



# BULLETIN

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## Polish Development Cooperation Strategy 2016–2020: Towards a Win-Win Approach

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*The Polish MFA is preparing the next development cooperation strategy that will define the aims and major directions of Polish aid until 2020. Lessons learnt from the current programme suggest the new strategy must be more precise in the selection of priority partners and sectors, and more results-oriented. It should propose more realistic objectives that are relevant to Poland's capacities and that fit into international standards of development cooperation. At the same time, it should create conditions that would best serve both Poland and partner countries in a win-win approach.*

In accordance with Poland's "Act on Development Cooperation of 2011," a programme that defines the objectives and geographical and sectorial priorities of Polish aid must be drawn up. This will be further complemented by annual plans in which certain funds will be allocated and forms of support described. The first "Multi-annual Programme of Development Cooperation for 2012–2015" was adopted by the Council of Ministers in March 2012. The next programme will cover the five-year period to 2020, in order to be better synchronised with EU development policy. When drafting this document, Poland needs to take into account global trends in development cooperation and lessons learnt from past experiences, and to strike the right balance between the interests of numerous domestic partners (the administration, NGOs, and businesses) and priority countries.

**Lessons Learnt.** Although the first multi-annual programme has been in place for only two years, it already gives some hints about possible areas for further improvement in the quality of Polish aid. First, it seems that currently aid is disbursed too widely and that there is too little correlation between the programme and its implementation. Although the current strategy defines 20 priority countries—six Eastern Partnership states, two in North Africa (Tunisia, Libya), eight in East Africa (Burundi, Ethiopia, Kenya, Ruanda, Somalia, South Sudan, Tanzania, Uganda), three in Central Asia (Afghanistan, Kirgizstan, Tajikistan), and the Palestinian Autonomy—the aid is distributed unevenly. For instance, in 2012 Tajikistan received only 0.3% of Polish bilateral aid (\$0.37 million) and Tunisia only 0.27% (or \$0.3 m), compared to Ukraine or Belarus, which received respectively 11.1% (\$12.33 million) and 14.3% (\$15.91 million). In 2012, priority countries received only 42% of bilateral aid. The largest beneficiary of Polish aid has been China, a non-priority partner (although beneficiary of an old export loan), and in 2013 Polish aid went to as many as 86 countries.

Second, the formulation of two broad thematic priorities (democracy and human rights, and systemic transformation) and three more specific priorities (tailored to a given country) create some overlapping and confusion about allocation of funds. Focus on democracy does not relate to other forms of assistance (loans, scholarships, etc.) disbursed on a more practical basis by other administrative institutes. Moreover, the selection of priority sectors was not preceded by in-depth analysis and consultation with partner countries and is not substantiated by detailed Country Strategy Papers (CSP) to define the most appropriate areas of intervention. In practice, the choice of current priorities was the result of an imperfect compromise between long-held national interests (focus on Eastern Partnership and democracy promotion), ad hoc circumstances (inclusion of Libya and Tunisia in the aftermath of the Arab Spring) and external (EU, OECD) and internal (Polish NGOs) pressure. As a result the assistance was spread too thinly in relation to the limited resources that Poland has to offer.

Third, the document did not stipulate precise results and benchmarks, which could allow the progress and impact of Polish assistance to be measured. Therefore, a few evaluations that took place recently could only confirm that project goals had been met, and were of little help in improving the effectiveness of Polish aid in general. Finally, the programme was very loosely linked to aid provided by other state ministries and agencies, which are responsible for the majority of Polish aid. In 2013, for instance, there were 16 government bodies involved in development cooperation, while the Ministry of Foreign Affairs, which creates Plans for Polish aid, managed only 21% of total aid disbursement. Insufficient coordination of aid and weak adherence to strategy aims by other public institutions severely limits the strategic relevance of aid and undermines its impact as a foreign policy tool.

**The International Context Post-2015.** As the next programme will guide Polish aid after 2015 it must well adjust to future trends in international development cooperation, evolution of EU development cooperation policy, and the new international context. At the global level, the Millennium Development Goals established in 2000 will be replaced by the new Sustainable Development Goals at the UN Summit in autumn 2015. This means that Polish aid should contribute to the main aim of eradicating poverty by 2030, and should reflect closer links between development and environmental protection. Poland can also take advantage of the stronger engagement of the private sector with development cooperation. Moreover, the government must follow work to establish a new definition of Official Development Assistance and adjust its forms of assistance and reporting of aid to take account of expected changes. Finally, the new programme should acknowledge the emergence of significant new donors, such as China or India, and prepare a mechanism for trilateral cooperation.

It will be important to ensure that the next strategy is compliant with changes to EU development cooperation, which has evolved to stress the importance of democracy and sustainable development. It would be helpful to make use of the existing CSP at the EU level when programming national development cooperation policy and to refer to a joint programming exercise to synchronize with the EU's division of labour efforts. Moreover, recent turmoil in the EU neighbourhood (in Ukraine, North Africa and the Middle East), and NATO's withdrawal from Afghanistan by 2015, will have a great impact on Polish aid. In particular, the transformation of Ukraine will require much greater assistance and attention than before. Moreover, the expansion of Polish business in developing markets in Africa and Asia has raised some legitimate expectations to match aid with promotion of economic links abroad. The new document may foresee a special financial envelope to engage Polish businesses in development cooperation, in part by blending grants and loans, the transfer of green technologies, and the promotion of public-private partnerships.

**Recommendations.** The first strategy gave Polish aid more predictability, legitimacy and long-term vision, but also left some room for improvement. First and foremost, the next programme must be realistic and encompass all development cooperation by various administration partners in order to present a comprehensive and coherent development policy. It requires strengthening cooperation between different ministries in drafting the document, and agreement to abide by aims in the future. Second, taking into account the modest budget for Polish aid, the list of priority countries must be reduced, and aid concentrated on limited geographic areas. In light of the Ukrainian crisis, the EP countries are most likely to remain prime targets of Polish aid, but more careful selection of other partners is necessary. This geographic specialisation must be based on Poland's capacities (including its diplomatic presence, and the experience of NGOs), analysis of activities of other donors, and consultation with representatives of partner countries.

Thirdly, it seems reasonable to rethink the position of having two broad priority areas—democracy and transformation assistance—when they could be included in the three tailored priorities for each partner country. The importance of democracy and good governance in Polish aid could instead be underlined by activities of the Solidarity Fund PL (a semi-development agency responsible for democratic assistance) and included as an over-arching issue in all aid programmes. Poland should not limit itself only to democracy support, but should offer its support in traditional aid areas (health, environment, and agriculture), which could also be of interest to the private sector. The selection of thematic specialisation in each country needs to be based on national development strategies, and coordinated with the EU. Finally, new elements must be included in the strategy in order to improve the quality and predictability of aid. Most importantly, this would require realistic objectives and measurable results of aid to priority partners to allow for a proper evaluation of Polish aid. Moreover, the next programme should include a general financial allocation prognosis for the next five years. Preferably, as Poland will have less justification to fail on its aid commitments as its economy becomes stronger, it should present a reliable plan to raise the aid budget gradually to at least 0.33% of GDP by 2020. Relevant mechanisms to ensure compliance with standards on aid effectiveness, policy coherence for development and transparency of aid should also be reflected in the new document.

The aim of this process should be a strategy that creates a win-win situation for all parties involved and does not treat development cooperation in terms of charity but uses it for mutually beneficial partnerships. It must be anchored in international regulations and synchronised with EU actions, while at the same time facilitating stronger economic, political and societal ties with developing countries.