



goal 8



Include Bulgaria
in the System of Official
Development Assistance

1. DESCRIPTION

Bulgaria's accession to the EU calls for a radical revision of Goal 8. In the previous Millennium Development Goals report, *partnership for development* was seen from Bulgaria's position as a beneficiary of international assistance. Although Bulgarian citizens have much lower incomes than the other members of the „rich club“, in 2008 Bulgaria is already on the side of donors. That determined the following targets under Goal 8:

- Complete the transition from a beneficiary of international assistance to a donor of official development assistance (ODA);
- Participate actively and effectively in EU overall development cooperation policy.

In the past 15 years Bulgaria advanced in its political, economic and social development as a result of national efforts and support from the international donor community. It has consistently shown solidarity with the global efforts to end hunger and poverty.

Bulgaria's participation in international development cooperation must follow the political commitments undertaken in the framework of the United Nations and the European Union. Bulgaria supported the decisions made at the UN conferences on international development issues, including the Millennium Summit, and the decision of the European Council of June 2005 adopting the new ODA volume targets within the EU. Eradication of poverty and strengthening the economies of developing countries are essential conditions for creating a better international economic environment.

After becoming an EU member on 1 January 2007, Bulgaria focused its efforts on harmonizing its national norms and practices and coordinating its foreign policy, including participation in EU development cooperation policy and joint actions in third countries. From a beneficiary of international assistance, Bulgaria should now become a donor of assistance to developing countries within its experience and capabilities. Along with all new member states, Bulgaria has the ambitious goal to participate actively in EU development cooperation policy by

contributing ODA funding to fight poverty. The target ODA volume for Bulgaria and the acceded countries is 0.17% of its gross national income (GNI) by 2010 and 0.33% of GNI by 2015.

The European Union is the largest ODA contributor in the world. In 2004 the European Commission (EC) and the member states provided collectively 52% of total ODA in the world, or USD 43,264 billion against USD 40,021 billion provided by all other donors. The leading role of the EU in international development cooperation has been defined as one of Europe's priorities.

Funds to support developing countries on a multilateral basis have three sources within the EU: the EU budget, the European Development Fund (EDF) and the own resources of the European Investment Bank (EIB).

As from 1 January 2007 the external actions and policies of the EU, including development policy, are financially covered by Section 4 („EU as a global partner“) of the Financial Framework for the period 2007–2013 approved by the European Council in December 2005. The former range of over 100 geographical and thematic instruments was replaced by 6 instruments:

- the Instrument for Pre-accession Assistance;
- the Instrument for Stability;
- the Development Cooperation and Economic Cooperation Instrument;
- the European Neighborhood and Partnership Instrument;
- the Instrument for Humanitarian Aid;
- and the Instrument for Macro Financial Assistance.

The EC preliminary estimates expect that almost 90% (EUR 40,009 billion by 2013) of the funds intended for the external relations section could be accounted as ODA. Between 2008 and 2013 the EU has pledged to provide 23 billion euros in development assistance to countries in Sub-Saharan Africa, the Caribbean and the Atlantic Ocean.

Officially reported ODA by Bulgaria was **BGN 1,453,276 (or 0.0359% of GNI) in 2005 and slightly less in 2006 at BGN 1,432,866 (or 0.0326% of GNI)**. That trend came to an end in 2007 and in the first year of its EU membership Bulgaria reported BGN 25,222,380 in ODA **equaling 0.053% of GNI**.

Despite the past decade of economic growth reported by the new member states, including Bulgaria, reaching the ODA targets is quite difficult (with expected target contributions of 0.17% of GNI by 2010 and 0.33% by 2015, respectively). Comparison with some of the newly acceded countries clearly indicates that Bulgaria must make significant progress to catch up with countries like the Czech Republic, Hungary and Poland. For example, **the Czech Republic planned 0.11% of GNI in 2005–2007 followed by 0.12% and 0.13% of GNI in 2008 and 2009, respectively**. Hungary's contribution was 0.13% of GNI in 2006, with a planned 20% increase in ODA volume for 2008. Poland's targets were 0.68% of GNP in 2005, 0.1% in 2006, and 0.11% in 2007. As a new EU member, Bulgaria is facing a number of difficulties and challenges associated with achieving ODA targets, completing the transition from a recipient to a donor of international assistance, and active and effective participation in EU overall development cooperation policy.

First, multiparty political and public support and commitment need to be built for Bulgaria's participation in development cooperation, including for the idea to

support less developed countries in Africa, the Caribbean and the Pacific region. The non-government sector (chiefly development organizations) has a major role to play, initiating public debate and galvanizing citizens to formulate and implement development policy. The spirit of the Millennium Development Goals calls for stronger cooperation between government and the private sector through public-private partnership. Undoubtedly, business can drive forward economic development, employment and welfare in developing countries by building up human capital; transferring know-how, technologies and good practices; building up physical and social infrastructure; developing skills for participation in social dialogue; providing technical assistance for establishment of regional integration structures, etc.

A challenge for Bulgaria is to ensure transparency and clear and objective rules for distribution of ODA funds and evaluation of their use. Adequate cooperation between government administration, NGOs, private business, the academia and other stakeholders and public interest groups will again be indispensable. Public opinion is that the European Commission (32%) and the European Parliament (28%) should have the greatest say in setting priorities for support. Member states' governments come third (26%) followed by non-government and civil organizations (19%). NGOs (16%) and governments (15%) in the recipient countries are the last to decide. Apparently, the general attitudes are for central management of assistance and decision-making from

Table 8.1: Official development assistance provided by Bulgaria

Year	Bilateral assistance (BGN)	Multilateral assistance (BGN)	Total ODA (BGN)	% of Gross National Income
2005	294,136.80	1,159,139.87	1,453,276.67	0.0359%
2006	294,136.80	1,138,729.87	1,432,866.67	0.0326%
2007	304,577.94	24,917,802.23	25,222,380.17	0.053%

Source: Ministry of Foreign Affairs, Ministry of Finance

Table 8.2: Comparative data for ODA contributions from new EU countries (% of GNI)

	2005	2006	2007	2010	2015
Bulgaria	0.0359%	0.0326%	0.053%	0.17%	0.33%
Poland	0.068 %	0.1%	0.11%	0.17%	0.33%
Czech Republic	0.11%	0.11%	0.11%	0.17%	0.33%

Source: Ministry of Foreign Affairs, Ministry of Finance

Note: Comparisons for 2005 and 2006 should note that at that time Bulgaria was not yet an EU member.

Brussels, although national actors will also play a role. Public opinion in Bulgaria is in agreement with that: 41% claimed the decisive role in determining support priorities should belong to the European Commission. For 32% of people that was the role of the European Parliament and 25% said it was the responsibility of the Bulgarian government. Bulgaria has the smallest trust in its non-government and civil organizations (7%) compared to other EU countries (19% total for EU-27).

2. INSTITUTIONAL ENVIRONMENT AND CONCEPTUAL FRAMEWORK

Building and strengthening good institutional capacity in Bulgaria and creating an adequate conceptual framework is instrumental for achieving the formulated national goals. The most important step for that

Box 8.1:

PUBLIC OPINION⁷⁷ ABOUT THE PRIORITIES OF OFFICIAL DEVELOPMENT ASSISTANCE

The Millennium Development Goals (MDGs) set eight goals, but EU public opinion in the EU supports them to a different degree. Like other EU countries, Bulgaria places an emphasis⁷⁸ on the pragmatic goal to eradicate extreme poverty and malnutrition. That key priority is supported by 74% of Bulgarians and 66% of all EU citizens. Public opinion in Bulgaria is at one with general EU attitudes about limiting the HIV/AIDS epidemic, which loomed as the second most important MDG priority (according to 46% of citizens in EU-27 and 44% in Bulgaria). Bulgaria ranked third the reduction of child mortality (at 43% versus 31% in EU-27). The choice is justifiable, considering the serious disparities between child mortality indicators in Bulgaria and the EU average. On the whole, public opinion in the new member states puts at the head of the list the fight against poverty and HIV/AIDS, whereas citizens in the old member states more often tend to emphasize the priorities of education and gender equality.

In terms of the regional priorities of European development assistance, 64% of EU citizens placed first Sub-Saharan Africa. Support for priority assistance there was almost twice higher than for the Indian sub-continent (34%), the Middle East and North Africa (29%) or South East Asia (Cambodia and Vietnam, 26%). Bulgaria impressed with the large number of people who were unable to make an opinion (39%) – the highest across the EU. The poll results highlight the need for intensive communication on development assistance policy in Bulgaria.

Source: The report team

was undoubtedly the National Concept for Bulgaria's Policy to Participate in International Development Cooperation, adopted by the Council of Ministers on 19 July 2007 (Decision # 504).

The national concept for cooperation and development was elaborated by the Ministry of Foreign Affairs as a result of active discussions between representatives of the relevant government institutions and non-government organizations. The concept outlines decision-making guidelines, development cooperation in its international and European context and Bulgaria's experience to date. It sets out the main elements of Bulgaria's future development policy – its goals, objectives, principles, geographical and thematic priorities, financing, administrative and organizational aspects, etc.

According to the Concept, Bulgaria's main development policy objective is **eradication of poverty and associated issues, which prevent improvements in the quality of life in developing countries**. Poverty cannot be eliminated without making progress towards **sustainable development**, which is seen as achieving sustainable levels of production/consumption, protecting the environment, ensuring minimally acceptable health and education standards, fruitful integration of the countries in international cooperation in a globalizing world, etc.

As defined in the Concept, the countries with which Bulgaria will build up development partnerships should meet a set of specific criteria. There must be a certain level of political, diplomatic, commercial, economic and cultural contacts between Bulgaria and the respective partner country, as well as comparative advantages for Bulgaria providing assistance to the country. They may include greater experience in certain areas compared to other donors and/ or better knowledge of local needs and specifics, which will be conducive to making assistance more effective. The recipient country must meet the general conditions for cooperation with the donor community and must take real steps addressing the problems of its own development.

Based on these criteria, Bulgaria has defined two groups of countries for development cooperation:

⁷⁷ The 2007 study of Eurobarometer reveals different motivations in the old member states and the 12 newly acceded countries (NACs-12).

⁷⁸ Three priorities mentioned.

- Priority countries – this group includes countries from South East Europe and the Black Sea region. On the basis of experience gained and available financial opportunities, the range of priority partners may be extended in the future to include some of the least developed countries, particularly in Africa, in the context of the EU commitment to direct 50% of EU development aid to that continent;
- Countries to which Bulgaria has undertaken international commitments within the framework of international organizations or coalitions (e.g., participation in rehabilitation efforts in Iraq and Afghanistan).

The geographical priorities of Bulgaria's development aid do not limit the provision of humanitarian support or any urgent *ad hoc* actions aiming to prevent or mitigate the aftermath of crises, armed conflict or action against international terrorism.

Bulgaria's development cooperation policy will focus on thematic areas where the country has a comparative advantage in providing assistance, expertise and capacity. Such areas include education and training of specialists; infrastructure construction and maintenance; implementation of economic, financial, administrative, social and healthcare reform; cultural diversity and tolerance; environmental protection and promotion of sustainable development; security and post-conflict reconstruction.

All EU-15 member states have similar concept papers on development policy. Only 4 countries (Finland, Germany, Ireland and the Netherlands) have not adopted a special law on development assistance. The prevailing institutional model is highly centralized, involving in most cases the leading role of the Ministry of Foreign Affairs. A decentralized model with several ministries and implementing agencies is applied only in 2 countries (France and Portugal), and the United Kingdom is the single member state which has entrusted its development assistance entirely to an independent department dealing with external aid (DfID). The main objective of EU-15 concept documents is eradication of poverty, either on its own or together with sustainable development, protection of peace, human security, etc. The predominant geographical priority is the region of Sub-Saharan Africa. All EU-15 member states have made a commitment to achieve

the Monterrey goals and the EU aid volume targets, according to which assistance should reach 0.51% of GNI in 2010 and 0.7% of GNI in 2015.

Among the other newly acceded countries, Estonia, Hungary, Latvia, Poland, the Czech Republic and Slovakia have adopted documents that lay down the concept framework of their development policy, and Malta is in the process of drafting and adopting its document. Special legislation on development cooperation issues is not widespread. From an institutional perspective, the new member states tend towards one basic model – development policy is formulated and coordinated by the Ministry of Foreign Affairs via a dedicated directorate (except in Cyprus). The main objectives of development cooperation in these countries are sustainable development, democracy, rule of law and human rights. Geographically, the main aid recipients are countries from Eastern Europe, the Balkans and Asia.

3. PUBLIC SUPPORT FOR GOAL ACHIEVEMENT

Bulgaria's formal commitment to contribute to the European consensus for development is not enough. Support at home is required from Bulgarian citizens, for many of which the average EU standard is still a difficult to achieve, far-off prospect. Bulgarian society needs a profound change of values and attitudes to face the new global responsibilities, which Bulgaria now has as a member of the community of developed countries.

First and foremost, public motivation is needed for Bulgaria to share part of its, albeit modest, economic prosperity with the undeveloped world. The citizens of EU-15 motivate their support for development assistance with the need for global stability, democracy and good governance worldwide. For example, 24% of EU-15 citizens mentioned the need for promoting democracy and good governance in developing countries against only 16% in the new member states (EU-12). Improving governance was a valid motivation for 12% of respondents in Bulgaria and 16% in Romania, compared to 44% in Malta and 41% in Denmark. People in the new member states look for much more pragmatic arguments,

which revolve around the perception of „self-interest“⁷⁹ of the countries providing support for development. The prevailing attitudes are that development assistance is extended in order to stop immigration to the rich countries. That feeling was shared by 24% of respondents in EU-12 and 18% in EU-15.

Perceptions in Bulgaria are no different. The most popular reason for development assistance was perceived to be the „self-interest of the rich countries“ (33%) and the least popular answer was „so the rich countries can have a clean conscience“ (6%). By contrast, EU-15 citizens characteristically share altruistic interpretations of development assistance. People in Austria head the chart and most often claim that development aid is meant „simply to help people in need“ (24%).

These differences are understandable in the light of insufficient knowledge about development assistance priorities, mechanisms and institutions. The new EU members, including Bulgaria, were until recently only recipients of support and see the topic only through the narrow lens of their internal interests. The inability of Bulgarian citizens to answer many questions on the Eurobarometer poll indirectly betrays limited knowledge. Together with Spain, Bulgaria tops the list for lack of knowledge about EU development assistance priorities (15% unable to answer). Bulgaria also

provided the highest proportion of „don't know“ answers to the question which institution has a decisive say in defining support priorities (29%).

Awareness is slightly rising compared to 2004, but still too few people in the EU know what the Millennium Development Goals stand for. In 2004, 84% of Europeans said they were not aware of the MDGs, down to 80% in 2007. Similarly, 74% of EU citizens have not heard or read about the European consensus for development.⁸⁰ Bulgaria is not an exception – 4% of Bulgarians know about the MDGs and 15% altogether have heard something about it⁸¹ (versus 41% in Sweden and 38% in Holland). MDG awareness is also low in countries with well developed donor practices like the United Kingdom (80% saying they don't know or giving no answer), France (88%) and Spain (88%).

The public in Bulgaria is generally little aware of development assistance priorities, institutions and instruments. There are highly pragmatic attitudes for focusing assistance on actions that can end hunger and stop the HIV epidemic in developing countries, whereas the priorities for good governance, universal education and environmental sustainability tend to be underestimated. Like in other member states, the public in Bulgaria expects that the central European institutions will have a leading role in determining these priorities.

Box 8.2.

IN FOCUS: THE NEW OLD DONORS FROM CENTRAL AND EASTERN EUROPE

According to international development cooperation glossaries, they checked the box for new donors only a few years ago. For most of them taking up the role of donors at once revived or renewed in a different context traditions interrupted by transition. The Czech Republic, Slovakia, Poland, Lithuania, Latvia, Estonia and Hungary began preparing for their new responsibilities even before formally joining the European Union. The Czech Republic started summer university courses and seminars on development policy organized by the Institute for International Relations and the Ministry of Foreign Affairs. In order to build up national capacity, the Czech Republic, Slovakia and Hungary created joint trust funds and partner projects with leading bilateral and multilateral development agencies (the Canadian International Development Agency, UNDP, and USAID). They launched the first pilot tenders for development policy implementation by non-government organizations. The People in Peril Association in Slovakia quickly turned from an ad-hoc humanitarian organization, created in 1999 during the events in Kosovo, into one of the leading development NGOs in Central and Eastern Europe. Founded by journalists, the association is widely using in its work TV journalism, political journalism and documentary cinema, setting an example for one of the most public professional communities' commitment to the goals of development. Not accidentally, the first projects in the framework of Poland's official development assistance (in Yemen) and Lithuania's development policy (in Georgia) started with group visits of journalists in the priority countries.

⁷⁹ For example, supporting the poor countries so they can buy more goods from the rich countries.

⁸⁰ In December 2005 the presidents of the European Commission, the European Parliament and the European Council signed a new EU Declaration for European Consensus on Development, which sets out the principles and goals for eradicating poverty worldwide in the context of sustainable development.

⁸¹ Aggregated answers „I have heard about it“ and „I have heard about it but I don't know what exactly it stands for“.

Today non-government and business organizations from the new donor countries carry on development projects in Afghanistan, Iran, Sudan, Kenya, Mozambique and other countries. They build hospitals, train farmers, bring back critical infrastructure. Destinations in Africa or Asia, however, only add some exotic names to the list of countries receiving the bulk of official development aid from the new donors. Less surprisingly, the target countries are mostly from the Balkans and the Black Sea region.

In November 2007 all new EU member states took part in the traditional European Development Days held in Lisbon, Portugal. There Bulgaria presented its first political paper (the Framework Concept) on the country's development policy. In 2007 the 12 new EU members contributed collectively around 500 million euros in global development aid. If all new donors deliver on their commitment to substantially increase official development assistance to 0.17% of GNI by 2010, their total ODA contribution will exceed 1 billion euros.

However, the challenges of transition from the status of beneficiaries to development assistance donors are truly immense. In the beginning of 2008 the European Parliament reported on that and warned that none of the new donor countries has a national development education strategy. Development policy coordination is missing even within the responsible national ministries and only isolated cases have benefited from staff training opportunities provided by the European Commission to enhance capacity. The European Parliament also warned that many of the new donors will not achieve the target to spend 0.17% of GNI by 2010 on official development assistance, and that a common development communication strategy is required.

The challenges continue!

Source: Public communications, UNDP, 2008

In 2003-2008 Bulgaria has achieved significant progress against the defined goals. As economic, educational and health standards come closer to EU levels, both Bulgarian citizens and EU institutions will increasingly insist on better governance, too. Furthermore, Bulgaria is part of our global home and global poverty is not something Bulgarian citizens can pretend to overlook – not only because of human solidarity and Bulgaria’s international commitments, but also because overwhelming global disparities lead to upheavals that affect all.