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Summary Note

Building Capacity of Emerging European Donors: Assessing Existing Practices and Needs

Technical workshop
jointly organized by WBI, UNDP and European Commission in partnership with the Corvinus University
of Budapest

June 13-14, 2012, Budapest, Hungary

This note will offer summary observations from Technical workshop aimed at assessment of existing capacity building practices and needs of European Emerging donors. The note is prepared jointly by WBI, UNDP and EC.

Background

Objective

This technical workshop was aimed at: (i) taking stock of the past capacity development efforts of emerging European donors, with support from different bilateral and multilateral institutions, (ii) identifying capacity gaps that may still exist, (iii) presenting various available learning programs and approaches, and (iv) developing a coordinated approach to further knowledge and learning programs by WBI, UNDP and European Commission with the view to enhance capacities of emerging European donors as global development partners.

Participants

Government officials from EU12 member countriesⁱ, Turkey representing Ministries in charge of development cooperation agenda and ODA agencies, Iceland, CONCORD (European NGDO Platform) and other NGOs, knowledge institutions and think-tanks involved in the provision of capacity building, WB and WBI, UNDP and European Commission.

Organizers

The seminar was organized and facilitated jointly by WBI, UNDP and European Commission in partnership with the Corvinus University of Budapest.

Workshop overview

Day 1: June 13, 2012

Welcome and Setting the Stage

- **Mihály Görög**, Corvinus University of Budapest, Vice-Rector
- **Daniel Hanspach**, UNDP, Emerging Donors Policy Specialist
- **Sharon Zarb**, European Commission (EC)
- **Katarina Mathernova**, WB, Senior Adviser

Session 1: Existing Practices in building capacity of emerging donors

- **Assessment Study Findings and Recommendations** by Balázs Szent-Iványi , Corvinus University
- **Panel discussion: Reflections from the government representatives:**
 - Karolina Zelent-Smigrodzka, Poland MFA
 - Kaili Terras, Estonia MFA
 - Doina Doroftei, Romania MFA
 - Vassil Petkov, Bulgaria MFA
 - Milan Konrad, Czech Republic MFA
 - Ádám Kirchknopf , Hungary MFA;
 - Marcela Hanusova, Slovakia MFA;
 - Tomas Irnius, Lithuania, MFA.

Key reflections from the government representatives (Session 1.1):

Overall feedback

- The study undertaken by Corvinus University aimed at assessment of the capacity building gaps for emerging European donors captured key needs and areas of improvement, i.e.
 - Transparency;
 - Evaluation of projects and country assistance
 - Communicating results;
 - Program-based approach
 - Institutional development
 - Trilateral programming and joint implementations;
 - Strategic planning;
 - Staff training;
 - Strengthening other stakeholders.
- The majority of emerging European donors consider themselves re-emerging since they used to provide development assistance during Soviet Union period;
- OECD DAC Peer reviews proved to be very helpful for European emerging donors;

Capacity building needs

- High turnover of the staff in national development aid institutions is considered to be one of the most crucial for emerging European donors. Experience exchange on dealing with this issue with other donors is seen as priority. Internships for national ODA agencies/Ministries staff could be very useful;
- Limited capacity in trilateral cooperation and in using multilateral channels of ODA;
- Evaluation and transparency of development assistance is regarded very important however due to limited human capacity in the MFA and development agencies this issue is hard to deal with (e.g. 7 people take care of ODA in Romania);

- Capacity building activities should be implemented provided specific needs of individual emerging donor countries are taken into account;
- Capacity building should be more practical rather than theoretical;
- Capacity building in project management is the area where EC could be very helpful;
- Decentralization is one of the interest areas for emerging donors;
- Capacity building needs to be done for all national ODA stakeholders including civil society, private sector;
- Administrative capacity is the area where support by international community would be appreciated;
- Establishment of development aid community to support national policy dialogue is needed;

Constraints

- Absence of national ODA strategies and institutional ODA set up in some emerging donors result in low TA absorption capacity provided by international community.
- ODA Communications strategies are not always in place;
- Some emerging countries face individual gaps in national law regarding ODA;
- Lack of programming approach as well as of the sector and territory focus for ODA delivered by emerging donors results in unsound development impact;
- Capacity building without political will is inefficient.

Session 1 - continued: Existing Practices in building capacity of emerging donors

- **Panel discussion: Providers of capacity building about existing practices:**
 - Tatyana Leonova and Julia Komagaeva, WB
 - Daniel Hanspach and Dmitri Mariassin ,UNDP
 - Sharon Zarb, European Commission (EC)
 - David Leong, USAID

Key messages from providers of capacity building (Session 1.2):

The panelists reflected on available capacity building approaches and instruments as well as shared observations of the rendered capacity building support to emerging donors covering: i) key lessons learnt; ii) main pitfalls; iii) challenges ahead. All panelists stressed the importance of synergizing efforts among Technical Assistance providers cooperating with European emerging donors.

- **Tatyana Leonova and Julia Komagaeva** gave an overview of WBG existing engagement practice with emerging donors covering three key pillars of support: i) Policy dialogue; ii) Capacity strengthening; iii) Knowledge Sharing. Tatyana Leonova confirmed that partnership with emerging donors in the area of capacity building is a developing WBI business line, and thus vast experience had not been accumulated in this area yet. However, Tatyana stressed the importance of and readiness for engagement with European emerging donors and for cooperation with UNDP and EC in this area focusing on knowledge sharing.
- **Daniel Hanspach and Dmitri Mariassin** presented UNDP experience of cooperation with European emerging donors in the past decade focusing on results achieved and lessons learnt, stressing: the importance of the donor countries being in the driving seat of capacity building

activities; the practical value of networking among EU12 countries; the role of NGOs and academia; the focus on transitional knowledge and experience as a comparative advantage of EU 12 donors, allowing them to strategically leverage modest funding. Dmitri Mariassin outlined several areas in which UNDP is planning to continue support: a) enhanced voice and participation in global fora; b) ODA evaluations, including through innovative tools, such as real simple reporting; c) new generation of ODA communication tools (social media, crowdsourcing, etc.); d) programming approach (support to substantively focused and results-driven ODA programmes) and close involvement of NGOs and academia; e) “Beyond Aid” agenda (practical realization of post-Busan), with focus on sustainability, decentralized cooperation, triangular & other flexible models (network solutions) focused on knowledge sharing and joint programming, as well as on constructive involvement of the private sector.

- **Sharon Zarb** shared key results from the European Commission questionnaire assessing the capacity building feedback in EU12 countries and pointed to several important issues: Capacity building trainings for EU 12 should be based on demand driven approach; Awareness raising activities are needed as well as training on ODA reporting; The Need to concentrate on development assistance evaluation and monitoring aspects was confirmed by EU12; Better coordination among donors should take place and better training for NGOs on how to apply for EU funding; eLearning is regarded as one of the options for education and training on international development assistance; Sharon Zarb also specified some key challenges for European emerging donors, i.e. use of outsourcing; ODA visibility, OECD DAC accession.
- **Daniel Leong, USAID**, gave a short overview of USAID support to European emerging donors covering programs in Bulgaria, Romania, Croatia. Daniel underlined organizational issues and absence of common voice on development assistance as main challenges met by USAID while cooperating with emerging donors. He also stressed the importance of emerging donors’ keeping to strategic approach for development.

Session 2: Development Cooperation Practices – How development assistance is being organized in participating countries – what works and what does not work:

➤ **Country Presentations and Panel Discussion:**

- Jan Hofmokl, Poland MFA
- Ayşe Örün, TIKA
- Maria Erla Marelsdottir, Iceland MFA
- Ádám Kirchknopf , Hungary MFA
- Peter Tomasek, Slovak Aid
- Maya Schembri, Malta, MFA

Key messages from country presentations and panel discussion (Session 2.1):

The panelists made country presentations covering major aspects of national development cooperation systems set-up. The country representatives also reflected key challenges and needs faced by their national development assistance institutions:

- Adoption of development assistance legislation and elaboration of national development cooperation strategy;
- Reaching official development assistance targets (EC) ;
- Rationalizing the system of partner countries;
- Enhancing the participation of national development actors in EU and IFI financed projects;
- Building stable and expert development assistance team in MFA, Agencies
- Strengthening capacities in monitoring and evaluation;
- Sharing knowledge and experience with other development agencies to improve the system of development aid;
- Increasing the potential for the trilateral cooperation;
- Reaching sustainability through long-term development assistance planning;
- Launching system of joint coordination among national institutions involved in development assistance;
- Working for results;
- Donors Alignment (Busan HLF4, Rio+20)
- Determination of what is really needed (Hands-on approach);
- Selection and prioritization of development assistance rather than doing everything at the same time;
- Coordinated approach to development assistance.

Session 2 – continued: Development Cooperation Practices

➤ **Panel Discussion: Engagement with different stakeholders – contracting out Development Assistance projects to third parties:**

- Petra Krylova, Czech Republic Palacky Universitet
- Pawel Baginski, Poland GDRG and Batory Foundation
- Adela Rusu, Romania NGDO Platform – FOND
- Urska Zrinski, Slovenia Center for Excellence in Finance
- Gyorgyi Ujszaszi, Hungary Association of NGOS for Development and Aid
- Zuzana Sladkova, Belgium CONCORD

Key messages from country presentations and open floor discussion (Session 2.2):

The panelists shared their experience of cooperation in development assistance projects with respect to: i) key areas of engagement; ii) institutional arrangements; iii) expectations and needs.

NGOs

NGOs highlighted the importance of development aid transparency on national level and monitoring aid flows channeled multilaterally (e.g. what countries are doing in the European Council or the Development Committee of the European Parliament). The issue of 1-year national strategic development assistance planning was raised and the necessity to turn to multi-year development aid planning, budgeting and implementation. The importance of government and NGOs working together

was stressed: i) bringing NGOs into the broader political debate; ii) strengthening NGOs' capacity in development aid monitoring (EC/EU ODA) and evaluation from the perspective of development effectiveness agenda. Slovenian experience represents an important best practice in this regard.

Academia

Representatives from national education institutions pointed out that academia could play more important role in national development agenda by: i) carrying out research and providing policy advice on international development issues; ii) teaching and training staff on international development aid (possibly in partnership with foreign universities). The need for creation of coordination platform or network among national universities was stressed.

Day 2: June 14, 2012

Session 3: Way forward towards a coordinated program of enhancing capacity of emerging European donors

Identified Capacity gaps – Recap from the First Day;

➤ Breakout session: Small Group work – specifying demands and looking for approaches: 4 groups looking for answers to provided questions:

- Programming and Project Management Skills:
- Building Human Potential for Development Cooperation and Development aid knowledge exchange;
- Institutional organization
- Enhanced Donor Coordination

Session 4: Way forward towards a coordinated program of enhancing capacity of emerging European donors – Program Building Blocks and Who can do What?

Key messages from Breakout groups (Session 3)

1. The issue of communicating development results can be addressed through:

- Trainings for MFA's development and communication specialists;
- Creating meaningful media partnerships;
- Learning from NGOs experiences on codes of conduct;
- Tapping into the various professional ODA communications networks (devcom; Demnet.hu)

2. Programming and Project Management Skills can be enhanced through:

- Training of trainers (ToT);
- Setting budget lines for outsourced trainings for new comers through NGOs
- Joint UNDP-EC-OECD-WB trainings to tackle ODA from different sides –support to MFAs on programming (designing ODA strategy; country strategy papers; etc.)
- Application of standard project management and planning toolkits (e.g. UNDG, WB, OECD)
- Amending secondary legislation to make possible the creation of a technical body within the MFA (staff with no diplomatic status) to provide more staff stability;

3. Staff training and strengthening other stakeholders and can be done through

- Summer schools for development aid studies;
- Executive courses;
- On- line learning platforms;
- Knowledge exchange and networking among all national stakeholders (NGOs, line ministries, ODA agencies, private sector, academia, think tanks) and international organizations;

4. Limited transparency and strategic communications for donor coordination can be addressed through:

- Web based information sharing;
- OECD, EC coordinating on regional level;
- UN coordinating on global level;

5. Trilateral programming and joint implementations can be supported by

- International organizations providing a wide network of regional representative offices for implementation of joint programs;
- International organizations sharing information on available tools and approaches for trilateral cooperation.

Participants' feedback:

The participants expressed overall appreciation of the workshop and thanked organizers for bringing to one table governmental officials, academia, NGOs and international community. In particular, government officials appreciated experience and knowledge exchange among different agencies and ministries during the workshop which revealed common problems and best practice solutions. The event was considered very useful as allowed to capture a big picture of what was happening in the area of capacity building for emerging donors and supported overall coordination among main development aid stakeholders. NGOs expressed gratitude for providing space to express their development assistance cooperation and capacity building needs during the workshop. The participants estimated the workshop as very useful and productive as well as confirmed the need for its follow up.

Wrap up, next steps and Good Bye:

Tatyana Leonova, WBI; Sharon Zarb, European Commission; Dmitri Mariassin, UNDP.

Key conclusions:

- The workshop demonstrated synergized and coordinated approach of EC, UNDP and WB cooperation with European emerging donors;
- Cooperation with Corvinus University proved to be a good example of international community partnership with knowledge institutions;
- The workshop has become a platform for international experience exchange among emerging donors and providers of technical assistance which allowed to identify lessons learnt and existing capacity building gaps for European emerging donors;
- Building human potential in emerging donors' countries shall remain in focus of the WB, UNDP and EC, including support to DA strategy elaboration, curriculum development, and sector specific training;
- The event supported reinforcement of EC thinking on emerging donors and their needs.

Way forward:

- EC, UNDP and WB will continue to synergize cooperation with European emerging donors to ensure efficiency and impact;
- Cooperation in the area of capacity building would aim to be a two way process delivered through networking "knowledge exchange" focused on: i) innovation and "beyond aid" agenda; ii) country specific development aid agenda and capacity strengthening; iii) systematic efforts to

involve NGOs, academia and think tanks in development cooperation; iv) packaging country transition experience and triangulation.

- Based on the discussions during the Technical Workshop and identified capacity building gaps WBI, UNDP and EC will prepare separate draft Action plans for technical support to European emerging donors taking into account available capacity, instruments and budget. WBI, UNDP, EC jointly with OECD will aim to consider the Action plans for potential cooperation and coordination no later September 2012.
- Several forthcoming forums mentioned during the workshop (Slovakia DAC OECD Peer Review Workshop, the UN Development Cooperation Forum in NY) could become potential follow up grounds for continuation of the cooperation dialogue in the area of capacity building for emerging donors.
- All workshop materials and a summary note will be circulated among participants.

ⁱ BG, CZ, EE, HU, LI, MT, PL, RO, SI, SK.