ED countries and with UNDP</p>	<p>UNDP COs</p>	<p>consultants; MFA representatives and policy makers from ED countries; partner ODA organisations from ED countries; NGOs</p>
<p>Output 3: Enhanced role of UNDP and the UN system as partners for and facilitators of East-East and East-South development cooperation including increased trilateral cooperation among emerging donors, traditional donors and programme countries</p> <p>Baseline: Partnerships with CIDA, Council of Europe, DG Development, TICA</p> <p>Indicators: No. of donor partnerships No. of trilateral projects Amount of mobilized resources</p>	<p>3.1 Regular consultations with traditional and emerging donors</p> <p>3.2 Donor coordination increased through the trilateral projects</p>	<p>3.1.1 Meetings and roundtables in Bratislava and elsewhere</p> <p>3.2.1 Fund raising missions held to donor countries and EC</p> <p>3.2.2 UNDP submits elaborated programme/project proposals for funding and trilateral cooperation</p>	<p>UNDP RSC Emerging Donors Policy Specialist UNDP COs Partner governments and donor agencies</p>	<p>RBEC staff time; UNDP seed funding; partnership with major donors; co-funding provided by donors; partnership with ED countries</p>

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Regional Bureau for Europe and the CIS
Bratislava Regional Center

Expected Outcome / Indicator: Enhanced development cooperation between emerging donor and recipient countries with special focus on RBEC region / Increased volume of development cooperation between emerging donor countries and CIS and SEE countries

Expected Output(s) / Annual Targets: 1. Establishment and effective use of development cooperation support mechanisms 2. Strengthened capacities in ED countries to deliver effective development assistance 3. Enhanced role of UNDP and the UN system as partners for and facilitators of East-East and East-South development cooperation including increased trilateral cooperation among emerging donors, traditional donors and programme countries / 1.1 ODA delivery and funding mechanisms established and effectively used 1.2 National programmes/projects for capacity building in the area of development cooperation launched and effectively implemented 1.3 Donor coordination increased through the trilateral projects

Implementing partner:
(designated institution/ executing entity)

UNDP (DEX)

Responsible parties:
(implementing entities)

Bratislava Support Centre

Programme Period: 2006 - 2010
Programme Component: Sub-regional programming
Project Title: Emerging Donors initiative - EDI
Project ID: 42587
Project Duration: January 2006 – December 2010
Management Arrangement: DEX

Budget	USD 100,000
Allocated resources:	
• Regional TRAC	USD 100,000

Agreed by (UNDP):



/Ben Slay, Director, BRC, March 2006/

