

THE PARTNERSHIP PROGRAMME

**MAPPING OF TEN EU MEMBER
STATES FRAMEWORK AND
MODALITIES FOR INTERNATIONAL
DEVELOPMENT COOPERATION**

July 2009

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The Partnership Programme - Mapping of Member States' framework and modalities for international development cooperation

1. Background

The Swedish Government decided in December 2008 to establish a Partnership Programme in order to increase the participation of the newer Member States as partners and implementers of Swedish development cooperation in Eastern Europe.

The Partnership Programme consists of an assignment to Sida during the two-year period 2009-2011 to develop methodology and identify cooperation areas for an increased cooperation with the relevant Member States. The Government Decision states that the Partnership Programme will aim at pushing the cooperation from single projects towards a harmonisation of strategies and programme-based approaches geared towards sectors prioritised by the partner countries. This increases the predictability and efficiency of aid for the partner country, in line with the Paris declaration for increased aid effectiveness.

Sweden's previous tripartite cooperation with the newer EU Member States in the region has been fairly limited. The reason for this is that the classical tripartite cooperation model has been difficult to handle since Sweden and the relevant EU Member States are different types of development cooperation actors, with considerably different development aid experiences, systems, ways of working, strengths and weaknesses. To be able to take advantage of the potential for improved Swedish bilateral reform cooperation in a better way, new creative methods are required, building upon the principles of aid effectiveness as set out in the Paris Declaration, the EU Code of Conduct and the Accra Agenda for Action. Cooperation could also be envisaged in order to better interact with, influence and support the EC-assistance under the instruments ENPI¹ and IPA². The relevant Member States in the Partnership

¹ In the EC Financial Perspective 2007-2013, the instrument for supporting the EU neighbourhood area is called the European Neighbourhood and Partnership Instrument, ENPI.

² Financial support to the accession countries is channelled through IPA, the Instrument for Pre-accession Assistance.

Programme are; Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia.

Concerned partner countries are Albania, Belarus, Bosnia and Herzegovina, Georgia, Kosovo, Macedonia, Moldova, Serbia and Ukraine.

The knowledge that the newer member states have of the EU approximation processes and their own democratic transitions is hence highly relevant for reform cooperation in Eastern Europe.

2. The assignment

The Partnership Programme aims to strengthen and widen the cooperation with EU:s newest Member States in order to make the Swedish bilateral support more relevant in the countries of Eastern- and South-Eastern Europe.

As a part of the Partnership Programme and to facilitate process forward, Sida deemed it necessary to conduct a mapping/identification of the structures that constitute the framework for the emerging development cooperation in the following EU Member States: Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia. The assignment is a desk study and ten working days (80 hours) has been allocated to the undertaking of the assignment.

A consultant, Ms Pia Sassarsson Cameron, was assigned by Sida to collect information regarding the frameworks of the Member States' structures and administrative systems for dealing with development cooperation, as envisaged under step 2, dialogue/ identification in the Partnership Programme. The mapping exercise is one of several necessary steps to provide to the Partnership Programme with information regarding the administrative and structural systems etc in the Members States. It is envisaged that the information obtained will facilitate an assessment of possible cooperation between different Member States and Sweden. In the Terms of Reference (hereinafter referred to as ToR) for the assignment, Sida formulated certain questions and provided a list of contact persons at each countries Ministry of Foreign Affairs in 10 Member States, previously identified by Sida (see further the attached ToR, Appendix A).

A questionnaire based on the questions has been sent to each of the ten Member States, asking for input. Publicly available information in relation to the specific questions as formulated in the ToR has further been consulted.

A presentation of the outcome of the mapping exercise is given below, country by country, as requested in the ToR. The respective information given by the countries in reply to the questionnaire have not been altered or changed in any manner, but is presented as it was given, as specifically requested by Sida.

3. The Questionnaire

The information requested from the Member States according to the ToR concerned the following questions;

“In order to identify *the structures for development cooperation/aid delivery, i.e. when assuming the role of a donor*, in each of the relevant Member State, the following information needs to be provided;

Please address the following;

- a) which government institution, or else (+ insert possible org.gram) is responsible for *policy formulation* regarding development assistance. Give reference to documentation regarding the present applicable policy regarding development cooperation;
- b) which government institution, or else (+ insert possible org.gram) is responsible for *strategy formulation* regarding development assistance. Give reference to documentation regarding the present applicable strategy regarding development cooperation
- c) short description of system/structure for programme/project formulation, design and – implementation, as well as follow-up and quality assurance mechanisms;
- d) short description of administrative structures and regulations for management and – delivery – of development cooperation (including no of personnel working with development cooperation, signed the Paris Declaration; use of Agreements in development cooperation; state what types of Agreements, etc)
- e) budget arrangements for- and size of financial allocations (where in budget, separate, or included in other budgetline, financial year arrangements-annual or longer periods of commitment of budgets, ability for multi-annual commitments etc);
- f) which are the country’s focus- or cooperation countries in Eastern- and South-Eastern Europe and the existence of bilateral Embassies with number of personnel in these countries.

The information provided below is the first step towards the identification of Member States’ structures that constitute the frameworks for the emerging development cooperation in the said states.

It is not claimed that the description of aid modalities below is an exhaustive description. However, on a practical level it should contribute towards the work of identifying and formulating possible collaboration modalities regarding international development cooperation between the Membership States and Sweden as envisaged by the Partnership Programme.

Please find below, country per country, information given in relation to the questions asked as stated by each Member State.

3.1 Bulgaria

Bulgaria is still building its national capacity for development cooperation.

For that reason Bulgaria stated that they cannot provide exhaustive information regarding the questions.

However Bulgaria submitted their concept paper, dated 2007, “**Bulgaria’s policy on participation in international development cooperation**” (16 pages), which contains information regarding, objectives, principles and priorities of the Bulgarian development policy (see attached Appendix B, Excerpt, Section 5-10).

In reply to the specific questions in the questionnaire, the following was submitted;

Question;

a) which government institution, or else (+ insert possible org.gram) is responsible for policy formulation regarding development assistance. Give reference to documentation regarding the present applicable policy regarding development cooperation;

b) which government institution, or else (+ insert possible org.gram) is responsible for strategy formulation regarding development assistance. Give reference to documentation regarding the present applicable strategy regarding development cooperation

Reply;

On questions a) and b) - the Council on International Development Cooperation was created in 2007 but it is still not working with its full capacities. It is meant to cover most of the strategic questions such as policy formulation, medium-term strategy formulation etc. Currently the document governing Bulgarian development assistance policy is the Concept paper on Bulgaria’s Policy on Participation in International Development Cooperation (attached herewith).

Question

c) short description of system/structure for programme/project formulation, design and – implementation, as well as follow-up and quality assurance mechanisms;

d) short description of administrative structures and regulations for management and – delivery – of development cooperation (including no of personnel working with development cooperation, signed the Paris Declaration; use of Agreements in development cooperation; state what types of Agreements, etc)

Reply;

On questions c) and d) – The MoFA³; in cooperation with other governmental institutions and NGOs (non-governmental development organizations) is drafting an Ordinance on the policy of the Republic of Bulgaria for participation in the development cooperation. Upon the entry of into force of this document bilateral Bulgarian ODA is provided on *ad hoc* basis. Otherwise, Bulgarian ODA is channeled mainly through international organisations such as UN and the specialized agencies within the UN system, EU etc. At this stage it is difficult.

Publicly available records show that Bulgaria has not signed the Paris Declaration on Aid Effectiveness.

³ Note; MoFA, and more specifically the Department for Development Aid, Directorate for UN and Global Issues , Ministry of Foreign Affairs

Question:

e) budget arrangements for- and size of financial allocations (where in budget, separate, or included in other budget line , financial year arrangements-annual or longer periods of commitment of budgets, ability for multi-annual commitments etc);

Reply:

On question e) budget allocations for the FY 2009 amount to 13,5 million leva (approximately € 6,750 million.)

Question:

f) which are the country's focus- or cooperation countries in Eastern- and South-Eastern Europe and the existence of bilateral Embassies with number of personnel in these countries.

Reply:

Our priority countries in South-Eastern Europe are Serbia, Republic of Macedonia and Kosovo. We have no specially development assistance dedicated personnel in our Embassies in the aforementioned countries.

3.2 Czech Republic

In reply to the specific questions in the questionnaire, the following was submitted;

Question:

a) which government institution, or else (+ insert possible org.gram) is responsible for policy formulation regarding development assistance. Give reference to documentation regarding the present applicable policy regarding development cooperation

Reply:

Ministry of Foreign Affairs of the Czech Republic (**MFA**) + the Government of the Czech Republic / the cabinet

It is the MFA, whose role is to formulate development policy of the Czech Republic. The wording "policy" is not too much used by the MFA. It is stated in the current foreign policy strategy that the development cooperation is an integral part of the foreign policy.

The so called **Principles** of Development Cooperation, prepared by the MFA and given by government resolution from 2004, can be considered the policy, declaring Czech Republic's commitment to MDGs, general sector and territorial priorities and modalities of both multi- and bilateral cooperation.

Question

b) which government institution, or else (+ insert possible org.gram) is responsible for strategy formulation regarding development assistance. Give reference to documentation regarding the present applicable strategy regarding development cooperation

MFA + the government

The mid-term strategy is in a form of so called **Concept** of Development Cooperation, especially focused on territorial and sector priorities for a 5 year period. There used to be one for the period 2002-2007. MFA is preparing a new Concept for the period 2010-2015 to be submitted to the government.

Question:

c) short description of system/structure for programme/project formulation, design and – implementation, as well as follow-up and quality assurance mechanisms;

Reply:

Under programmes in Czech ODA it is understood country strategy papers (**CSPs**) elaborated in cooperation between the Czech MFA and the partner government for 5 years period (according to the transformation of the system of bilateral ODA of 2007; the first set of CSPs for the period 2006-2010 was prepared by the so called Czech Development Centre, advisory body to the MFA, which ceased to exist by the end of 2007). Under projects it is understood mostly **technical assistance projects** delivered by the **Czech Development Agency (hereinafter, CzDA)**.

Project **identification** stage, e.g. identifying of a development problem to be addressed by a development intervention, is with **CzDA**. Identification is done through consultations between partners and CzDA. List of identified areas of intervention to be started in the forthcoming year are submitted to the Czech **government** for approval by the **MFA** each year in the spring (so called Annual Plan).

Project **formulation**/design stage, e.g. preparation of the project document, is purely with CzDA, being elaborated jointly by the partners and **CzDA**. If necessary (lack of specific expertise in-house), CzDA contracts an expert to deliver a feasibility study.

Project **implementation** and **monitoring** stage is purely with **CzDA**. CzDA does not implement the projects with its own staff. CzDA purchases individual goods, services and works envisaged in the project document in order to accomplish the project implementation. Not having field offices in the partner countries, coordination of implementation is being managed from the HQ/Prague; project monitoring also takes part “on distance” and/or in cooperation with Czech embassies, if applicable.

Follow-up mechanisms and quality assurance: **quality assurance** takes place internally within CzDA, based on **internal project cycle management guidelines**. Independent **evaluations** should be contracted out by the **MFA**, who is to prepare the ToR for evaluators. MFA is currently preparing a new set-up of system of evaluations.

Question:

d) short description of administrative structures and regulations for management and – delivery – of development cooperation (including no of personnel working with development cooperation, signed the Paris Declaration; use of Agreements in development cooperation; state what types of Agreements, etc.)

Reply:

administrative structures: MFA, CzDA

MFA:

- **Director General, Section/Directorate for Non-European Countries and Development Cooperation (1)**
- **Department for Development Cooperation and Humanitarian Assistance (14)**

CzDA (14)

Regulations:

- Law on development cooperation prepared by the MFA, currently submitted to the government / Parliament for approval (likely to come into force from 2010); the law defines development cooperation and changes selected other laws of the Czech Republic accordingly (see below).

Other relevant laws:

- Law on public tendering (EU harmonised)
CzDA runs public tenders in the Czech Republic for provision of goods, services and works necessary for project design (e.g. feasibility studies) and project implementation (activity clusters, project outputs) opened for Czech or EU entities.

- Law on the property of the Czech Republic (regulations for grants/subsidies)
So far only allows award Czech NGOs (non-governmental development organisations) with one-year grants. Only the MFA is so far authorised to do so. The envisaged law proposes that also NGOs from the partner countries might become recipients of the grants and that CzDA would be authorised to award grants (as the MFA should not be overloaded with implementation agenda).

- Law on budgetary rules
So far only allows the funds to be channelled through Czech authorities. The envisaged law proposes that the funds might be also transferred to partner countries' governments (use of country systems) and/or to other donors (pool funding).

- Government resolutions mentioned above (Principles/2004, Annual Plans/annually)

Paris: yes, the Czech Republic is signatory of the Paris declaration on Aid Effectiveness.

Agreements:

Programme/CSP level: there is no given practise, some of the existing CSPs used to be signed in a form of **MoU** between the Czech **MFA** and the **government of the partner country**, some CSPs were not subject of any formal agreement.

Project level: **MoUs** are being signed between **CzDA** and the **respective partner institution**, mostly part of partner country's public administration or local authority.

Contracting at **lower level:** **CzDA** contracts **suppliers** of individual goods, services and works necessary for the design and implementation of the individual projects.

Question:

e) budget arrangements for- and size of financial allocations (where in budget, separate, or included in other budgetline, financial year arrangements-annual or longer periods of commitment of budgets, ability for multi-annual commitments etc)

Reply:

ODA **budget** is part of the state budget. Both bilateral and multilateral part is disbursed among engaged ministries. The budget for **bilateral projects** is part of the **MFA budget** and is **implemented through CzDA**.

Budget **volumes** 2008: **Total ODA: 145 mil EUR** (ODA **GNI** ratio: **0,11%**), Multilateral: 91 mil EUR / 63%, Bilateral: 54 mil EUR /37%, Projects: 29 mil EUR (53% of bilateral, 20% of total).

Financial/fiscal year = calendar year (January-December)

Multi-year financing/commitments – not envisaged by the law on budgetary rules

Multi-year forecast – yes, part of government resolution on the Annual Plan: commitment for the budget for the forthcoming year + preliminary forecast **for next 2 years**

Question:

f) which are the country's focus- or cooperation countries in Eastern- and South-Eastern Europe and the existence of bilateral Embassies with number of personnel in these countries.

Programme countries (CSPs elaborated):

- **Bosnia and Herzegovina** (1 - spokesperson)
- **Moldova** (1 - trade counsellor + 1 local staff)
- **Serbia** (1 - trade counsellor + 1 local staff)

Project countries (ad hoc engagement, with possibility of becoming programme countries based on re-focus of the new Concept envisaged for fall 2009):

- Georgia (1 diplomat for development issues)
- Kosovo (1 diplomat for development issues)

Note to number of personnel in the Czech embassies: the total number of staff of the embassies of the Czech Republic is not predicative towards their capacity for development cooperation. In the Czech system of bilateral development cooperation, the role of embassies is not formally given. ODA issues usually covered by the trade counsellors, in some cases supported by local staff. Some of the embassies deeply involved in so called Small Local

Scale Projects implementation and in monitoring of bilateral projects of CzDA, some embassies purely focused on diplomatic issues, not active in ODA.

Czech Development Agency, June 19, 2009

Elaborated by: Michal Procházka, Donor Relations

Approved by: Martin Náprstek, Acting Director

3.3 Estonia

Estonia submitted a reply to the questionnaire as well as copies (PDF) of the fact sheet “Estonia today” containing information on bilateral development cooperation projects in Ukraine, Moldova, Georgia and Afghanistan. Further, several internet links to documentation is provided in relation to the questions (please see below).

In reply to the specific questions in the questionnaire, the following was submitted;

Question;

a) which government institution, or else (+ insert possible org.gram) is responsible for policy formulation regarding development assistance. Give reference to documentation regarding the present applicable policy regarding development cooperation;

b) which government institution, or else (+ insert possible org.gram) is responsible for strategy formulation regarding development assistance. Give reference to documentation regarding the present applicable strategy regarding development cooperation.

Reply:

Institutional organisation

As assigned by **The Government of the Republic Act** and **the Foreign Relations Act**, the Ministry of Foreign Affairs (MFA) is responsible for, and co-ordinates, Estonia’s development co-operation in terms of policy planning and implementation. A **separate Development Co-operation Division**, established in 2001, in the External Economics and Development Co-operation Department of the MFA is the co-ordinator for policy planning and implementation.

National ODA strategy

The underlying document for Estonian development co-operation is the “**Principles of Estonian Development Co-operation**” approved by the Riigikogu on 15 January 2003. The document specifies the common goals and priorities of Estonian development co-operation and the different forms of implementing development co-operation. The Government of the Republic Act provides in more detail the mechanisms of providing development assistance and humanitarian aid. Among other things, these two acts stipulate that in Estonia, the Ministry of Foreign Affairs is responsible for the planning and implementation of development co-operation and humanitarian aid and for coordination of policy to this end.

The Principles paper can be found at http://www.vm.ee/eng/kat_178/3815.html

In May 2006 the Estonian Government approved “**Development Plan for Estonian Development Co-operation and Humanitarian Aid 2006 – 2010**”. In this strategy paper the objectives of Estonian development co-operation and humanitarian aid have been formulated, the fields of activities as well as major partners amid the countries and international organisations have been specified up to the year 2010. The priority partner countries of Estonian bilateral development co-operation are **Georgia, Moldova, Ukraine and Afghanistan**.

The strategic objectives of Estonian development co-operation include: (1) to contribute to reducing global poverty and to human development in developing countries, (2) to support peace and stability, the granting of human rights, the development of democracy as well as the promoting of good governance practices in developing countries, (3) supporting of economic development and of the liberalisation of international trade system and (4) supporting of environmentally sustainable development. Development of the ICT-sector and e-governance issues is going to be a horizontal field.

Estonia follows the UN Millennium Declaration and the principles for humanitarian and development aid established by international organisations, as the UN, the OECD and the EU.

The Development Plan can be found at http://web-static.vm.ee/static/failid/344/Development_plan_2006-2010.pdf

Question:

c) short description of system/structure for programme/project formulation, design and – implementation, as well as follow-up and quality assurance mechanisms;

Reply:

The strategy paper mentioned in previous section has been prepared in a long process involving other ministries, parliamentarians, NGO sector and think-thanks. There was also an open public consultation of the MFA’s webpage and a special “involvement webpage” of Estonian Government.

Regarding the cooperation with partner countries - from Estonian side the strategy paper lays the foundation to the possible activities. From the partner countries side, the possible topics of cooperation are negotiated and defined as a result of those negotiations. In some cases it has been decided via exchange of notes between the MFAs.

There are no specific follow-up and quality assurance mechanisms.

Question:

d) short description of administrative structures and regulations for management and – delivery – of development cooperation (including no of personnel working with development cooperation, signed the Paris Declaration; use of Agreements in development cooperation; state what types of Agreements, etc)

Reply:

The concrete procedures of implementing activities were established by the Regulation of the Government “Procedure for the Provision of Development Assistance and Humanitarian Aid”¹ and by the Regulation of the Minister of Foreign Affairs “Development Co-operation Project Application and Report Forms”. This document and the forms can be found at <http://web-static.vm.ee/static/failid/377/Procedure.pdf>

There is a new regulation in preparatory process, which is going to change the present system quite significantly. However, until the approval of this new regulation by the Government we operate on the basis of the present Regulation.

Estonia does not dispose an independent implementation agency. Projects can be implemented by NGOs, ministries, other governmental institutions and private companies. After having presented a project proposal to the MFA – and under the condition that this has been accepted - a contract regulating obligations and responsibilities of the parties is signed between the MFA and the project executor.

In 2003, an inter-ministerial commission for evaluating project proposals - the **Development Co-operation Commission** – was established. The Commission is lead by the MFA with representatives from the Ministry of Finance, the Ministry of Economic Affairs and Communications and the Ministry of Internal Affairs. The embassies in partner countries and desk officers in political departments are consulted. Representatives from the other ministries are consulted if there are some specific projects under discussion, which relate to their responsibilities.

When the project proposal will gain final acceptance from the Minister of Foreign Affairs, contract will be signed between MFA and the project implementer, where all the exact conditions and details about the responsibilities and rights of the both sides are put down. MFA as financier monitors the project during its implementation. The implementer has the responsibility to inform the MFA about all changes and problems that occur during the project implementation and if necessary, information will also be presented to the Commission.

The project activities are monitored by the MFA desk officers and embassies, for example occasionally the representatives of the MFA participate in the trainings.

Depending on the duration of a project the contract might foresee to present one or several mid-term reports. A final report including also the fiscal report (with all the necessary documentation) shall be presented to MFA in any case. After reviewing it in MFA the final report will be presented to the Commission again, which gives its opinion and sends the report to the Minister of Foreign Affairs for definitive approval. After that, the project can be considered as ended.

There is no system of calls for project proposals introduced yet; project proposals are presented to the MFA on frequent basis. However, before being presented to the commission all proposals are evaluated in detail by the development co-operation division in the MFA and in order to be approved they must correspond to the needs of the partner country and principles and strategy of Estonian development co-operation.

The Development Co-operation Division consists of eight persons: it is lead by a Director and has seven diplomatic officials. Four diplomats in the division are dealing mainly with different bi- or multilateral projects, three people are responsible for the multilateral side – European Union, World Bank, United Nations, OECD, ICRC and IMF. Development Co-

operation Division is also responsible for humanitarian assistance and presenting statistical information to the OECD DAC. Furthermore, one diplomat responsible for development co-operation issues and questions of humanitarian assistance is also positioned at the Estonian Representation to the European Union, one at the Estonian Representation to the United Nations in New York and one in Geneva.

Estonia has joined the Paris Declaration.

Estonia has no development cooperation specific agreements with partner countries. In case of Georgia there is a general cooperation agreement signed. We have also no country strategy papers yet.

Question:

e) budget arrangements for- and size of financial allocations (where in budget, separate, or included in other budgetline, financial year arrangements-annual or longer periods of commitment of budgets, ability for multi-annual commitments etc);

Reply:

Being the responsible institution for international development co-operation the MFA has, since 2004, a separate budget line for development co-operation and humanitarian aid. Other governmental agencies may however implement in a limited amount specific projects and other activities considered as development co-operation in the scope of their competencies and financed by their own budgets. However, as there are no separate budget lines in other ministries, they prefer to ask financing or co-financing from the MFA.

In the beginning of every budget year (January) the MFA decides upon the allocation of funding in broader terms – it is decided, how big part of financial means will go to the humanitarian assistance, to the bilateral activities, for the voluntary contributions to the international organisations and public awareness raising.

Estonian Parliament approves yearly budgets based on a four-year budget plan. The budget plan is preliminary, every year's budget is finalised according to the current economic situation.

There is a possibility to take long-term commitments and to sign long term agreements. According to the budgetary law we are allowed to take up financial commitments for the next year in the amount of 50% of the next years' budget. In this case we proceed from the four-year budget plan. Unfortunately we are now able to sign contracts only for two years – earlier we have had also contracts for three or four years, it is not allowed anymore.

Question:

f) which are the country's focus- or cooperation countries in Eastern- and South-Eastern Europe and the existence of bilateral Embassies with number of personnel in these countries.

Reply:

The priority partner countries of Estonian bilateral development co-operation are **Georgia, Moldova, Ukraine and Afghanistan**. In addition, Estonia has implemented and implements a few projects also in Armenia, Kosovo, Macedonia, Montenegro and Belarus.

Embassies and number of personnel:

Georgia, Tbilisi – 3 diplomats, development assistance a responsibility of the economic and commercial attaché;

Ukraine, Kiev - 8 diplomats, development assistance a responsibility of the economic and commercial attaché;

Belarus, Minsk – 2 diplomats, development assistance a responsibility of the consul.

3.4 Hungary

In reply to the specific questions in the questionnaire, the following was submitted;

Question;

a) Which government institution, or else (+ insert possible org.gram) is responsible for policy formulation regarding development assistance. Give reference to documentation regarding the present applicable policy regarding development cooperation;

Reply;

Policy formulation regarding to **International Development Cooperation (IDC) is under the auspices of a High Level Civil Advisory Board and an inter-ministerial IDC Committee.** The IDC Ministerial Committee, where all line-ministries are represented and which is chaired by the Minister of Foreign Affairs, steers the Hungarian development cooperation policy and determines its geographical and sectoral priorities. The work of the Committee is supported by an expert level (Head of Departments) inter-ministerial committee, where also all line-ministries are present and a civil advisory board, which consists of representatives of the Ministry of Foreign Affairs, political parties, trade unions, employers' associations, the academic community, NGOs and other experts.

Question;

b) Which government institution, or else (+ insert possible org.gram) is responsible for strategy formulation regarding development assistance. Give reference to documentation regarding the present applicable strategy regarding development cooperation

Reply;

The **overall responsibility for IDC strategy formulation lies at the Ministry of Foreign Affairs.** International development cooperation is also an integral part of Hungary's foreign relations strategy. The concept paper regarding to the Hungarian Development Cooperation Policy was approved by the Government of Hungary in 2001 taking into account Hungary's economic and social background, previous experience, and the importance of the commitments regarding to the United Nations' Millennium Development Goals (MDGs). The role of the Ministry of Foreign Affairs in the IDC strategy formulation is regulated by the government decree related to the distribution of tasks among the ministries of the government.

At the same time, the IDC activities related to multilateral obligations via the international financial institutions, as well as the debt relief actions are guided and implemented by the Ministry of Finance.

Question:

c) Short description of system/structure for programme/project formulation, design and – implementation, as well as follow-up and quality assurance mechanisms;

Reply:

The main policy directions of our IDC, as well as the bilateral country strategies for our priority partner countries are approved by the IDC Ministerial Committee. The implementation of bilateral IDC projects remains the responsibility of the **Ministry of Foreign Affairs**. The identification and approval of projects are carried out by the MFA, the latter through an inter-departmental IDC committee. Depending on the subject and needs of the project itself, the projects **are implemented by the Ministry of Foreign Affairs via HUN-IDA** (our IDC implementation agency, mainly for the technical cooperation's), other line-ministries, NGOs or the private sector (based on EU procurement rules).

Question:

d) Short description of administrative structures and regulations for management and – delivery – of development cooperation (including no of personnel working with development cooperation, signed the Paris Declaration; use of Agreements in development cooperation; state what types of Agreements, etc)

Reply:

In November 2002, the department in charge of International Development Co-operation (IDC) activities was established **within the MFA (Dep. for International Development Cooperation)**. The department has currently 13 staff members including 2 assistants. The work of the department is supported also by diplomats covering IDC issues only at embassies such as Brussels, New York, OECD - Paris, Belgrade, Sarajevo, Chisinau and Hanoi.

In 2006, the MFA signed a co-operation agreement with **HUN-IDA, a non-profit institution** with profound international development cooperation experience. HUN-IDA plays a crucial role during the implementation of our technical cooperation projects.

With regard to the legal background, a specific Act on the International Development Cooperation and Humanitarian Assistance is under preparation by the MFA involving broad consultation with line-ministries and the civil society.

Hungary has joined the Paris Declaration in 2007.

The signing of a cooperation agreement with the partner countries is not a prerequisite for our IDC, we have however signed an IDC agreement with Macedonia in 2008 and an agreement with Moldova is currently under preparation.

We prepare at the same time medium-term IDC strategies for our priority partner countries (currently available for Serbia, Bosnia-Herzegovina, Vietnam and Moldova), which outline the directions and the main fields of our activities in the medium term.

Question:

e) Budget arrangements for- and size of financial allocations (where in budget, separate, or included in other budget line, financial year arrangements-annual or longer periods of commitment of budgets, ability for multi-annual commitments etc);

Reply:

The MFA has separate budget lines for bilateral IDC, for Humanitarian Aid, and for its activities IDC in Afghanistan, as well as membership contributions (some are full or partially ODA eligible). In 2008 12% of the total ODA was delivered through bilateral assistance, the remaining 88% includes mainly the multilateral commitments (most of them through the IFIs and the EU), which appear on the budget line of the Ministry of Finance.

To decentralize a part of the Hungarian IDC activities, we have recently developed the system of micro project financing. A micro project is a small-scale project, where the implementation is initiated, planned and designed by our Embassies in the eligible partner countries (currently Belgrade, Sarajevo, Chisinau, Hanoi, Nairobi and Pretoria). As a general rule, 10% of the bilateral IDC budget can be allocated for such micro projects.

Question:

f) Which are the country's focus- or cooperation countries in Eastern- and South-Eastern Europe and the existence of bilateral Embassies with number of personnel in these countries?

Reply:

The current structure of our IDC partner countries was approved by the IDC Ministerial Committee in April 2008, as follows (EE and SEE partners highlighted with bold):

- priority countries (activity based on a mid-term country strategy paper – see Q4/d above):
Bosnia-Herzegovina, Serbia, Moldova, Vietnam, Palestine Authority;
- project based cooperation: Africa (Sub-Saharan Africa), Yemen, Cambodia, Kyrgyzstan, **Kosovo**, Laos, **Macedonia**, Mongolia, **Montenegro, Ukraine**;
- international commitments: Afghanistan and Iraq;
- countries eligible for tied aid : all countries according to the OECD DAC list of ODA recipients

The total number of staff at our bilateral Embassies and Consulates in EE and SEE partner countries (number of staff in brackets diplomatic/admin) are as follows:

- Embassy Belgrade (13/10)
- Consulate Subotica (Szabadka) (7/9)
- Embassy Sarajevo (6/4)
- Embassy Chisinau (6/6)
- Embassy Pristina (5/2)
- Embassy Podgorica (5/1)
- Embassy Skopje (5/2)
- Embassy Kiev (14/13)
- Consulate Beregovo (Beregszász) (7/9)
- Consulate Uzhgorod (Ungvár) (8/11)

3.5 Latvia

Latvia submitted answers to the questionnaire as well as several internet links to documentation is provided in relation to the questions (please see below).

In reply to the specific questions in the questionnaire, the following was submitted;

Question

a) which government institution, or else (+ insert possible org.gram) is responsible for policy formulation regarding development assistance. Give reference to documentation regarding the present applicable policy regarding development cooperation;

Reply:

In Latvia, the **Ministry of Foreign Affairs** is responsible for development co-operation policy. However, development co-operation policy planning documents, including annual Development Cooperation Policy Plan, are drafted in close collaboration with other line ministries, NGOs and social partners in order to insure fair and balanced representation of ideas, interests and views of various parties involved – both governmental and non-governmental.

Development Cooperation Policy Plan is drafted in accordance with the Law on International Assistance(<http://www.mfa.gov.lv/en/DevelopmentCo-operation/BasicDocuments/International-Assistance/>), Development cooperation policy program of the Republic of Latvia 2006-2010 (<http://www.mfa.gov.lv/en/DevelopmentCo-operation/BasicDocuments/Programme/>) and The Basic principles for the development cooperation policy of the Republic of Latvia (<http://www.mfa.gov.lv/en/DevelopmentCo-operation/BasicDocuments/BasicPrinciples/>)

Question

b) which government institution, or else (+ insert possible org.gram) is responsible for strategy formulation regarding development assistance. Give reference to documentation regarding the present applicable strategy regarding development cooperation;

Reply:

The **Ministry of Foreign Affairs** is responsible for formulation of development cooperation strategy. There are currently two main strategy documents in place:

1. Development cooperation policy program of the Republic of Latvia 2006-2010 (<http://www.mfa.gov.lv/en/DevelopmentCo-operation/BasicDocuments/Programme/>)
2. The Basic principles for the development cooperation policy of the Republic of Latvia (<http://www.mfa.gov.lv/en/DevelopmentCo-operation/BasicDocuments/BasicPrinciples/>).

Question:

c) short description of system/structure for programme/project formulation, design and – implementation, as well as follow-up and quality assurance mechanisms;

Reply:

Since 2006 the Ministry of Foreign Affairs announces its annual grant project competition. The Ministry draws up terms of competition, terms of evaluation and implementation procedures of grant project tenders as well as work out a project application form in accordance with the Law on International Assistance. In order to evaluate the submitted projects, the Ministry summons a group of independent experts that are qualified to evaluate project applications. After the most eligible project applications are identified and selected, the Ministry signs agreements with the project implementers. Project implementers carry out the projects in accordance with the agreements. The Ministry or the respective Latvian Embassy in the recipient country monitors and assists in project activities, if necessary. After the completion of the projects, final reports are submitted to the Ministry.

During the last few years there have emerged several well developed areas of co-operation and expertise as well as projects that have continued from year to year and have consequently evolved into (unofficial) development co-operation programs (for example, projects by the Latvian State Border Guard, Latvian Food and Veterinary Service, Organization "Association of Latvian Local Governments"). Thus, a project that is drafted as a continuation of a successful project implemented the previous year, after a thorough evaluation and approval of Development Co-operation Board, has a chance to be *a priori* included in the Development Co-operation Plan for the coming year. Procedures of signing agreement, guide-lines for project implementation, follow-up and quality assurance mechanisms are the same as mentioned above.

Ministry also carries out communication projects aimed at increasing the level of general knowledge regarding various development co-operation topics in the Latvian society, with a special emphasis on students, teachers and pupils.

In 2007 and 2008 Latvia implemented several development co-operation projects in Afghanistan, Faryab Province, where Latvian military forces are stationed. The projects were identified and monitored by a Political and Development Co-operation Counsellor of the Ministry of Foreign Affairs consigned to Afghanistan.

<http://www.mfa.gov.lv/en/DevelopmentCo-operation/Countries/Afghanistan/>

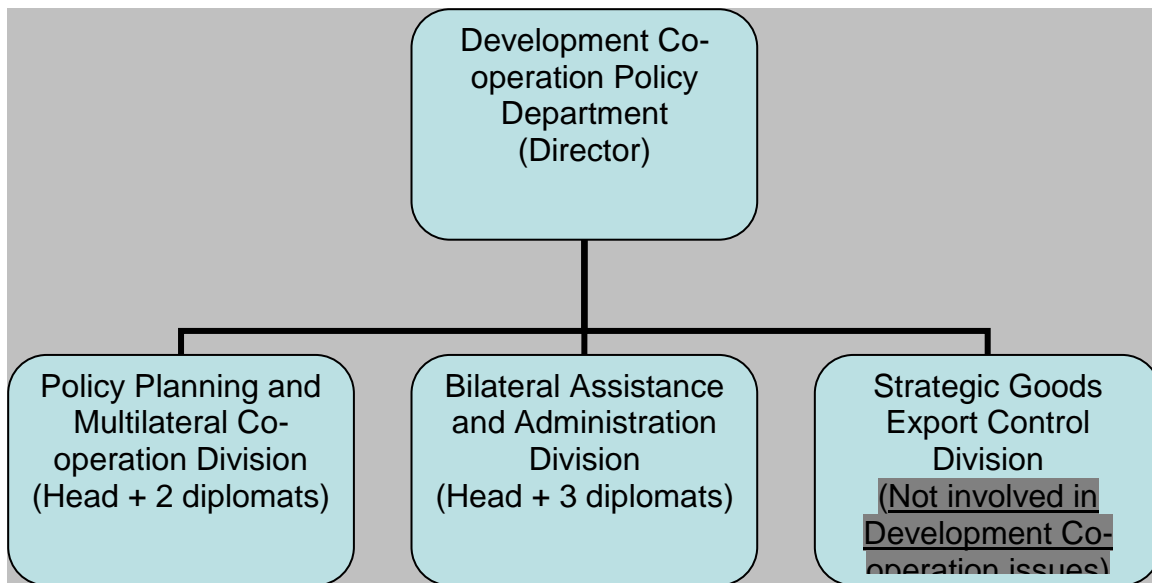
Question:

d) short description of administrative structures and regulations for management and – delivery – of development cooperation (including no of personnel working with development cooperation, signed the Paris Declaration; use of Agreements in development cooperation; state what types of Agreements, etc);

Administrative structure of the Ministry of Foreign Affairs: please see the link

<http://www.mfa.gov.lv/data/structure-mfa.pdf>

Within the MFA headquarters in Riga, there are eight (8) people working directly with bilateral and multilateral development co-operation issues.



Additionally, at the Latvian embassies in the recipient countries (embassies in Minsk, Tbilisi and Kiev) one person in each embassy besides his or her direct duties is in charge of development co-operation issues.

Use of Agreements:

Latvia has signed bilateral Agreement on development co-operation with Moldova (Kishinev, 3 April, 2006).

<http://www.am.gov.lv/data/file/AttistibasSadarbiba/agreement%20between%20latvia%20and%20moldova.pdf>

In the process of defining Latvian Development Co-operation Policy priorities, Latvia takes into consideration EU Action plans with the respective ENP countries, as well as National development strategies and requests put forward by the recipient countries during bilateral consultations or via Latvian Embassies.

<http://www.mfa.gov.lv/en/DevelopmentCo-operation/info/>

Paris Declaration:

Latvia is considering joining the Paris Declaration.

Question:

e) budget arrangements for- and size of financial allocations (where in budget, separate, or included in other budget line, financial year arrangements-annual or longer periods of commitment of budgets, ability for multi-annual commitments etc);

Latvian development co-operation funds are bound to Latvia's annual State budget and the annual Development Co-operation Plan (approved by the Cabinet of Ministers), thus it is strictly one year budgetary arrangement which currently does not foresee possibility for multi-annual commitments.

Latvian bilateral development co-operation funds are a separate budget programme within the whole of the annual Latvian State budget.

2005 was the first year when special funds for bilateral development co-operation were allocated. Since then bilateral development budget has been gradually growing.

2005	2006	2007	2008	2009
100 000 LVL	150 000 LVL	450 000 LVL	580 000 LVL	Bilateral DC funds not available

Latvian multilateral development co-operation funds are a separate budget programme within the whole of the annual Latvian State budget.

Latvia's ODA levels

	2004	2005	2006	2007	2008
ODA/GNI	0,06%	0,07%	0,06%	0,06%	0,07%
Total (LVL)	4 839 579,07	5 739 285	6 662 613	8 153 888	10 487 921

Question:

f) which are the country's focus- or cooperation countries in Eastern- and South-Eastern Europe and the existence of bilateral Embassies with number of personnel in these countries.

Latvia's priority recipient countries:

2005: Moldova, Georgia

2006: Moldova, Georgia, Belarus

2007: Moldova, Georgia, Belarus, Ukraine, Afghanistan (several projects in Faryab Province) (+ 1 project in Kyrgyzstan)

2008: Moldova, Georgia, Belarus, Ukraine, Afghanistan (several projects in Faryab Province) (+ 1 project in Kyrgyzstan)

More detailed information:

<http://www.mfa.gov.lv/en/DevelopmentCo-operation/info/>

<http://www.mfa.gov.lv/en/DevelopmentCo-operation/Projects/>

Latvian Embassies: Minsk, Tbilisi, Kiev.

3.6 Lithuania

Lithuania submitted a reply to the questionnaire and sent the document “**The description of Implementation Procedures of Development Cooperation and Democracy Promotion Program**” Approved by Order V-42 of 24 April 2007 of the Ministry of Foreign Affairs of the Republic of Lithuania (see further Appendix C).

This document gives the framework for strategic planning of development cooperation and democracy promotion, project management and assessment. For example, see further in the said attached document(Appendix C), in Section II regarding;

- 1. Strategic Planning;
- 2. Call for proposals, Submission of Project Applications, Administrative and Comprehensive Assessment;
- 3. Screening of Project applications. Project Forming;
- 4. Project management;
- 5. Final Project assessment and project Quality.

In connection with implementation, see Section III regarding project/ programs of diplomatic missions (see section III note;art 81 “wherein the diplomatic missions have been accredited in the fields of development assistance policy”.Art 82 “.. projects/ program of Diplomatic missions is implemented by Diplomatic missions accredited in the states specified in decree No. 561 of the Government of the Republic of Lithuania “On the Approval of Provisions of the Development Assistance Policy for 2006-2010 (Official Gazette, 2006, No. 66-2435).

Section IV stipulates project funding principles.

In addition Lithuania has further referred to a document produced by the Ministry of Foreign Affairs of the Republic of Lithuania, Development Cooperation and Democracy Promotion Department, “ Priorities of Lithuania’s development cooperation and democracy promotion project in Belarus” , see further Appendix D.

In reply to the specific questions in the questionnaire, the following was submitted;

Question:

a) which government institution, or else (+ insert possible org.gram) is responsible for policy formulation regarding development assistance. Give reference to documentation regarding the present applicable policy regarding development cooperation;

b) which government institution, or else (+ insert possible org.gram) is responsible for strategy formulation regarding development assistance. Give reference to documentation regarding the present applicable strategy regarding development cooperation.

Reply:

a) / b) The development assistance policy of the Republic of Lithuania is a constituent part of the Lithuanian foreign policy. The **Ministry of Foreign Affairs** of Lithuania is responsible for the developing policy implementation, in accordance with the Government’s resolution No 561 of 8 June 2006 on the approval of the development co-operation policy guidelines of the Republic of Lithuania for 2006-2010.

Question:

c) short description of system/structure for programme/project formulation, design and – implementation, as well as follow-up and quality assurance mechanisms;

Question:

d) short description of administrative structures and regulations for management and – delivery – of development cooperation (including no of personnel working with development cooperation, signed the Paris Declaration; use of Agreements in development cooperation; state what types of Agreements, etc);

Reply

c) / d) on structures for project formulation and implementation, description of administrative structures, please find attached the document “The description of implementation procedures of development cooperation and democracy promotion program”, which has been sent to Sida when Lithuania and Sida signed the agreement on delegated cooperation.

Question:

e) budget arrangements for- and size of financial allocations (where in budget, separate, or included in other budget line , financial year arrangements-annual or longer periods of commitment of budgets, ability for multi-annual commitments etc);

Reply

e) Budget allocations of the Republic of Lithuania for implementing the development assistance policy are granted each budgetary year. The Ministry of Foreign Affairs is responsible for the administration of this fund.

Question:

f) which are the country’s focus- or cooperation countries in Eastern- and South-Eastern Europe and the existence of bilateral Embassies with number of personnel in these countries.

Reply:

Lithuania’s development cooperation priority countries in Eastern Europe are the Republic of Belarus, the Republic of Moldova and Ukraine, in South Caucasus - the Republic of Armenia, the Republic of Azerbaijan and Georgia.

The number of personnel in the Embassies varies depending on country, for example in the Lithuanian Embassy in the Republic of Belarus we have 16 people, but in the Embassy in Moldova we have only 4 people.

3.7 Poland

In reply to the specific questions in the questionnaire, the following was submitted

Question:

a) *which government institution, or else (+ insert possible org.gram) is responsible for policy formulation regarding development assistance. Give reference to documentation regarding the present applicable policy regarding development cooperation;*

b) *which government institution, or else (+ insert possible org.gram) is responsible for strategy formulation regarding development assistance. Give reference to documentation regarding the present applicable strategy regarding development cooperation.*

Reply:

a, b) The following entities play a key role in Polish development assistance cooperation:

- The **Ministry of Foreign Affairs** coordinates development activities and provides assistance in the form of project;
- The **Ministry of Finance** provides financial assistance and transfers Polish contributions to international financial institutions;
- The **Ministry of Science and Higher Education** provides assistance in the form of scholarships and traineeships.

The Ministry of Foreign Affairs is responsible for policy and strategy formulation regarding development assistance. MFA has a co-coordinating function in the field of Polish development activities. It establishes directions and priorities for Polish aid and negotiates with partner countries interested in receiving Polish assistance. It takes an active part in actions undertaken by the leading international organizations engaged in the issues of global development. The ministry also maintains a dialogue with social partners, above all with NGOs involved in co-operation with developing countries.

Question:

c) *short description of system/structure for programme/project formulation, design and – implementation, as well as follow-up and quality assurance mechanisms;*

Question:

d) *short description of administrative structures and regulations for management and – delivery – of development cooperation (including no of personnel working with development cooperation, signed the Paris Declaration; use of Agreements in development cooperation; state what types of Agreements, etc);*

Question:

e) *budget arrangements for- and size of financial allocations (where in budget, separate, or included in other budget line , financial year arrangements-annual or longer periods of commitment of budgets, ability for multi-annual commitments etc);*

Question:

f) *which are the country's focus- or cooperation countries in Eastern- and South-Eastern Europe and the existence of bilateral Embassies with number of personnel in these countries.*

Reply:

c, d, e, f) The priorities of Poland's development assistance are defined annually by the MFA in development assistance activities plan. The MFA administers the fund allocated to development assistance from the state budgetary special-purpose reserve.

The **development Co-operation Department of MFA**, created in 2005, (about 30 persons) is responsible for planning Polish aid activities and distributing the funds. The executing function of the Development Co-operation Department consists, above all, in selecting the best development initiatives which are in line with the priorities of Polish aid adopted for a specific year, and fulfill financial efficiency and effectiveness criteria. Development project proposals to be implemented in partner countries can be **submitted to the MFA** by Polish NGOs, central administration bodies, higher education institutions and local self-government entities. Moreover, development initiatives are also presented by Polish diplomatic missions who, in this way, respond to the needs of local communities and public institutions. They also support development activities of Polish missionaries in the poorest countries of the world. Due to the small scale of initiatives carried out with co-operation of Polish embassies, this system of development assistance provision is called the Small Grants Fund.

The MFA invites various entities to submit proposals and take part in open calls for proposals at the beginning of each year. One of the key conditions to obtain funding for a project is to come into contact with or, which is even better, maintain a close co-operation with a partner organization or institution in a recipient country. Following the selection of the most promising projects, the MFA supervises their implementation via Internet and by visiting specific project sites and talking to their participants. In addition, it controls financial aspects of their implementation.

By definition, Polish aid has to contribute not only to economic and social development of recipient countries, but also to building civil society, enhancing democratic standards, strengthening independent media and respect for human rights.

In 2009, Euro 33 million is designated from the state budget for foreign development assistance initiatives carried out with the co-operation of the Ministry of Foreign Affairs. A great part of assistance is allotted to the **following countries and priority regions** (only where we have our bilateral Embassies, staff of Embassies is different: between 5 to 10 diplomats): Eastern Europe (Belarus, Ukraine, Georgia, Moldova), Asia (Afghanistan), Africa and Middle East (Angola, Palestinian Autonomy), West Balkans (Albania, Bosnia and Herzegovina, Montenegro, Macedonia, Serbia and Kosovo). Poland is trying to limit the group of its priority countries so that it can provide equally useful and efficient assistance as that provided by other donors. Poland's development assistance is subject to several basis assumptions. The underlying rule is to maintain coherence between all development initiatives and the objectives of Polish foreign assistance. Another principle is to take into consideration, in accordance with the rule of ownership (Paris Declaration was adopted by Poland in March 2005), the development needs of both neighboring countries and those in remote region of the world, given they are priority recipients of Polish aid.

In the case of the majority of partner countries, Poland tries to limit its support areas to 3 or 4 fields, keeping in mind both the needs of a partner country and the possibilities of providing support in areas that are crucial for a country in question. The priorities of development assistance are always in line with the needs of specific countries. In the case of Belarus, for example, Poland focuses its development activities on providing wider access to independent information, democratization and developing civil society, while in African countries Polish aid is centered on providing access to potable water, health protection and education. In neighboring countries, development assistance is provided by Polish NGOs, central administration bodies and local self-government entities.

By offering support to developing countries, Poland strives to abide by the Policy Coherence for Development (PCD) advocated by the European Union. Coherence as an aim and a horizontal policy, consists not only in trying not to weaken the impact of development policy

by other policies, but also of making them contribute, to the extent to which it is possible, to the strengthening of the total positive impact on developing countries.

3.8 Romania

a) which government institution, or else (+ insert possible org.gram) is responsible for *policy formulation* regarding development assistance. Give reference to documentation regarding the present applicable policy regarding development cooperation;

b) which government institution, or else (+ insert possible org.gram) is responsible for *strategy formulation* regarding development assistance. Give reference to documentation regarding the present applicable strategy regarding development cooperation

For questions a) and b):

According to the National Strategy for International Development Cooperation Policy the Ministry of Foreign Affairs, through the Division for Development Cooperation, coordinates the development cooperation policy, being responsible for policy formulation and the strategic planning of ODA activities.

The legislative framework for the Romanian ODA activities is set out in the following documents:

- *The National Strategy for International Development Cooperation Policy (adopted by Govt. Decision 636/2006) – sets out the objectives, geographic and sectorial priorities and general institutional framework;*
- *The Strategy for the implementation of the national development cooperation policy (adopted by Govt. on the 28th of June 2007);*

c) short description of system/structure for programme/project formulation, design and – implementation, as well as follow-up and quality assurance mechanisms;

The procedures for implementing ODA activities are set out in the Govt. Decision 747/2007, which establishes the programming framework and implementing means and instruments. Beside the Ministry of Foreign Affairs, the main responsible for ODA policy, the Ministry of Finance is in charge of debt operations, Community budget and of EDF payments. All other line ministries and some governmental agencies are part of the International Development Committee, a forum with consultative functions, for planning, debate and analysis of ODA issues.

According to the Govt. Decision 747/2007, line ministries and other governmental institutions, international organisations, NGOs and private companies can implement projects/programmes financed through the ODA budget.

d) short description of administrative structures and regulations for management and – delivery – of development cooperation (including no of personnel working with development cooperation, signed the Paris Declaration; use of Agreements in development cooperation; state what types of Agreements, etc)

As previously mentioned, the ODA policy is planned, coordinated and monitored by the ODA Division within the Ministry of Foreign Affairs. There are currently 7 people working in this division. According to the Govt. Decision 747/2007, a special department for ODA policy, with 2 different compartments for planning and implementing activities must be created in the Ministry of Foreign Affairs, but this structure is not yet operational, due mainly to the recent severe restrictions regarding the number of personnel working in public institutions.

According to the national legislation, the MFA signs memorandums of understandings with partner countries and international organizations, which establish the main frameworks for cooperation on ODA activities.

Romania signed the Paris declaration on Aid Effectiveness and integrated its principles in the National Strategy for Development Cooperation.

e) budget arrangements for- and size of financial allocations (where in budget, separate, or included in other budget line, financial year arrangements-annual or longer periods of commitment of budgets, ability for multi-annual commitments etc);

The national budget law (no. 404/2006) sets out that development assistance is financed through a dedicated budgetary line from the MFA budget. Some of the line ministries have also projects of development cooperation, financed through their budgets. In situations of humanitarian crisis, there is also the possibility to access funds from the reserve of the general budget of the Government.

f) which are the country's focus - or cooperation countries in Eastern- and South-Eastern Europe and the existence of bilateral Embassies with number of personnel in these countries.

The National Strategy in the field sets out as priority countries: R. Moldova, Serbia and Georgia. There is a Romanian Embassy in each of the 3 priority countries, with a diplomat responsible for ODA issues.

3.9 Slovakia

Slovakia has submitted a reply to the questions in the questionnaire, as well as reference to relevant websites (please see further below)

In reply to the specific questions in the questionnaire, the following was submitted

Question;

- a) *which government institution, or else (+ insert possible org.gram) is responsible for policy formulation regarding development assistance. Give reference to documentation regarding the present applicable policy regarding development cooperation ;*

The ODA system in Slovakia is managed under the **MFA**; The MFA itself is responsible for setting policy priorities in terms of countries and sectors, designating financial allocations, overall programming, budgeting, as well as DAC statistics. The **Slovak Agency for International Development Cooperation (SDA)** is implementation body of the MFA, it was established by the MFA and its main role at the moment is to undertake project cycle management which consists mainly from tendering and financial management of approved projects. The website of the SDA is <http://www.slovakaid.mfa.sk/en/>.

Question;

- b) *Which government institution, or else is responsible for strategy formulation regarding development assistance. Give reference to documentation regarding the present applicable strategy regarding development cooperation.*

The **MFA** is responsible as for policy formulation, so for strategy formulation. There are 3 main documents that set up the Slovak development policy framework – The Act on ODA <http://www.slovakaid.mfa.sk/en/index.php/article/articleview/95/1/2>, Medium-Term Strategy <http://www.slovakaid.mfa.sk/en/index.php/article/articleview/102/1/2>, and yearly National Programme <http://www.slovakaid.mfa.sk/en/index.php/article/articleview/103/1/1/>.

Question;

- c) *short description of system/structure for programme/project formulation, design and –implementation, as well as follow-up and quality assurance mechanisms;*

The structure for programme formulation remains according to countries and sectors, the overall system is based on response to available applications from the Slovak stakeholders that follows calls for proposals. There is some intention to start to formulate projects with recipient countries and pilot country in this respect will be Serbia.

Quality assurance mechanisms are not in place yet, there is only a monitoring schedule for the projects that are in the implementation stage.

Question:

- d) *short description of administrative structures and regulations for management and – delivery – of development cooperation (including no of personnel working with development cooperation, signed the Paris Declaration; use of Agreements in development cooperation; state what types of Agreements, etc)*

The MFA has Department for Development Assistance staffed by 6 persons, the SDA has 12 persons of which 6 are project managers responsible for individual territories, the rest are accountants and the management of the Agency.

Every year The MFA according to its political priorities and in the line with the Mid-Term strategy prepares the National programme for ODA (NP ODA) that is approved by the Government (takes 2 – 4 months) and subsequently the SDA initiates calls for proposals according to NP ODA. There are several calls for proposals (2 months to respond) issued simultaneously for different territories and after formal evaluation of the projects (takes 1 – 2 months) the SDA prepares the package for the Projects Commission, that approves/denies individual projects.

The Project Commission is chaired by the State Secretary of the MFA, has currently 12 persons – 5 from the MFA, 1 from SDA and 6 from the line ministries, NDGO (non-governmental development organisation) platform and Chamber of Commerce. Each year there are usually 2 rounds of calls for proposals and 1 additional round for project devoted to development education and communication.

Approved projects are limited to 150K EUR, or 200K EUR (in case of infrastructure projects). Co-financing on the side of the contractor/applicant is set to 20 %.

Some Embassies (Serbia, Bosnia and Herzegovina) operates micro-grants, e.g. small contributions to local development activities ranging up to 5K Euros, micro-grants are approved by the MFA (Department for the ODA), financially managed by the SDA.

The MFA already signed MoUs with Serbia and Montenegro which define the scope of mutual cooperation and there is a plan to design 3 CSP for programme countries (main priority countries) e.g. Serbia, Kenya and Afghanistan.

The SDA has signed the MoU with Austrian ADA for years 2009 – 2011 and it is intended to strengthen donor co-operations, as well as finance common trilateral projects. Priority countries under this MoU are limited to Serbia and Ethiopia; various other activities will be carried out like development education, support to NGOS, and exchange of information, common monitoring and evaluation. (Previously the same kind of co-operation was done with Canadian CIDA in years 2003 – 2005 under the programme ODACE.)

Question:

- e) *budget arrangements for- and size of financial allocations (where in budget, separate, or included in other budget line , financial year arrangements-annual or longer periods of commitment of budgets, ability for multi-annual commitments etc);*

Reply:

The financial allocations are set in the current National programme for ODA - <http://www.slovakaid.mfa.sk/en/index.php/article/articleview/103/1/1/>. The budget for ODA is committed for 2 years and spent within 3 years, it is allowed by the exception of Ministry of Finance (that relates also to spending from EU funds).

Within current legal framework, the SDA can accept financial sources only from the state budget.

Question

- f) *which are the country's focus- or cooperation countries in Eastern- and South-Eastern Europe and the existence of bilateral Embassies with number of personnel in these countries.*

Reply:

Country focus in the Eastern and the South-Eastern Europe is on Serbia, Albania, Montenegro, Bosnia and Herzegovina, Macedonia, Belarus, Moldova, Georgia, and Ukraine. Slovakia has Embassies in Serbia, Bosnia and Herzegovina, Albania, Ukraine and Belarus. The number of personnel is quite limited; usually 1 person follows development activities in the form of micro-grants that have some Embassies in their portfolio.

3.10 Slovenia

In reply to the specific questions in the questionnaire, the following was submitted

Question:

- a) *which government institution, or else (+ insert possible org.gram) is responsible for policy formulation regarding development assistance. Give reference to documentation regarding the present applicable policy regarding development cooperation;*
- b) *which government institution, or else (+ insert possible org.gram) is responsible for strategy formulation regarding development assistance. Give reference to documentation regarding the present applicable strategy regarding development cooperation*

Slovenia's geographical and conceptual priorities of development assistance and humanitarian aid are determined in the International Development Cooperation Act (National Assembly of the Republic of Slovenia, June 2006) and the Resolution on International Development Cooperation of the Republic of Slovenia until 2015 (National Assembly of the Republic of Slovenia, July 2008). They provide the basis for planning and implementation of Slovenian development assistance until 2015.

The institution responsible for policy and strategy formulation is, according to the International Development Cooperation Act, the **Ministry of Foreign Affairs (MFA)**, which acts as the national coordinator for International Development Cooperation of the Republic of Slovenia.

Question:

- c) *short description of system/structure for programme/project formulation, design and – implementation, as well as follow-up and quality assurance mechanisms;*

Slovenia's system/structure for program/project formulation is decentralized, with separate planning, financing, implementation and reporting. MFA is putting efforts into centralizing this system/structure (gradual shift towards central planning, financing, implementation and setting up a system of evaluation), especially in light of anticipated increase in resources (ODA commitments).

Ministries and other budget users responsible for the implementation of international development cooperation program assign funds within the scope of their financial plans. They are only in principle obliged (art. 7 of the International Development Cooperation Act of the Republic of Slovenia) to do so within the framework of a common budget program set up for this purpose. For the budget biennial 2010 – 2011, the MFA will, in cooperation with other international development budget users, coordinate and submit a consolidated development assistance program of the Republic of Slovenia.

For two consecutive years the MFA has put forward a call for proposals for co-financing development and humanitarian activities of non-governmental organizations. The MFA, the Ministry of Economy and the Ministry of Finance have been preparing a Regulation for the inclusion of corporate entities into the international development cooperation.

Question:

d) short description of administrative structures and regulations for management and – delivery – of development cooperation (including no of personnel working with development cooperation, signed the Paris Declaration; use of Agreements in development cooperation; state what types of Agreements, etc)

Slovenia has signed the Paris Declaration.

The coordinator of Slovenia's international development cooperation is **MFA, Division for International Development Cooperation and Humanitarian Assistance**. In addition, each international development budget users has, at present, their own personnel working on development cooperation. The MFA has bilateral development agreements with priority partner countries. In addition, there are several MoU (between other ministries/agencies/offices of the Republic of Slovenia and partner countries), which deal partially or entirely with development cooperation.

Question:

e) budget arrangements for- and size of financial allocations (where in budget, separate, or included in other budget line , financial year arrangements-annual or longer periods of commitment of budgets, ability for multi-annual commitments etc);

According to the Report on development cooperation and humanitarian aid of the Republic of Slovenia for 2008, Slovenia allocated 46. 871.239,56 EUR (0,13% of GNI) to development cooperation and humanitarian aid; 61,2 % was allocated multilaterally and 38,8% (16.843.710,39 – excluding administrative expenses) bilaterally.

The following ministries have established a separate budget under-program for Development and Humanitarian Aid under the common budget program set up for this purpose (Ministry of Foreign Affairs, Ministry of Economics, Ministry of Finance, Ministry of Health, Ministry of Education and Sports). However, not all of the expenditures of previously mentioned

Ministries are channeled under these under-programs. Some expenditure, as well as those of other international development budget users not mentioned previously, is allocated separately under different budget programs. The MFA will, in parallel with the preparation of a consolidated development assistance program of the Republic of Slovenia, request the responsible international development budget users to plan all of their bilateral budget expenditures (and where suitable multilateral expenditures) for development assistance and humanitarian aid under this common budget line.

The overall strategy until 2015 is entailed in the Resolution on International Development Cooperation of the Republic of Slovenia until 2015. Our multi-annual commitments will be elaborated along with the consolidated development assistance program for 2010 – 2011.

Question:

f) which are the country's focus- or cooperation countries in Eastern- and South-Eastern Europe and the existence of bilateral Embassies with number of personnel in these countries.

Slovenia's priority countries are derived from the Resolution on International Development Cooperation of the Republic of Slovenia until 2015. The MFA has bilateral development agreements with Bosnia and Herzegovina, Serbia, Macedonia, Montenegro, Albania, Moldova, Ukraine (pending ratification by Ukraine) and Kosovo (pending ratification by both contractors). Among these, Macedonia and Montenegro are considered priority countries, implying a shift toward program cooperation.

We have embassies in all of the above mentioned States except Albania (covered from Macedonia), Moldova (covered from the Ukraine). There are no personnel at embassies who deal exclusively with development assistance.

DRAFT ToR for a mapping exercise of EU Member States' aid modalities

Sida was in December 2008 tasked with the Partnership Programme, an initiative by the Swedish Government to strengthen and widen the cooperation with EU:s most recent Member States in order to make the Swedish bilateral support more relevant in the countries of Eastern- and South-Eastern Europe. This ToR requests the *mapping of the ten relevant Member States' modalities for development cooperation*, to set the frames for possible collaboration.

Background

The Swedish Government decided in December 2008 to establish a Partnership Programme in order to increase the participation of the newer Member States (MS) as partners and implementers of Swedish development cooperation in Eastern Europe. Sweden's previous tripartite cooperation with the most recent EU MS in the region has been fairly limited. The reason for this is that the classical tripartite cooperation model has been difficult to handle since Sweden and the relevant EU MS are different types of development cooperation actors, with considerably different development aid experiences, systems, ways of working, strengths and weaknesses. To be able to derive the potential advantages in a better way in the Swedish bilateral reform cooperation, new creative methods are required, building upon the principles of aid effectiveness as set out in the Paris Declaration, the EU Code of Conduct and the Accra Agenda for Action. Cooperation could also be envisaged in order to better interact with, influence and support the EC-assistance under the instruments ENPI⁴ and IPA⁵.

The knowledge of the most recent member states' EU approximation processes and democratic transition is hence highly relevant for the reform cooperation in Eastern Europe. The relevant MS in the Partnership Programme are; Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia. Concerned partner countries are Albania, Belarus, Bosnia and Herzegovina, Georgia, Kosovo, Macedonia, Moldova, Serbia and Ukraine.

The Partnership Programme consists of an assignment to Sida during the two-year period 2009-2011 to develop methodology for- and identify cooperation areas for an increased cooperation with the relevant MS. The Government Decision states that the Partnership Programme will aim at pushing the cooperation from single projects towards a harmonisation of strategies and programme-based approaches geared towards sectors prioritised by the partner countries. This increases the predictability and efficiency of aid for the partner country, in line with the Paris declaration for increased aid effectiveness.

Work Plan for the Partnership Programme

⁴ In the EC Financial Perspective 2007-2013, the instrument for supporting the EU neighbourhood area is called the European Neighbourhood and Partnership Instrument, ENPI.

⁵ Financial support to the accession countries is channelled through IPA, the Instrument for Pre-accession Assistance.

The Partnership Programme will, during the coming two years, work in five steps; 1) communication on the programme and its goals; 2) dialogue with the partner countries and relevant MS on identification of common points for departure and possibilities for cooperation; 3) training/advice for MS/partner countries focussing on aid efficiency; 4) identification of concrete areas for cooperation; 5) follow-up and recommendation for future undertakings.

Communication- and dialogue/identification of common points of departure will dominate the first six months in order to set the frames for the rest of the period. The assignment under this call-off contract is to *execute a mapping exercise (as envisaged under step 2, dialogue/identification) of the MS' structures and administrative systems for dealing with development cooperation*, being one of the first necessary steps to paint the administrative and structural picture for possible cooperation between different MS' and Sweden.

Assignment to be executed

Sida need support in conducting the mapping/identification of the structures that constitutes the frames for the emerging development cooperation in the following EU MS: Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia. The assignment is foreseen as a desk study and will not take more than ten working days (80 hours) into account. Sida will provide the Consultant with relevant contacts at capital level in each of the Member States.

The Consultant shall:

Identify the structures for development cooperation/aid delivery in each of the relevant Member States, including;

- a) policy formulation;
- b) strategy formulation;
- c) programme/project formulation, design and –implementation, as well as follow-up and quality assurance mechanisms;
- d) administrative structures and regulations for management and –delivery – of development cooperation (including no of personnel working with development cooperation, signing of Paris Declaration; use of Agreements in development cooperation etc)
- e) arrangements for- and size of financial allocations (financial year arrangements, ability for multi-annual commitments etc);
- f) focus- or cooperation countries in Eastern- and South-Eastern Europe and the existence of bilateral Embassies with number of personnel in these countries.

The findings shall be merged into one report with country-specific parts and presented to Sida in a draft written report with an oral presentation no later than 31st of July 2009, Sida comments to be given no later than 7th August, and a final report on 17th, August 2009.

**BULGARIA'S POLICY ON PARTICIPATION IN
INTERNATIONAL DEVELOPMENT COOPERATION**

CONCEPT PAPER

**SOFIA
2007**

Excerpt Section 4-10

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4. Bulgaria and the international development cooperation

In the last fifteen years Bulgaria *made* significant progress in its political, economic and social development thanks to its own efforts and to the support by the international donor community. At the same time, together with the other developed countries, Bulgaria will contribute to the achievement of the Millennium Development Goals in poorer countries by supporting the solution of those countries' most serious problems.

Bulgaria's participation in international development cooperation will be consistent with the **political commitments** taken in the framework of both the UN and the EU. Bulgaria supported the decisions made at the UN conferences on international development issues, including the decision of the European Council of June 2005 adopting the new quantitative ODA targets within EU. Poverty eradication and strengthening the economy of developing countries is a precondition for the improvement of the international **economic environment**.

Participation in the international development cooperation would also contribute to the strengthening of the country's **reputation** as a responsible member of the international community and a reliable partner in international relations.

Bulgaria has acquired broad experience in the cooperation with developing countries in the 1960s-1980s. In mid-1980s it was an important donor to over 40 countries in Asia, Africa and Latin America. Acceding to the EU Bulgaria is rejoining the international donor community.

Bulgaria's participation in the EU development policy is a challenge which sets a number of requirements to the country, such as adoption and implementation of EU primary and secondary legislation in the area of development aid and humanitarian aid, building up institutional capacity and adequate participation in the work of EU bodies on development issues in their various formats.

5. Objectives, principles and priorities of the Bulgarian development policy

5.1. Objectives

The main objective of Republic of Bulgaria's development policy is defined as eradication of poverty and the dealing with issues related to poverty, which hinder the improvement of the quality of life in developing countries. Poverty is an impediment to both economic and social development. It has many dimensions and to overcome them a balanced approach is required in a number of different but inter-dependent fields, including good governance, conflict prevention, human rights protection (including children's rights and gender equality) etc.

Poverty cannot be eliminated without making progress towards **sustainable development**, which includes the achievement of a stable production/consumption ratio, environment protection, minimum acceptable health and education standards, full integration of the countries in international cooperation under the conditions of a globalized world etc.

Being part of the foreign policy of the Republic of Bulgaria, the participation of the country in the international development cooperation will be aimed at both achieving the main goals of Bulgarian foreign policy as proclaimed in the Program of the Government of the Republic of Bulgaria in the area of European integration, economic growth and social responsibility dated 15 August 2005: "...reaffirming Bulgaria in international relations as a consistent, reliable and predictable partner; furthering the economic and cultural cooperation in South Eastern Europe and assisting neighbouring countries and other countries of the region to fully integrate in the European and Euro-Atlantic structures; showing concern and care for Bulgarians living abroad and reinforcing the relations with traditional and new partners of Bulgaria in the Middle East, Asia, Africa and Latin America."

The translation of general objectives into concrete actions will depend on Bulgaria's potential, the available resources and specific conditions in partner countries.

5.2. Principles

The Bulgarian policy of cooperation with developing countries is contingent on the general principles laid down in the UN Millennium Declaration and the European Consensus on Development adopted in November 2005 as well as the OECD/DAC requirements with regard to the ODA quality and quantity parameters.

Bulgaria's participation in the international development cooperation is also guided by the following specific principles:

- *Partnership* - stable and long-term partnership with the aid recipients and the members of the international donor community based on mutual confidence and respect for the partner's sovereignty, traditions and culture. The governments of partner countries bear the main responsibility for the development of their countries; however, their efforts in that direction are to be supported by the developed countries;

- *Ownership* - the assistance is determined by the needs of the recipient and not by those of the donor; leading are the needs of the recipient countries, their own development strategies defining the national priorities and means of attaining them, based on the principles of good governance, democratic standards, rule of law and human rights protection; Bulgaria will avoid any politically determined allocation of its aid and will tailor its development cooperation programmes to those national strategies and the resulting actions as well as to the processes and deadlines of the partners as far as that is possible;

- *Coherence, complementarity and coordination* – coherence of Bulgarian development policy and the other national policies that affect developing countries; complementarity and coordination of the actions under the development policy and the actions of the other donors; *predictability and stability* of aid flows to partner countries.

- *Effectiveness* - improving the quality of aid provided by Bulgaria and other donors as well its more effective use by the recipients;

- *Concentration* - concentration of the efforts on a limited number of beneficiaries and action areas. The main part of the bilateral assistance is to be directed towards the priority states and sectors.

- *Conditionality* - assistance is to be granted on the basis of the results produced by the partner countries and their compliance with the principles of good governance;

- *Transparency* – the allocation of funds and the assessment of their use will be subject to objective and transparent criteria based on the principles of good governance; the policy

will be implemented on the basis of cooperation with representatives of the Bulgarian state administration, non-governmental organizations, private business, academic circles and other interested groups of the public as well as with the partner countries;

-Non-discrimination - equal treatment and equal possibilities regardless of sex, race, religious affiliation, age, disabilities, sexual orientation etc.

OECD recommendations on **untying aid** in that vein will be taken into account in the formation of the Bulgarian development policy.

5.3. Priorities

5.3.1. Criteria for selection of priority cooperation partners

The countries with which Bulgaria will build up development partnerships should meet the following criteria:

- existence of a certain level of political, diplomatic, commercial and economic and cultural contacts between Bulgaria and the respective partner country;
- a comparative advantage of Bulgaria in providing assistance to a certain country: greater experience in certain areas in comparison with other donors and/ or better awareness of the local needs and characteristics, which will be conducive to making the assistance more effective;
- fulfilment of the general conditions for cooperation with the donor community: the recipient country is to take real steps addressing the problems of its own development; presence of the relevant infrastructure needed for the cooperation implementation, etc.

5.3.2. Geographical priorities

On the basis of the above mentioned criteria for selection and in line with the principle of concentration, two groups of countries will be defined for development cooperation:

1) *Priority countries* – the countries to attract the main resources within the framework of the development cooperation. The group will include countries from South East Europe and the Black Sea region. The Ministry of Foreign Affairs will regularly revise the list of priority countries for cooperation. In the future, on the basis of the experience gained and the existing financial possibilities, the circle of the priority partners may be extended to include countries of the least developed group, particularly in Africa, in view of the EU commitment to orientate 50% of the increased development aid to that continent. In the meantime, Bulgaria will make all possible efforts to support African initiatives in the field of development cooperation, i.a. in the context of the Ministry of Foreign Affairs paper “Concept and specific measures for reinforcing the relations between the Republic of Bulgaria and the Sub-Saharan African states”.

2) *Countries to which Bulgaria has undertaken international commitments* within the framework of international organizations or coalitions

The geographical priorities of Bulgaria's development aid do not limit the provision of humanitarian aid or any urgent *ad hoc* actions aimed at preventing or mitigating the aftermaths of crises, armed conflicts or acts to combat international terrorism.

5.3.3. Sectoral priorities

The Bulgarian development cooperation policy will be focused on *sectors* where the country has a comparative advantage in granting assistance, expertise and capacity. Taking into consideration the needs of the partner countries, Bulgaria can focus its development cooperation activities on the following sectors:

- education and training of specialists (in the higher education sphere, in particular);
- infrastructure construction and maintenance (energy and water supply networks, construction);
- carrying out reforms in the economic, financial, administrative, social and healthcare spheres;
- cultural diversity and tolerance;
- environmental protection and sustainable development promotion
- security and post-conflict reconstruction.

In line with the concentration principle Bulgaria will commit itself in no more than **two sectors per partner country**.

6. Mechanisms for provision of development assistance

6.1 Multilateral mechanisms of the Bulgarian development policy

There is a number of multilateral mechanisms for provision of development assistance, such as participation in international organizations directly or indirectly involved in development issues, global funds and international initiatives for implementation of the Millennium Development Goals. The selection of specific instruments for provision of official development assistance depends both on the needs of the recipient country and the possibilities of the donor country.

Bulgaria has been contributing to the development cooperation within the framework of the United Nations and its specialized organizations both by paying its contributions into their budgets and taking an active part in the work of their bodies and in the large forums on development issues. Bulgaria supports the process of reform of UN and stands for a clear segregation of the mandates and objectives of the organizations within the UN system engaged in the international development cooperation and for improvement of the coordination among their actions.

Taking into consideration the key role of the international financial institutions (IMF, WB, etc.), Bulgaria will avail itself of the possibilities for cooperation with IMF and WB in a donor role already. Within the framework of the World Trade Organization Bulgaria accords

a special attention to the matters of importance to the developing countries by supporting initiatives for liberalization of trade and investment activities.

6.1.2 Participation of Bulgaria in the provision of Aid for Trade.

Liberalization of trade and further integration of least developed and developing countries into the world economy are crucial instruments for reducing poverty and supporting sustainable development. Taking into consideration the great importance of the provision of aid for trade and based on the experience gained in the past years relating to liberalization of trade policy, application of international rules and standards and other trade-related issues, Bulgaria will seek to increase its participation in the provision of aid for trade.

6.2. Participation of Bulgaria in the EU development policy

Bulgaria's EU membership involves participation in the EU general development policy. The country will take part in shaping the common policy in this area and representatives of the Bulgarian business and non-governmental organizations will have the possibility, together with those of the other EU Member States, to participate in its realization through the implementation of EU-financed projects and other activities.

The European Development Fund (EDF) is the main European instrument through which Bulgaria will provide development aid. It will be through EDF that Bulgaria will be able to foster its cooperation with the ACP countries. Bulgaria will participate in EDF through regular payments to the EDF budget (the amount of the payments for the period 2008-2013 has already been determined) as well as – through its participation in the EDF Committee, in the allocation of resources under Fund's projects and the exerting of control over their effective and transparent spending.

6.3. Bulgaria's bilateral mechanisms of development aid

Initially, the efforts of the country will be focused on more traditional bilateral cooperation instruments such as:

- implementing small, clearly defined and streamlined projects the implementation of which does not require any big resources;
- participating in joint development projects of established donors in the selected priority countries on the basis of trilateral cooperation. Such participation would be greatly suitable for Bulgaria as it would enable the country to gain experience and presence in states and activities which would otherwise be inaccessible in view of the limited possibilities and resources;
- providing technical assistance to strengthen the local capacity through provision of *know-how* in the form of experts, consulting services, supplying materials and equipment, training local experts etc.

The selection of specific bilateral assistance instruments should be made after a thorough analysis of their comparative advantages and disadvantages; concrete bilateral

assistance programmes should be adopted only in conformity with the Bulgarian development policy principles. Bulgaria will assess the possibilities of making use of developing countries' debt service relief in case that instrument is related to concrete development goals; it would do so in limited cases only, after a thorough analysis of the particular situation and on the condition such decision is made on the relevant high political level.

In addition to the development aid, which is of a long-term nature and is subject to planning, Bulgaria will render **humanitarian aid** in the context of natural and man-made disasters with devastating consequences. A form of that aid is **food aid** – an instrument whose use is justified only if it is directed towards the poorest states or is a must in emergencies. However, such aid will be distributed by specific methods and will go through specific channels involving the Ministry of State Policy for Disasters and Accidents and other competent organizations in keeping with the relevant regulations.

7. Institutional framework of Republic of Bulgaria's participation in the development cooperation

The availability of adequate administrative capacity constitutes a necessary prerequisite for the successful participation of Bulgaria in international development cooperation. The institutional mechanism of providing aid to developing countries should be in conformity with the practices of the EU and the Development Assistance Committee /DAC/ of OECD. This requires clear definition of competences and responsibilities of the individual entities, the forms and methods of planning, financing, coordination and control as well as the parameters of interaction among state institutions, private sector and civil society. Taking into account the experience of the EU Member States and the need for effective utilization of available expertise and resources Bulgaria should adopt a model of centralized management, coordination and reporting of the activities in that area.

The participation of the Republic of Bulgaria in international development cooperation is coordinated by the Minister of Foreign Affairs. In the performance of these functions he is supported by an **International Development Cooperation Council (IDCC)** whose members represent all interested ministries and state institutions.⁶ The Council approves the general guidelines, objectives, tasks, geographical and sectoral priorities of the Bulgarian official development assistance. Representatives of non-governmental organizations, private business, media, and academic circles may get involved in the activity of the Council with the aim to discuss issues related to the effectiveness, the coherence of the activities connected with development cooperation, the public support to the policy pursued, etc. Based on the discussions held the Council will take measures to improve the quality and effectiveness of Bulgaria's contribution to the development cooperation, to promote it in the country and abroad, to attract the support of civil society and private businesses, etc.

Upon proposal of IDCC Chairman, the **Council of Ministers** approves the medium-term programs and annual action plans for provision of development aid.

⁶ IDCC is based on the existing inter-agency Council for participation of the Republic of Bulgaria in the international development cooperation established by CM Decision of 9 February 2006

The **Ministry of Foreign Affairs** plays the leading role and carries out the coordination of **Republic of Bulgaria's participation in the development cooperation** as part of Bulgaria's foreign policy by:

- ensuring the coordination with other ministries and agencies on all issues related to Bulgaria's participation in international development cooperation;
- following and participating in the relevant discussions in the framework of EU, UN and other international organizations;
- establishing contacts and cooperation with other states and international organizations of the donor community;
- negotiating agreements for cooperation with the states recipients of aid;
- elaborating, together with the other ministries and agencies, medium-term national programs and annual action plans for cooperation with developing countries as well as strategic documents by country;
- submitting for approval the financial parameters of the official development assistance to the Ministry of Finance (MF) based on the approved programs and annual action plans;
- submitting to the Ministry of Finance medium-term projections and estimates of the funds needed for official development assistance on the grounds of the annual action plans and programs approved by the Council of Ministers;
- keeping contacts with non-governmental organizations and the private business in connection with their participation in the cooperation;
- summarizing and distributing information, including statistics about the results from development cooperation both in the country and before EU, the Development Assistance Committee /DAC/ of OECD and the other international partners;
- seeking to promote and increase public support to the Bulgarian program and projects in that area;
- coordinating the elaboration of a special legislative basis regulating the provision of the Bulgarian development assistance.

Bulgarian Embassies in recipient countries liaise between the country and the beneficiaries of Bulgarian assistance and carry out coordination, on a local level, with the activities of other donors, particularly with the European Commission and the EU Member States.

The Ministry of Finance (MF):

- determines the selection of financial schemes and instruments;
- coordinates the general financial framework of the official development assistance provided by funds from the state budget;
- participates in the process of official development assistance programming and planning;
- includes the funds for official development assistance in the central republican budget;
- submits to MFA information about the budget resources provided as official development assistance in connection with the preparation of the reports to the Development Assistance Committee of OECD and EC.

The role of interested ministries and agencies is of a particular importance in connection with the need for coherence between the development policy and the other government policies (social, environmental, healthcare, agriculture, trade, migration etc.) which would have an effect on the partner countries.

Within their competences, **interested Bulgarian ministries and institutions:**

- take part in the formation of the national development assistance policy and in the work of the EU relevant bodies and the international organizations on development matters;
- elaborate and make specific proposals to be included in the medium-term program and the annual action plans for development cooperation in the respective area as well as for bilateral cooperation projects to be approved by IDCC;
- ensure the implementation of the medium-term program and the annual action plans for development cooperation in the respective area as approved by the Council;
- regularly report on the results from the implementation of the approved programs and the annual action plans for development cooperation in the respective area as well as on the results from the implementation of the specific projects to MFA and MF;
- ensure that their representatives are included in Bulgarian delegations to international fora on development matters according to their competence;
- submit to MFA the information needed for the preparation of the reports and the completion of EC and OECD questionnaires on development policy.

The **National Audit Office** performs independent audits of funds spent to ensure Republic of Bulgaria's participation in international development cooperation. The audit reports will be officially published.

8. Financing of Republic of Bulgaria's participation in international development cooperation.

The Republic of Bulgaria will strive to reach the levels set for newly acceded member states regarding the provision of official development assistance, i.e. assistance to the amount of 0.17% of GNI in 2010 and 0.33% of GNI in 2015, depending on its economic status and possibilities.

The funds for its Development Assistance Policy implementation will be provided for in the central republican budget of the Republic of Bulgaria.

The Council of Ministers, on proposal of the Chairman of IDCC, is to approve the allocation of funds for the financing of development projects, which shall be provided for in the budgets of MFA and the other institutions which are primary receivers of budget appropriations.

9. Planning, management and reporting of development assistance activities:

The planning, implementation, monitoring and evaluation of the projects referring to the policy on Republic of Bulgaria's participation in international development cooperation will be based on clear and transparent procedures consistent with EU and OECD/DAC practices. *Planning* will be carried out through annual action plans of specific activities and medium-term three-year programs. All interested institutions within the public administration are to submit to the Minister of Foreign Affairs projects and proposals in the relevant area, to be included in the medium-term program and the annual action plans as per the geographical and sectoral priorities approved in this Concept. Based on them as well as on the proposals of the non-governmental sector that meet the respective criteria MFA elaborates and submits to IDCC annual action plans. MFA is to develop clear rules and criteria for evaluation of the projects, which will be part of the legislative basis of the development policy.

All institutions from the administration are to coordinate with MFA the activities in their competence that fall under the "Official Development Assistance" category but are not part of the activities approved in the framework of the medium-term strategy or the working plan for development cooperation and originate as secondary or ancillary activities to a project in another area under the competence of the relevant ministry. The approved candidates will *implement* the projects under the overall coordination of the Ministry of Foreign Affairs which will carry out regular *monitoring* of the official development assistance and evaluate the achieved results and effectiveness of the assistance.

The activities in the field of development assistance will be reported in compliance with the principles and practices for reporting of Official Development Assistance approved by OECD/ DAC. Until a specialized structure is established, the national statistics in that area will be annually prepared by a special unit at MFA with the assistance of all ministries and agencies represented in the International Development Cooperation Council.

10. Role of NGOs and the private sector

The development policy of the Republic of Bulgaria is open for participation of the non-governmental sector. NGOs are an important instrument of citizens' participation in the formulation and implementation of the development policy. They provide a discussions forum by way of which the problems of international development will be brought up to the public attention and the support of the public would be sought. The contribution of NGOs will be manifested in generating ideas and recommendations for policy formulation within the framework of the International Development Cooperation Council (IDMC), preparing and presenting specific projects and making the public aware of the international development problems and the Bulgarian contribution to their solution.

Within the framework of the Millennium Development Goals, the cooperation between the public sector and the private sector is encouraged in the form of the so-called public-private partnerships. In this context Bulgaria's development policy is open for participation to the private business as an engine of economic development, employment and welfare in developing countries by way of activities such as building up human capital, transfer of know-how, technologies and good practices; building up physical and social infrastructure, developing skills for participation in the social dialogue, providing technical assistance for establishment of regional integration structures etc.

THE DESCRIPTION OF IMPLEMENTATION PROCEDURES OF DEVELOPMENT COOPERATION AND DEMOCRACY PROMOTION PROGRAM

I. GENERAL PROVISIONS

1. The Description of Procedure for Implementing the Development cooperation and Democracy Support Program (hereinafter – the Description of Procedure) sets forth the strategic planning of the Development Cooperation and Democracy Promotion Program, the submission of project applications, their screening, project management, their assessment, procedure for implementing the diplomatic mission programmes, the principles of project funding, information about management of the Development Cooperation and Democracy Promotion Program.
2. The development assistance policy of the Republic of Lithuania is a constituent part of the Lithuanian foreign policy. Its aim is to support a sustainable, unbiased and universal human and social development of the state partners. The fostering of human rights, democracy, and the rule of law, gender quality and good management is an integral part of this policy. These goals were enshrined in the Resolution adopted by the Seimas of the Republic of Lithuania of 5 May 2004 “On the directions of foreign policy of the Republic of Lithuania after Lithuania became a full-fledged member of the NATO and the European Union (Official Gazette, No. 75-2572), decree No. 561 of the Government of the Republic of Lithuania of 8 June 2006 “On the Approval of Provisions of the Development assistance Policy for 2006-2010 (Official Gazette, 2006, No. 66-2435), the arrangement of political parties “On the main goals and objectives of the state foreign policy for 2004-2008” (5 October 2004).
3. The development assistance policy of the Republic of Lithuania is based on the values, principles and provisions enshrined in the following legal documents of the European Union and international organizations: The United Nations “Millennium Declaration” of 8 September 2000, The council and Commission declaration “On the development assistance policy of the European Community” of 16 November 2000, Montero’s consensus “On ensuring funding for development: of 22 March 2002, Directive 2004/18/EC of the European Parliament and of the Council of 31 March 2004 on the coordination of procedures for the award of public works public supply contracts and public service contracts, Paris declaration of 2 March 2005 “On the Efficiency of Development assistance Policy“, Resolution of the European Parliament of 12 April 2005 “On the EURO Role Seeking the Millennium Development Goals”, common statement of the Council, the European Parliament and the Commission of 22 November 2005 on the European Union development assistance policy “The European Consensus on Development”, Commission communication to the Council, European Parliament, European Economic and Social Committee and Committee of the Regions: “On non-governmental subjects and local authorities participating in the development process” (COM (2006) 19 final).

4. Based on Order No.V-147 of 30 November 2006 of the Minister of Foreign Affairs of the Republic of Lithuania “On the Establishment of Development cooperation and Democracy promotion Department in the Ministry of Foreign Affairs”, Development Cooperation and Democracy Promotion Department (hereinafter – Department) is responsible for the formation of development assistance policy of the Republic of Lithuania, its implementation and coordination, informing the Lithuanian society on the implementation of the development assistance policy and the insurance of support to this policy within the scope of its competence.
5. The following terms are used in the description of procedure:

Large project – a project that is subject to a strictly regulated project cycle that envisages the goals, objectives and types of activity of a broader scale in comparison to the small projects. The maximum value of the large projects is determined by the Commission.

Projects program of diplomatic missions – a program of projects on the development cooperation and democracy promotion administrated by the diplomatic missions, consular offices, representative offices at international organizations and special missions.

Special urgency project – a short term small scale project implemented by the Department or a diplomatic mission. The decision on the project is adopted as a matter of urgency. The maximum value of the special urgency projects is determined by the Commission.

Commission – Commission for the Development Cooperation and Democracy Promotion programs and projects (hereinafter – the Commission) of the Ministry of Foreign Affairs (hereinafter – Ministry) headed by the secretary of the Ministry. The legal grounds for the activities of Commission, its objectives and functions, there rights and duties of the Commission and its members, the procedure of forming the Commission and organizing its work is set forth in the Provisions of Commission that are approved by order of the Minister of Foreign Affairs of the Republic of Lithuania.

Logical structure – an instrument of project planning and implementation covering the following strategic elements: long term and immediate goals of the project, anticipated results, and specific immediate goals achieved, envisaged for attaining corresponding results for particular types of activities, costs necessary to achieve the results and the most important premises and risks. When carrying out an analysis of the logical structure, the most important problems, interest groups are assessed, the project goals are set, alternatives and the beneficiaries of benefit are analysed and a project implementation strategy is selected.

Small project – a project which implementation requires more than 6 months. The maximum value of the small project is determined by the Commission.

Sub-commission – a sub-commission of the Commission (hereinafter – Sub-commission) headed by the director of the Department (deputy chairman of the Commission). The legal grounds of activities of the Sub-commission and its functions, the rights and duties of the Sub-commission and its members, the procedure of organising a Sub-commission and organizing its work is established in the Provisions of Sub-commission that are approved by order of the Minister of Foreign Affairs of the Republic of Lithuania.

Project – non-commercial activities intended to implement the development cooperation and democracy promotion objectives of Lithuania in the state partner within a clearly defined period and having to achieve the results anticipated, with clear executors and the beneficiaries of benefit.

Project document – a document wherein a project idea, long-term and immediate goals, premises and envisaged measures to achieve it are described, including the types of activity, most important external and internal factors, possible risks and measures to avoid them, project management, settlements and an estimate of costs. The project document is a part of the project implementation agreement.

Project application – a document prepared by the implementing agency/applicant according to the approved form that is submitted correspondingly to the Commission or Sub-commission with consideration of the project size under the procedure approved.

Project management – a project implementation system that covers the formation of structure with clearly defined functions of the institutions participating in the project (state donors, implementing agency, implementing agency in the state partner and other state partners, project supervisory committee, project advisory council, etc.) and other project participants (project manager, project manager in the partner country, project team, experts, etc.) and their interaction (project funding, implementation, supervision, monitoring and assessment).

Implementing agency – a legal and natural person who submitted an application or received funding according to the project implementation agreement already signed with the Ministry for implementing the types of activities specified in the project application. By Commission's decision the implementing agency may also be a non-Lithuanian legal or natural person.

Voluntary contribution – the allocation of funds of the Development Cooperation and Democracy Promotion Program of the Republic of Lithuania for funding the projects of the European Union, United Nations and other international organizations.

Scholarship – the allocation of funds of the Development Cooperation and Democracy Promotion Program of the Republic of Lithuania for the studies of state partners in the Lithuanian higher education institutions or for the studies of citizens of the Republic of Lithuania in foreign higher education institutions on the topic of development assistance.

Agreement – a project implementation agreement with poor or little develop states seeking to support long-term political, economic and social development of these states, to ensure democracy, the rule of law and human rights, also to contribute to the reduction of poverty in the world. Democracy support is a constituent part of development assistance covering the fostering of human rights, democracy, and the rule of law, gender equality and good management.

6. All other terms used in this description of procedure correspond to the terms defined in the Resolution No. 561 of 8 June 2006 of the Government of the Republic of Lithuania “On the Approval of Provisions of the Development assistance Policy for 2006-2010” and other legal acts.

II. STRATEGIC PLANNING OF DEVELOPMENT COOPERATION AND DEMOCRACY PROMOTION, PROJECT MANAGEMENT AND ASSESSMENT

1. STRATEGIC PLANNING

7. The strategic planning system of the development cooperation and democracy promotion system consists of:
 - 7.1. mutually associated main strategic planning documents that are divided into the medium-term, short-term target programs and year guidelines;
 - 7.2. The Department, Diplomatic Missions, Sub-commission, Commission are responsible for the preparation and approval of strategic documents.
8. Strategic planning covers an analysis of the current situation, the determination of main directions and desired changes of the Development Cooperation and Democracy Promotion Program and the development of strategy. The goal of strategic planning is to analyze the problems, needs and possibilities of the state partners or the region with consideration to foreign policy of the Republic of Lithuania, national interests, priorities and experience of the development assistance policy.
9. The following strategic documents may be developed;:
 - 9.1. medium term (3-5 years) strategy (hereinafter – Strategy) wherein the goals of development assistance are defined, problems associated with the development assistance are identified, sectoral and/or thematic issues, cooperation of development assistance between Lithuania and other donor states and international organizations, the ideas of possible programs are formulated and put forward;
 - 9.2. short-term (1-3) target program (hereinafter – Target program) wherein the goals, objectives set forth in the strategy are made more specific, and possible alternatives for their implementation are identified; the Target program may combine several individual projects (e.g. by the state partners, by the region or the field);
 - 9.3. year guidelines (hereinafter – Guidelines) wherein the goals set for the upcoming budget year, anticipated results are set forth, and the measures necessary for the implementation of these goals are described, a list of priority countries and sectors is provided, and a budget for the upcoming year is preliminarily distributed according to priorities, or the categories of target programs and projects are determined or updated (e.g. small and large projects, special urgency projects, scholarships, programs of diplomatic mission projects, etc.).
10. Decisions on the development and structure of Strategies, Target programs are adopted by the Commission. The Department is responsible for the development and/or the coordination of development of Strategies, Target programs and Guidelines.
11. Each year the Department must develop the Guidelines and submit them for approval by the Commission. The Commission has the right to adopt a decision regarding amendments and/or supplementations to already approved guidelines.
12. The Guidelines are developed with reference to the Strategies, Target programs, recommendations approved by the Ministry management, administrative units of the Ministry and Commission/Sub-commission, also based on the analysis of programs

and projects already carried out and conclusions made by the Department and other associated information.

2. CALL FOR PROPOSALS. SUBMISSION OF PROJECT APPLICATIONS. ADMINISTRATIVE AND COMPREHENSIVE ASSESSMENT

13. Pursuant to the Guidelines the Commission approves a call for proposals, application forms and the date of announcing the call for proposals.
14. The Department is responsible for the development of the call for proposals text and project application forms, the requirements and/or instructions for filling out applications, their submission to the Commission for examination, approval and announcement.
15. The Call for proposals is announced in the supplement "Informational notices" of the Official Gazette. Call for proposals, forms for filling out applications, requirements and/or instructions for filling out applications, other additional information is also announced on the Ministry's website in the Lithuanian, English and Russian languages. Call for proposals to submit applications may also be announced in other media.
16. Natural and legal persons of the Republic of Lithuania may submit project applications and form the projects, and in exceptional cases, when there is no possibility to cooperate with the natural and legal persons of the Republic of Lithuania, by the decision of Commission applications may also be submitted by legal or natural persons of foreign states. The project applications are submitted by mail or e-mail.
17. The Ministry's administration units may put forward their ideas of projects within the scope of their competence and to submit them for approval by the Sub-commission or Commission.
18. The Department has the right to identify the ideas of new projects and/or develop the project applications and submit them for examination by the Sub-commission or Commission. If the project idea is approved by the Sub-commission or Commission, a tender for the project application and/or a tender for the implementing agency may be announced. The tender conditions and the winner shall be approved by the Commission or Sub-commission. The Department is responsible for the preparation, announcement of the tender dossier, and for the organization of the tender.
19. Pursuant to the conditions and terms indicated in the Call for proposals an application in Lithuanian, English or Russian language is submitted to the Department by e-mail:(projektai@urm.lt) not later than at 12.a.m. of the final date for the submission of applications indicated in the Call for proposals.
20. An application mailed by mail (to the address: The Development Cooperation and Democracy Promotion Department, the Ministry of Foreign Affairs of the Republic of Lithuania, J. Tumo-Vaižganto str. 2, LT-01511 Vilnius) has to be sent not later than on the last date for the submission of applications specified in the Call for proposals (this is evidenced by a post stamp on the envelope signifying the date of dispatch).
21. The date of receipt of application is considered the registration date that is indicated by a stamp on the envelope or a mark of the Records Management Division of the

Ministry of Foreign Affairs of the Republic of Lithuania. The application is registered in the registration journal by providing it with an original code.

22. Upon the receipt of application, the Department, guided by the application assessment criteria, must carry out an administrative assessment of application: i.e. to identify whether the application was sent on time, is properly filled out (pursuant to the instructions for filling out application) and has all obligatory supplements.
23. If an application was sent after the deadline for the submission of applications, the Department shall inform within five working days (by e-mail/fax/mail) the applicant that the application will not be examined.
24. If the application submitted fails to meet some part of administrative requirements, the Department shall inform by e-mail/fax/mail the applicant of the deficiencies of application or inaccuracies thereof and shall specify the term within which they have to be eliminated. If the applicant does not have a possibility to eliminate the shortcomings, he shall inform thereof the Department until the term specified by e-mail/fax/mail.
25. If the application meets the administrative project requirements, a comprehensive assessment of application is carried out based on the comprehensive assessment criteria of application. The assessment has to be made by at least two employees of the Department.
26. Information as to who carries out comprehensive assessment of applications is confidential and may be disclosed only under the procedure established in the legal acts of the Republic of Lithuania. Having carried out a comprehensive assessment of application, the employees of the Department who carried out comprehensive assessment shall generalize the results of administrative and comprehensive assessment and shall provide them in a summary table of comprehensive assessment of applications.
27. If the applicant refuses to correct or supplement the application submitted until the term specified, the Department shall notify the Sub-commission and/or Commission of the refusal of the drawer of application to eliminate the shortcoming and may recommend that the Commission or the Sub-commission rejected the application as failing to comply with the requirements or not subject to examination.
28. The criteria of administrative and comprehensive assessment are determined by the Commission. Having carried out the assessment of application (s) submitted, the Department shall submit to the Sub-commission the generalized assessment results together its recommendation to approve/to approve with a reservation the project application. Together with the project assessment results the Sub-commission is furnished with the copies of application (s) documents.

3. SCREENING OF PROJECT APPLICATIONS. PROJECT FORMING

29. The Commission/Sub-commission, within the scope of its competence, guided by the priorities set forth in the legal acts of the Republic of Lithuania, Guidelines and other strategic documents, also comprehensive assessment results and recommendation of the Department adopts a decision regarding the eligibility of application, its financing and the formation of project documents.

30. The Sub-commission must consider all project applications submitted by the Department and adopt decisions. The decisions of Sub-commission shall be recorded in the minutes.
31. Decisions on the funding of small projects, special urgency projects and scholarships are adopted in the Sub-commission.
32. Decisions on the funding of large projects are adopted in the Commission upon the receipt of recommendations from the Sub-commission regarding their eligibility. The Commission's decisions shall be recorded in the minutes.
33. If the Commission/Sub-commission adopts a decision to reject an application, the reasons for such decision should be listed in the minutes.
34. When assessing the applications of small projects, the Sub-commission adopts the following decisions:
 - 34.1. To approve an application and to oblige the Department to form the project document, to prepare a draft agreement and to coordinate the signing of agreement.
 - 34.2. To approve an application with reservations (not associated with the re-formulation of the project idea) and may oblige the Department to coordinate amendments to the projects, to form the project document, to prepare a draft agreement and to coordinate the signing of agreement.
 - 34.3. To approve an application with reservations (not associated with the re-formulation of the project idea) and may oblige the Department to coordinate amendments to the projects and to return the project for examination by the Sub-commission.
 - 34.4. To reject an application with indication of the essential reasons of decision;
 - 34.5. Within the scope of its competence to adopt other decision determining the preparation of application, project funding, the formation the project document and the preparation of an agreement.
35. When assessing special urgency project applications the Sub-commission adopts the following decisions:
 - 35.1. To approve an application and to oblige the Department to form the project document, to prepare a draft agreement and to coordinate the signing of agreement.
 - 35.2. To reject an application with indication of the essential reasons of decision.
36. When assessing the applications of large projects, the Sub-commission adopts the following decisions:
 - 36.1. to recommend that the application was approved;
 - 36.2. to recommend that the application was approved with reservations (not associated with the re-formulation of the project idea);
 - 36.3. to recommend that the application was re-formed from the large project into the small project and to submit it for examination by the Sub-commission;
 - 36.4. To recommend that an application was rejected with indication of the reasons for such decision.
 - 36.5. May also adopt other recommendation decisions regarding the applications of large projects within the scope of its competence.

37. The Department shall furnish the Commission with the copies of project applications received and the Sub-commission's recommendations regarding the eligibility of large projects. The Commission shall adopt decisions regarding the eligibility of large project applications and funding thereof, shall determine the course and terms for the formation of project documents.
38. While assessing the applications for large projects the Commission adopts the following decisions:
 - 38.1. to approve/not to approve the Sub-commission's recommendation and to approve an application by obliging the Department to form the project document, to prepare a draft agreement and to coordinate the signing of agreement;
 - 38.2. to approve/not to approve the Submission's recommendation and to approve an application with reservations (not associated with the re-formulation of the project idea) by obliging the Department to coordinate amendments to the projects, to form the project document, to prepare a draft agreement and to coordinate the signing of agreement;
 - 38.3. to approve an application with reservations (not associated with the re-formulation of the project idea) by obliging the Department to coordinate amendments to the application and to return the project for examination by the Sub-commission and/or Commission;
 - 38.4. to recommend that the applicant re-formed an application from the large project into the small project, and with the submitter's consent and after the preparation of an amended application, once again to examine it in the Sub-commission;
 - 38.5. to reject an application with indication of the reasons of decision.
 - 38.6. within the scope of its competence to adopt other decisions determining the preparation of application, project funding, the formation of project document and the preparation of agreement.
39. After the Commission/Sub-commission adopts a decision regarding eligibility and funding, the Department indicates to the implementing agency the terms and other conditions for the formation of the project document and preparation of agreement.
40. Based on the decision of Commission/Sub commission the Department suggests that the applicant supplemented and/or amended the project, that he reformed the project idea or reformed the application from the large project into the small project. On the basis of application the project document has to be prepared that will be an obligatory supplement to the agreement.
41. If the applicant refuses to supplement and/or amend the project, to reform the project idea, to reform the application from the large project into the small project, does not participate when forming the project document, the Department shall notify thereof the Commission/Sub-commission and shall submit correspondence with the applicant. On this basis the Commission/Sub-commission may adopt a decision to reject the project application.
42. The Department shall inform the applicant of the decision of Commission/Sub-commission by e-mail/fax/mail not later than within thirty calendar days.
43. Having adopted a decision to fund a large project the Commission/Sub-commission shall oblige the Department to form the project document, to prepare a draft agreement, to coordinate it with the implementing agency in compliance with the

general requirements for the content of agreement, and to submit the agreement for signing.

44. Information associated with the project assessment and decisions on funding are confidential, except for the cases stipulated in the legal acts of the Republic of Lithuania.

4. PROJECT MANAGEMENT

45. The beginning of project implementation is the date of signing the project implementation agreement.
46. The Department, with consideration to the types of activity specified in the project documents and the project duration, determines the amounts and terms of payment instalments and indicates them in the agreement.
47. During the project implementation period the Department carries out regular monitoring of the project implementation and the assessment of basic results, and, if necessary, informs the Commission/Sub-commission of the project course.
48. The implementing agency is responsible for the formation of an efficient project execution structure (project team) with clearly defined functions and responsibility. The implementing agency appoints a project manager and shall inform thereof the Department.
49. At the beginning of implementing large projects, a project supervisory committee may be formed which composition shall depend on the specific nature of project. Usually it is comprised of the representatives of the Department, other project donors (if any), implementing agency, project partners (if any) and corresponding institutions of the state donor. The project manager may not be a member of the project supervisory committees. The objectives and functions of the project supervisory committee, the rights and duties of its members, the procedure of their formation and organization shall be set forth in the Work Regulation of the Project Supervisory Committee.
50. The Project Supervisory Committee expresses its opinion regarding the project activities by assessing (to approve or not to approve, to submit commentaries) the reports, and is entitled to put forward to the Commission/Sub-commissions amendments to the project. The project manager must submit to the Project Supervisory Committee the project reports and receive commentaries regarding these reports until the term of their submission to the Department.
51. Seeking a more efficient, transparent and as effective as possible activities of the large project, an advisory institution - the project advisory council may be established that is usually comprised of authorized representatives of different interest groups (non-governmental organizations, municipal, scientific and educational institutions, business organizations, etc.) that have an effect on the project activities.
52. The implementing agency shall be liable for the preparation of quality reports and their timely submission to the Department. Prior to signing a Certificate of Transfer/Acceptance of Works, the Department shall verify whether the implementing agency provided all accounting documents substantiating the costs.
53. The implementing agency, by abiding to the obligations set forth in the agreement, at the request of Department shall inform it of the activities performed by submitting project management reports prepared according to the form determined by the Department and using the logical structure provided in the project document.
54. A general description of the current situation, local conditions, actual premises and risks, and other internal and external factors that have an effect on the project activities, progress made, with indication of the problems arising and the measures envisaged for their solution shall be provided in the project implementation report.

55. The terms for the submission of project implementation reports and their frequency shall depend on the project length and type, and shall be fixed in the agreement.
56. The following project implementation reports may be submitted:
 - 56.1. intermediary;
 - 56.2. annual;
 - 56.3. final.
57. The intermediary project report is usually submitted to the Department after half of the project implementation period has passed, unless it is indicated otherwise in the agreement.
58. If a project that lasts more than one year is implemented, an annual report shall be submitted at the end of the current year on the date fixed in the agreement.
59. The final project implementation report shall be submitted not later than within thirty calendar days after the project implementation, but not later than until 15 December of the current year.
60. All reports are comprised of two parts: the business part and the financial part.
61. The business part of the final project implementation report shall discuss the following aspects:
 - 61.1. relevance – compliance with the goals of the Development Cooperation and Democracy Promotion Program;
 - 61.2. effectiveness – whether all or a part of the goals were attained;
 - 61.3. sustainability – probability that the project results will have long-term positive consequences;
 - 61.4. efficiency – how the financial resources were used to achieve the results;
 - 61.5. effect – positive and negative, primary and secondary, direct and indirect, anticipated and not-anticipated.
 - 61.6. “lessons learnt” – the identification of essential project implementation aspects that would substantiate the continuity of project and/or enable to form and to put forward a new project idea.
62. The implementing agency shall submit the financial part of the annual or final report in compliance with the general requirements for drawing up financial statements.
63. Upon the receipt of an annual final project implementation report, the Department shall furnish the Commission/Sub-commission with a project assessment and shall submit a recommendation regarding the assessment and approval of the project implementation report. The Commission/Sub-commission shall adopt a decision regarding the assessment of project implementation. If the project is implemented for more than new year, the Commission/Sub-commission shall adopt a decision regarding further course of the project,
64. If, in the opinion of implementing agency, the project has to be immediately changed, the decisions regarding it may be adopted in the following ways:
 - 64.1. a possibility for the implementing agency should be envisaged in the agreement to allow him to make a non-essential amendment to the plan of the project work, or to transfer the funds for a particular project part from one budget line to another (but not

more than 10 per cent of the value), and the reasons for the application of such measures have to be clearly stated in the project report submitted;

- 64.2. essential amendments to the plan of project work or the financing of activity that do not exceed the total project value may be suggested in the interim project report; in such case upon the receipt of report, the Department approves, approves partially or rejects the suggestions; if the Department does not express a negative opinion within ten working days, the suggestion shall be considered to have been approved.
65. If such project amendments are suggested that make an essential change of the project composition, the Commission/Sub-commission may recommend that the Department carried out an external inspection of the project implementation, including an assessment of project implementation conditions at the place of project implementation.
66. At the request of implementing agency, if there are funds saved, or if objective reasons emerge as a result whereof the terms of implementation of the types of activities specified in the project were postponed, the Department may suggest that the project implementation period was extended for 3-6 months, when the project duration is up to one year, and for 6-2 months when the project duration is more than one year.
67. If a project implementation period is extended, an additional agreement has to be signed to the already signed project implementation agreement. The additional agreement should specify the new types of activity (if any), and the new terms and conditions for the implementation of new or non-carried out types of activity by assessing their reasonability beforehand.
68. Not later than within five working days from the adoption of decision regarding an agreement on the extension of the project implementation period the Department shall notify thereof the executor by e-mail or fax.

5. FINAL PROJECT ASSESSMENT AND THE PROJECT QUALITY

69. There may be the following project assessment goals:
 - 69.1. to assess the effect of project on the state partners;
 - 69.2. to assess the project compliance with the foreign policy goals of the Republic of Lithuania;
 - 69.3. to assess the project results achieved;
 - 69.4. to assess the project effect on target groups;
 - 69.5. to identify successes and failures seeking to induce the implementing agency to correct the mistakes and to avoid failures in the future;
 - 69.6. to assess an organizational structure of the project and its efficiency seeking to improve the project management in the future;
 - 69.7. to assess whether the types of activity were proper to achieve the project results;
 - 69.8. to inform society of the project implementation.
70. The Department is responsible for the internal project assessment after completion of the project. Different materials associated with the project implementation will be

used for this purpose. If doubts arise as to the project implementation, external or complex assessment may be carried out.

71. An external assessment process is usually comprised of the following stages:

71.1. The Commission/Sub-commission adopts a decision to carry out assessment;

71.2. The Department carries out the preparatory works and determines the assessment conditions (scope, most important areas where attention has to be drawn, and the type of assessment):

71.3. the Department defines the requirements of assessment report, form the tasks and determines the time limits within which an assessment may be carried out; for complicated projects when expert knowledge is necessary in some field, an external assessor may be invited (natural or legal person); the external assessor shall be invited under the procedure set forth in the legal acts of the Republic of Lithuania;

71.4. The project assessor shall prepare a methodology for data collection and assessment, determine possible information sources, select the assessment criteria;

71.5. The project assessor performs assessment and prepares an assessment report; if the whole project or its part is assessed by an external assessor, an employer of the Department responsible for assessment supervision shall be appointed.

71.6. Taking into consideration the task formed, the project assessment results, conclusions and suggestions (“lessons learnt”) may be submitted for familiarization and/or assessment by the Commission/Sub-commission.

71.7. External assessment may be performed if the project meets at least one of the conditions specified below:

72.1.the project idea or the procedure will be repeatedly used in other projects;

72.2.monitoring, assessment submitted by the project manager or internal assessment revealed serious problems in project planning or implementation, or no planned project results or goals have been achieved;

72.3.the project is of the pilot project type;

72.4.the project is co-funded;

72.5.the project implementation was especially successful and the project results were especially significant;

72.6.if such a decision is adopted by the Commission.

73. At least 10 per cent of all projects implemented have to be assessed in the project implementation places, especially if they meet at least one of the conditions mentioned.

74. If a long-term effect of the project implemented is assessed, the assessment is usually carried out in 2-5 years after the project implementation.

75. By its type, assessment may be formal and informal, including or not including a visit to the project implementation place, also, an organization structure may be assessed, specific project or target program, the implementation and effect of strategies and other strategic planning documents, as well as the assessment procedures themselves.

76. At the time of assessment, the following information directly or indirectly associated with the project shall be compiled: reports and other documents shall be reviewed, surveys shall be conducted, experts and interest groups shall be consulted, investigations

of target groups, opinion polls shall be out, direct assessment on the site, and random measurements shall be out, etc.

77. The data collected shall be analyzed by using statistic and non-statistic, qualitative and quantitative methods, models, approximate calculations, forecasting of long-term consequences and effects, comparisons with the control data or analogues, etc.
78. The expediency, scope and methods of circulation and usage of information contained in the assessment reports, the level of publicity or confidentiality shall be determined by the Commission/Sub-commission.
79. Facts, conclusions, recommendations how to improve the implementation of projects in the future in line with the objectives raised, and the “lessons learnt” of the practical and strategic nature shall be provided in the assessment report.
80. Based on the assessment reports presented the Commission/Sub-commission may adopt the following decisions regarding the future projects:
 - 80.1. not to repeat and not to extend the project; the direct project participants may be informed of the conclusions of assessment;
 - 80.2. to allow to repeat or to extend the project provided an analysis of the project structure is carried out anew or the amendments put forward by the Commission/Sub-commission are implemented; the implementing agency and supporters shall be informed of the reasons of failures determined and of necessary amendments;
 - 80.3. to allow to repeat or to extend the project by informing about success of the project implemented/under implementation, and of the “lessons learnt” and their effect on the state partner.

III. PROJECTS PROGRAM OF DIPLOMATIC MISSIONS

81. Pursuant to the Guidelines approved by the Commission, the projects program of diplomatic missions is carried out seeking to provide the Diplomatic missions, consular offices, representative offices to international organizations and special missions (hereinafter – Diplomatic missions) with the possibility to quickly react to the short-term needs of states wherein the diplomatic missions have been accredited in the fields of development assistance policy.
82. By Commission’s decision the projects program of Diplomatic missions is implemented by Diplomatic missions accredited in the states specified in decree No. 561 of the Government of the Republic of Lithuania “On the Approval of Provisions of the Development Assistance Policy for 2006-2010 (Official Gazette, 2006, No. 66-2435).
83. With consideration to the development assistance policy goals of the Republic of Lithuania, the projects program of Diplomatic missions may also be carried out in other Diplomatic missions.
84. The projects program of Diplomatic missions in any Diplomatic missions specified in the decree No. 561 of the Government of the Republic of Lithuania “On the Approval of Provisions of the Development Assistance Policy for 2006-2010 (Official Gazette, 2006, No. 66-2435) may be suspended at the decision of Commission.
85. Diplomatic missions shall perform an analysis of needs (plan of activities) of the state wherein/to which they are accredited and shall submit it to the Department by the date

specified by the Commission. The budget of projects program of a Diplomatic mission shall be approved for the next year at the decision of Commission.

86. A commission for the projects programs of Diplomatic missions shall be formed in the Diplomatic missions. The Commission of projects program of Diplomatic missions is recommended to be formed of three persons: manager of the Diplomatic mission, diplomat appointed in the Diplomatic mission to be responsible for development cooperation and democracy promotion, and employee responsible for financial accounting. The composition of Commission is approved by the manager of Diplomatic mission. The manager of Diplomatic mission is recommended to be appointed the chairman of commission of the program. The functions of commission of the projects program of Diplomatic missions, the rights and duties of its members, the procedure of its forming and organization of work is determined in the regulation of projects program of Diplomatic missions that is approved by the manager of Diplomatic mission.
87. The chairperson of projects program of Diplomatic mission is accountable for the implementation of the program to the Commission.
88. The Commission of projects program of Diplomatic mission examines applications regarding eligibility and funding thereof from the projects program of Diplomatic mission and adopts a decision on their eligibility for funding.
89. Special urgency projects may be funded from the projects programs of Diplomatic missions.
90. The decisions of commission for the projects program of Diplomatic mission shall be recorded in the minutes.
91. A diplomat responsible for development cooperation and democracy promotion analyzes applications and submits suggestions regarding eligibility of applications for funding, coordinates correspondence regarding the implementation of projects program of Diplomatic missions, is responsible for the project implementation reports, monitoring and assessment of project implementation.
92. The following administrative expenses may be envisaged for implementing the projects program of Diplomatic missions (not more than 10 per cent of the program funds).
93. The commission of projects program of Diplomatic missions adopts a decision on the ways by which information on the possibility to submit applications for the projects program of Diplomatic missions will be circulated.
94. Applications to the projects program of Diplomatic missions may be submitted by:
 - 94.1. natural and legal persons of the Republic of Lithuania;
 - 94.2. natural and legal persons of the states wherein/to which the mission was accredited.
95. An application may be submitted in the English, Russian or Lithuanian languages.
96. When adopting a decision to reject an application, the Commission of projects program of Diplomatic missions has to indicate the reasons of such decision in the Minutes.
97. A response on rejection to the applicant may be given in writing or orally not later than in thirty calendar days.
98. Upon adoption of a decision on eligibility of application and funding thereof by the projects commission of Diplomatic mission, an agreement is signed with the implementing agency.

99. Amendments to the estimate of costs during the project implementation shall be executed in additional agreement.
100. Co-funded projects may be funded from the projects program of Diplomatic mission provided:
 - 100.1. visibility of the Diplomatic mission and Lithuania is ensured;
 - 100.2. types of activities that are funded by the Diplomatic mission, and that are funded by other donors are clearly defined in the project funded.
101. If co-funding is envisaged in the project, the report should state for what types of activity the funds of Diplomatic missions were granted.
102. Within 30 days after the completion of project the implementing agency shall submit to the Diplomatic mission a project implementation report. The business part of the report shall contain a description of the types of activity and results, and the financial part of report shall provide a summary of costs. All costs have to be substantiated by invoices and other documents evidencing the costs sustained, or copies thereof subscribed by the implementing agency.
103. The Diplomatic mission compiles and systemises information about the projects program of Diplomatic mission, i.e. submission of applications, adoption of decision on eligibility and funding of a project, correspondence with the applicant, implementing agency, the project implementation report prepared by them, documents evidencing the costs, report prepared by the Diplomatic mission on the implementation of projects program of Diplomatic mission.
104. The projects program of Diplomatic missions shall be funded and an accounting report on the use of funds shall be presented pursuant to the procedure for the provision of target purpose funding and accountability for them set forth in the “Rules for the Making an Estimate of Costs, Implementation and Financial Accounting of Diplomatic Missions, Consular Offices and Representative Office at International Organizations of the Republic of Lithuania” approved by order No. V-5 of 18 January 2005 of the Minister of Foreign Affairs of the Republic of Lithuania.
105. A mission shall submit two business reports during the current year: one until 15 July, and the second one until 15 December. The funds used up to that moment have to be indicated in the report.
106. After completing a projects program of Diplomatic mission, the Diplomatic mission shall prepare and submit to the Department until 31 January a business report on the project implementation with indication of the program goals and the results achieved; assessment, what effect the projects implemented by a Diplomatic mission had on the development, bi-lateral relations of the state (location, etc.); how it contributed to the enhancement of visibility of the mission and Lithuania in that state; brief description of successfully implemented projects with indication how many applications were received, what number of them was approved and rejected, brief description of the approved projects that failed to achieve the goals set with indication of the reasons for their inefficiency; upon ascertainment of administrative shortcomings of program implementation, the problems and offers for their solution should be set forth.

IV. PROJECT FUNDING PRINCIPLES

1. FUNDING PREMISES. ELIGIBLE AND NON-ELIGIBLE EXPENSES

107. The funding and financial reporting of the development cooperation and democracy promotion projects is carried out pursuant to the following legal acts of the Republic of Lithuania: “Law on Composition of the Budget of the Republic of Lithuania (Official Gazette, 1990, No. 24-596; 2004, No. 4-47), “Law on Public Procurement of the Republic of Lithuania” (Official Gazette, 1996, No. 84-2000; 2006, No. 4-102), “Law on State Control of the Republic of Lithuania” (Official Gazette, 1995, No. 51-1243; 2001, No. 112-4070), decree of the Government of the Republic of Lithuania of 14 May 200 “On the Approval of Rules for the Formation and Implementation of State and Municipal Budgets of the Republic of Lithuania” (Official Gazette, 2001, No. 42-1455; 2004, No. 96-3531), decree No. 526 of 29 April 2004 of the Government of the Republic of Lithuania “On the Approval of Rules for Reimbursing for Official Business Trips in the Budget Institutions” (Official Gazette, 2004, No. 74-2555), Order No. 130 of 19 September 2002 of the Minister of Foreign Affairs of the Republic of Lithuania “On the Use of Funds for Representative Expenses”, Order No. 127 of 11 July 2003 of the Minister of Foreign Affairs of the Republic of Lithuania “On the Approval of Rules for Financial Control of the Ministry of Foreign Affairs of the Republic of Lithuania”, Order No. V-5 of 18 January 2005 of the Minister of Foreign Affairs of the Republic of Lithuania “On the Drawing up, Implementation of the Estimate of Costs of Diplomatic Missions, Consular Offices and Representative Offices at International Organizations of the Republic of Lithuania and of the Financial Accounting Rules”, Order No. V-157 of 3 December 2004 of the Ministry of Foreign Affairs “On the Accounting Policy” (edition of the law No. V-12 of 5 February 2007), Order No. 70 of 16 March 2001 of the Minister of Finance of the Republic of Lithuania “On the Approval of Rules on the Accounting of Budget Institutions” (Official Gazette, 2001, No. 30-978; 2006, No. 2-16), Order No. 116 of 21 November 1996 of the Minister of Finance of the Republic of Lithuania “On the Tariffs of Daily Allowances and Standards for the Lease of Residential Floor-space for Persons Going on Overseas Mission Trips” (Official Gazette, 1996, No. 114-2660).
108. Budget Allocations of the Republic of Lithuania for implementing the development assistance policy are granted each budgetary year for the attainment of goals and objectives set forth in the Development Assistance Policy Provisions. While implementing the Development Cooperation and Democracy Promotion Program funds are granted to the Department for its administration. A decision on the amount of funds allocated is adopted by the Commission.
109. The following may not be funded from the funds of the Development Cooperation and Democracy Promotion Program: arms, military and other equipment, nuclear technology not intended for peaceful purposes, luxury goods, commercial activities, other activities contradictory to the interests of foreign policy of the Republic of Lithuania.
110. After concluding a long-term agreement (usually for not longer than three year term) on the project implementation, with ascent of the parties, additional agreements on the allocation of funding may be signed and approved by the Commission each year. At the demand of Commission, the implementing agency shall also submit updated goals for the current year, types of activities, and an estimate of costs.
111. The allocations intended for implementing the Development Cooperation and Democracy Promotion Program may cover the following costs:

111.1. intended for partner countries included into the list of countries beneficiaries of the Organization for Economic Cooperation and Development, Development Assistance Committee (OECD DACE) or are granted through contributions to the international development assistance organizations or through structural units of international organizations for development assistance;

111.2. intended for funding activities that is defined as attributable/characteristic to development assistance by the documents of international organizations for development assistance or Lithuanian foreign policy and development assistance policy.

112. Project funding ways:

112.1. project implementation agreements are signed;

112.2. agreements on the granting of scholarships are signed;

112.3. voluntary contributions,

113. Only those costs may be acknowledged as costs of project actions to be funded that are:

113.1. associated with the project goals and objectives included into the estimate of costs attached to the agreement and correspond to the conditions of agreement ;

113.2. necessary for implementing the types of activity of the agreement;

113.3. meet the requirements of proper financial management and costs-efficiency principles;

113.4. are substantiated by the implementing agency's accounting and tax documents, are easily recognizable and verifiable.

114. The following project costs are considered eligible:

114.1. current costs of the project (actual remuneration of employees implementing the project, social insurance contributions and other costs associated with remuneration, transport, communication, office lease, stationery, etc.) necessary for implementing the project;

114.2. other project costs (costs of mission trips/trips of persons, experts and project participants implementing the project) not exceeding the amounts fixed by the legal acts of the Republic of Lithuania in the beneficiary country;

114.3. equipment acquisition costs, if this is a constituent part of the project (equipment may not be intended for administering the project);

114.4. services (studies, expert hire, transport services, office lease, etc.) purchase costs corresponding to the market prices;

114.5. costs associated with the project publicity requirements ;

114.6. financial services costs (also currency exchange losses);

114.7. added value tax (VAT) that are not refundable to the implementing agency.

115. Non-eligible project costs are:

115.1. debts and deferrals for covering losses and debts;

115.2. interest rate;

115.3. acquisition of immovable project (except for the cases when this is a constituent part of the project);

- 115.4. contributions in kind;
- 115.5. remuneration of civil servants;
- 115.6. expenses already funded from other sources;
- 115.7. added value tax (VAT) refundable to the implementing agency.

2. REQUIREMENTS FOR FINANCIAL PROJECTS

- 116. When planning the project date and filling out a project application the implementing agency must specify the total project value asked to be funded from the budget of the Ministry of Foreign Affairs, what be the amount of co-funding, what financial contribution or input, if any, of the applicant is/will be.
- 117. The amount of sub-section “other costs” may not exceed 5 per cent of the total amount of that sub-section, whereas the total amount of “other costs” may not exceed 5 per cent of the total project value.
- 118. If daily allowances are paid to the experts, instructors of courses, training and other project participants, the costs for meals may not be covered, or they may only be covered in part, inasmuch this is necessary for covering the costs sustained if this is an obligatory condition of project implementation.
- 119. Usually the author’s fees and daily allowances are payable and the accommodation costs are covered pursuant to the procedure approved by the legal acts of the Republic of Lithuania and the requirements of legal acts inasmuch this is necessary for covering the expenses sustained, provided this is an obligatory condition of project implementation.
- 120. The project administration costs shall be covered if this is an obligatory condition of project implementation and this directly contributes to the implementation of project goals. The project administration costs may not exceed 10 per cent of the project value unless the Commission decides otherwise.
- 121. Invoices or pro-forma invoices shall be signed by employees responsible for the current financial control.
- 122. Interest rate received for the keeping of project funds in the bank account shall be used for implementing the project.
- 123. The project estimate of costs shall be drawn up based on the project logical structure and shall meet the types of project activities. Project costs are described in the sample estimate of costs of the project. No types of activity that were not mentioned in the project documents may be included into the estimate of costs.
- 124. The intended types of activities shall be expressed in monetary value.
- 125. The implementing agency may update the project estimate of costs and transfer the funds from one budget line into the other (but not more than 10 per cent of the project value), yet the reasons of such updating shall be clearly stated in the project report submitted.

3. REQUIREMENTS FOR FINANCIAL REPORT

126. The implementing agency may include only those financial activities into the financial part of the project implementation report that were actually carried out when implementing the project.
127. The financial costs shall be identified and substantiated by the accounting documents evidencing the costs. The financial accounting and internal control procedure of the implementing agency shall allow to directly compare the costs and income of the project activity with corresponding accounting documents and corroborating documents. The types of activity that may not be substantiated by accounting documents are substantiated by the accounting documents of associated economic/financial transactions and economic events.
128. No costs incurred at other time than envisaged in the agreement may be included into the financial report during the project implementation term.
129. When providing financial reports for the projects implemented, the state institutions must submit a report of the implementation of the estimate of costs (financial statement form No. 2 approved by order No. 1K-413 of 29 December 2004 of the Minister of Finances of the Republic of Lithuania “On the Drawing up of Reports on the Implementation of State and Municipality Budgets, Implementation of Estimates of Costs of Programs of Budget Institutions and Other Subjects, and the Approval of Forms” (Official Gazette, 2005, No. 2-21)), accounting documents (or certified copies thereof) substantiating the use of funds, and must refund the remaining unused funds until 15 December of the current year, unless the Ministry indicates otherwise.
130. While financially reporting for the project implemented non-governmental organizations must submit an estimate of costs on the implementation of budget costs and accounting documents (or certified copies thereof) and accounting documents (or certified copies thereof) substantiating the use of funds, and must refund remaining unused funds until 15 December of the current year, unless the Ministry indicated otherwise.

3. REQUIREMENTS FOR THE CONTENT OF THE AGREEMENT

131. Upon adoption of decision by the Commission/Submission to approve an application, a project implementation agreement, or an agreement of scholarship is signed with the implementing agency to which a project application is attached.
132. The following shall be specified in the agreement:
 - 132.1. Issue on the input of the implementing agency/partner into the project; it should be specified whether the implementing agency contributes to the project implementation with monetary funds, in-kind input, human resources, assets provided for use, experience, etc.
 - 132.2. the amounts and terms of instalment payments have to be indicated;
 - 132.3. it should be indicated who and what types of activity shall implement;
 - 132.4. an obligatory provision is that all copyrights and associated property rights of the results of projects under implementation or implemented (the effects and consequences of all types of activities carried out during the projects, e.g. prepared materials, study/training modules, publications etc.) and of associated documents (applications, their filling out, assessments, reports, etc.) shall be usually assigned to the Ministry

based on the Law on Copyright and Associated Rights of the Republic of Lithuania (Official Gazette, 2003, No. 28-1125);

- 132.5. conditions for disseminating information on the project implementation course should be discussed;
 - 132.6. liability should be established if the implementing agency decides to withdraw from the project or fails to discharge his obligations;
 - 132.7. the procedure for changing the agreement should be established: the agreement shall be changed upon the consent of both parties, by signing an additional arrangement;
 - 132.8. the procedure for terminating the agreement shall be determined, also in the case when no funding is allocated to the project; indemnification for damage if the agreement is terminated on the partner's initiative;
 - 132.9. it shall be to be set forth that the partner must provide the control institutions with the conditions to check the project (the managing, intermediary and implementing institutions etc.);
 - 132.10. the procedure of exercising the right to regress claim has to be established if the funding provided is recovered during the project implementation term or after implementation of the project;
 - 132.11. the end of agreement shall be determined (the agreement shall cover a continuity period of project activity);
 - 132.12. other conditions may also be discussed in the agreement.
133. Upon expiry of agreement within fourteen working days a Certificate of Transfer/Acceptance of Works has to be submitted. Its typical form shall be approved by the Commission.

V. FINAL PROVISIONS

1. INFORMING ABOUT THE IMPLEMENTATION OF THE DEVELOPMENT COOPERATION AND DEMOCRACY SUPPORT PROGRAM

134. The Department, together with other administrative units of the Ministry shall provide information about the implementation of the Development Cooperation and Democracy Promotion Program.
135. The actions of publicizing the project actions shall be envisaged by the implementing agency as a constituent part of project implementation.
136. The implementing agency shall ensure the visibility of the Republic of Lithuania and the Ministry in the project (unless it is provided otherwise in the implementation agreement).
137. Information about the project implementation shall be announced in public only after signing a project implementation agreement;
138. When announcing information directly associated with the target programs and projects, the logotype of the Lithuanian Development Cooperation and Democracy Promotion Program is recommended to be used.
139. Enquiries on the implementation of the Developmental Cooperation and Democracy Support have to be submitted to the Department in writing.

140. The Department shall answer the enquiries under the procedure set forth in the legal acts of the Republic of Lithuania.

2. FORMATION OF THE PROJECT FILES

141. Each project shall be formed a separate file that will be comprised of a set of documents directly associated with the project administration, coordination and implementation supervision and put together, grouped and systemized according to the criteria established or selected.

142. A number shall be given to each application accepted that will be comprised of the year of submission, application category (L- large project, S-small project, PI- public informing project, AFG-program to Afghanistan, DM - projects program of diplomatic missions, SU- special urgency projects program), international abbreviation of the state (s) partner(s) and project number (in the order of receipt), and classification of project documentation (LU - limited use), e.g. 2007-L-BY/UA-005-LU.

Appendix D

PRIORITIES OF LITHUANIA'S DEVELOPMENT COOPERATION AND DEMOCRACY PROMOTION PROJECTS IN BELARUS

Belarus is the second biggest recipient of Lithuanian development cooperation and democracy promotion program support. In 2007 for the projects implemented towards Belarus there were allocated more than 20% of total bilateral assistance budget.

Having acquired important experience in democratization processes, Lithuania its development assistance for Belarus concentrates on spreading democratic values, protecting human rights, enhancing good governance and supporting the civil society.

Furthermore, it is important to point out that working according to the long established schemes when the same old partners in Belarus are expected to carry on their projects is not giving any tangible results. That is too easy for the security structures of Belarus to deal with. Donors have to act in a very creative and flexible way. Having that in mind, Lithuania had selected the following priority areas for the projects in Belarus in 2007:

➤ **European Humanities University (EHU) is a Belarus University in exile closed by Belarusian authorities in 2004 because of political reasons. EHU is a success story. Thanks to the courage and willingness demonstrated by the EHU students and due to considerable support of international donors' community, the European Humanities University is able to continue its operation in exile.**

The reestablishment of the university in Lithuania is important not only in terms of supporting numerous EHU students that were sanctioned after the presidential elections in Belarus in March 2006. It is equally important in terms of creating conditions for the survival of the only Belarusian University that provides education of humanities in Belarusian language in a free academic environment.

➤ **Support for democratic NGOs and insurance of their continuous activity. Projects based on trainings, youth exchange, round-table discussions, etc. More young Byelorussians have possibility to visit Lithuania, more of them have the sense of what**

kind of change can be in post-soviet society, the more of them can understand that it is possible to live differently then in Belarus.

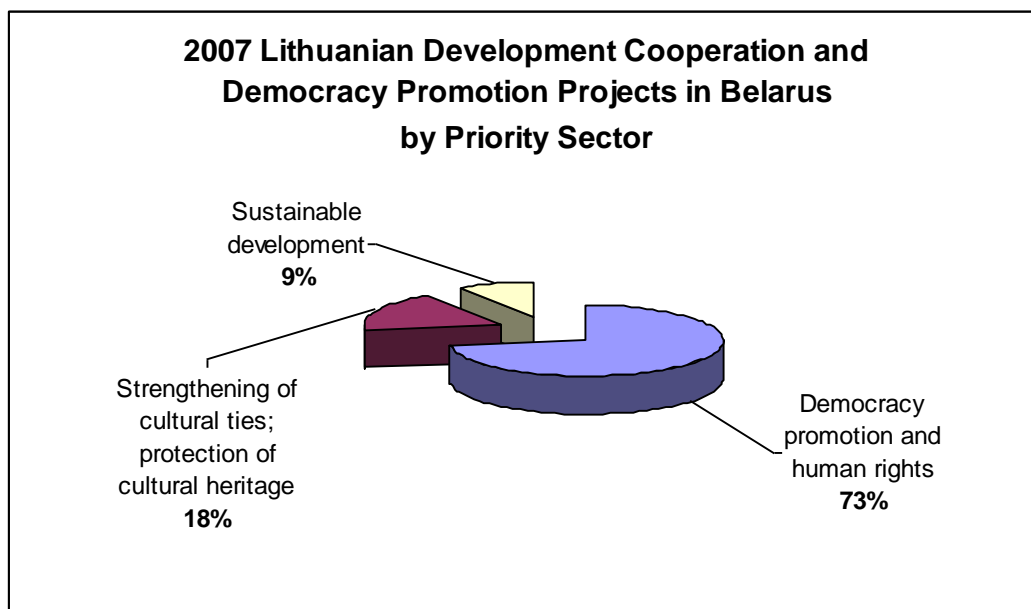
➤ **Engagement of Belarusian society into bilateral cultural and education projects.** Belarus and Lithuania have common history, Belarusian attitudes towards Lithuania are very positive and this creates a possibility to spread European, human rights, rule of law values through the cultural and educational projects: trainings, short study visits, exchange of experts on the topic Grand Duchy of Lithuania.

➤ **International rock festival “Be Together”.** In the end of August, Lithuania is organizing a rock festival “Be together” which will take place by the border with Belarus. The main idea of the festival is to show that the EU and its new member states are not indifferent regarding the countries which are outside the EU border.

YEAR	PARTNER COUNTRY	PROJECT
2004	Belarus	Study visit of youth affected by the Chernobyl catastrophe
2005	Belarus	Study visit of youth affected by the Chernobyl catastrophe (IIInd part)
2005	Belarus	Scholarships for Belarus students
2005	Belarus	Consultation of Belarus Farmers
2006	Belarus	Study visit of youth affected by the Chernobyl catastrophe (IIIrd part)
2006	Belarus	Relationship building between media communities in Belarus and Lithuania
2006	Belarus	Promotion of Democratization
2006	Belarus	Promotion of Democratization. 2nd part.
2006	Belarus	Study Tour of Belarusian Experts to Lithuania: Exchange of Practice on Effective Measures of HIV Prevention
2006	Belarus/	Project “Our Past and Future” on protection of historical

	Ukraine	heritage of Belarus, Ukraine and Lithuania
2006	Belarus	Promotion of European Values in Belarus
2006	Belarus	Democracy via Literature: Cooperation between Lithuanian and Belarusian writers' unions
2006	Belarus	Active Youth in the field of Belarus' Society Development
2007	Belarus, etc.	"Be Together" (Rock Festival at the Lithuanian-Belarusian border)
2007	Belarus	Support for EHU (running cost)
2007	Belarus	Learning Lithuanian language and culture (for EHU students)
2007	Belarus	Promotion of the initiatives of EHU students, Belarusian and Lithuanian intellectuals
2007	Belarus	Information Campaign on violation of civic rights in Belarus: lawyers' initiative
2007	Belarus	"Right to Democracy in Belarus" (presentation of movie Y. Khashchevatskiy "The Square")
2007	Belarus	Co-financing "TV BELSAT" independent satellite television channel for Belarus
2007	Belarus	Efficiency of Social Services
2007	Belarus	Shaping a "screen" for civil campaigns
2007	Belarus, etc.	Democracy fund
2007	Belarus	Jamboree of Belarus, Lithuanian and Polish writers and painters
2007	Belarus	"People's University": promotion of democracy through informal education programs
2007	Belarus	Efficient management of renewable energy resources in Belarus
2007	Belarus,	Encyclopedia of Grand Duchy of Lithuania: long term

	Ukraine	cooperation of historians in Belarus, Ukraine, Lithuania
2007	Belarus, Russia	Metrics of Grand Duchy of Lithuania: analysis of the history and documents of common foreign policy



DEVELOPMENT COOPERATION AND DEMOCRACY PROMOTION PROGRAMME OF THE REPUBLIC OF LITHUANIA

The call for proposals is open for Lithuanian Development Cooperation and Democracy Promotion Programme, 2008.

Lithuania's development cooperation is concentrated in the following areas:

1. Good governance and the rule of law.
2. Promotion of democracy and human rights.
3. Sustainable development.
4. Education.
5. Protection of cultural heritage.
6. Public awareness raising.

Priority countries: Islamic Republic of Afghanistan (Ghor province), Republic of Armenia, Republic of Azerbaijan, Republic of Belarus, Georgia, Republic of Moldova, Ukraine, Russian Federation. The Ministry of Foreign Affairs is also seeking to extend the Lithuanian development cooperation policy to the region of Central Asia. Development projects should contribute to the development of democracy, security and stability in the partner countries and to enhance political, cultural, economic and social relationship with these countries*.

Eligibility: applicants should have a project partner – a natural or legal entity, registered in Lithuania. Non-Lithuanian applicants are encouraged to submit proposals for development cooperation activities in Afghanistan (Ghor province).

Application form should be submitted together with the annexes specified in the form by email projektai@urm.lt and by post to the Development Cooperation and Support for Democracy Department at the Ministry of Foreign Affairs, J. Tumo-Vaižganto g. 2, LT-01511 Vilnius.

Applications for **macro projects** (grant amount 200 000 – 350 000 Litas) will be accepted till 31st January, 2008.

Applications for **small projects** (grant amount up to 150 000 Litas) will be accepted throughout the year in four cycles, the last dates for each cycle being: 31st January, 31st March, 30th May and 30th September, 2008.

THE GUIDELINES FOR LITHUANIAN DEVELOPMENT COOPERATION AND DEMOCRACY PROMOTION ACTIVITIES IN BELARUS IN 2008

We presume that political and economic situation in Belarus will remain unchanged. Possible actions in the democracy promotion area will be severely limited – democratic political forces and independent NGOs will not be capable of functioning normally. Nevertheless, a sense of belonging to Europe should continue to be fostered in Belorussian society. Therefore we should seek for innovative forms of cooperation with the main agents of change, especially youth.

The priority sectors of Lithuanian Development Cooperation and Democracy Promotion activities in Belarus in 2008:

➤ **Democracy promotion and human rights**

- Projects supporting the networking of democratic youth
- Projects oriented towards conveying the message to all levels of Belarusian society

➤ **Strengthening of cultural ties; protection of cultural heritage**

- The protection of Lithuanian (European) historical and cultural heritage
- Publishing of books of common history and culture in Belarusian language

➤ **Social security and economic development (Sustainable development)**

- Encouragement of small entrepreneurship
- Assistance to the victims of Chernobyl power station catastrophe

➤ **Education**

- Assistance to European Humanities University

➤ **Public awareness raising**

- Spread of objective and impartial information about Lithuania in Belarus

Appendix E

Summary- Current Focus or Priority Countries

Country	BU	CZ	EST	HU	LAT	LIT	PL	RO	SK	SL
ALB							X		X	X
BLR					X	X	X			
BiH		X		X			X		X	X
GE			X		X	X	X		X	
KOS	X						X			
MKD	X						X		X	X
MLD		X	X	X	X	X	X		X	X
SRB	X	X		X			X		X	X
UKR			X		X	X	X		X	X

Summary- Participation, Signature of Paris Declaration on Aid Effectiveness

Country	BU	CZ	EST	HU	LAT	LIT	PL	RO	SK	SL
Yes		X	X	X			X	X	X	X
No	X				X	X				
