
TAI and DEVELOPMENT

Meeting Minutes

Date: 17 July 2008
Time: 9:00 a.m. – 10:30 a.m.
Location: Ministry of Foreign Affairs
Country: Hungary
Topic: TAI and Development project
Present: Ms. Lilla Makkay (MOFA)
Ms. Mária Fábry (MOFA)
Mr. Dávid Ambrus (MOFA)
Mr. Gergely Fazekas (MOFA)
Mr. Csaba Kiss (EMLA)
Ms. Réka Balogh (HAND)
Mr. László Perneczky (TAI & Development)

The meeting started with the presentation and introduction of EMLA and TAI, and of the TAI and Development project.

Written materials of TAI were handed to the representatives of the MOFA.

The idea of influencing donor decision-making according to the findings of the respective TAI assessment in the recipient countries was presented to the participants of the meeting. Special regard was paid to the case of Vietnam that is a target country for Hungary being a donor Member State of the EU.

Reference to existing legally binding and non-binding documents making possible the introduction of further, outside aspects into donor decision-making (i.e. criteria to be met by the recipient countries) was done extensively. Existing examples (e.g. the Paris Declaration on Aid Effectiveness point 41 requiring EIA and SEA for aid supported projects) were raised by *Csaba Kiss*.

Lilla Makkay on behalf of the MOFA expressed that previously others have also approached the MOFA to encourage the use of indicators in donor decision-making. The methodology is currently developing but there is no accepted system of indicators yet for this purpose. No practice exists in this regard.

The volume of development aid donated by Hungary is quite low, however, Hungary makes efforts to ensure a transparent management of public funds in the recipient countries as well as a certain performance in the field of human rights. Only very small grant amounts are decided upon within bilateral international relationships.

Decision-making upon aid taking the form of tied aid credit is mostly influenced by economic aspects. It is not to be excluded that further aspects will emerge, such as the

level of environmental democracy in the recipient country, but there are no plans towards this direction.

Although there is a bill being drafted in Hungary on international development aid, it is not foreseeing the regulation of aspects of decision-making.

In the European Union, international development is not a common policy. Consequently, there are no binding laws of the EU that are applicable in the Member States regarding international development. Thus the issue remains within the framework of multilateral, inter-state cooperation of classical international law.

Gergely Fazekas noted that the OECD may be a better target audience of the message that TAI and Development wishes to convey. On 2-4 September 2008 an Aid Effectiveness Forum organized by the OECD, the World Bank and the Government of Ghana will be held in Accra (Ghana). An Accra Agenda for Action (commonly referred to as 3As) will most probably signed at this event. After this, there is much room for initiatives such as TAI and Development to try to influence decision-making. Contact should be the OECD DAC, but also the representative of Hungary at the OECD can be approached.

Dávid Ambrus has noted in connection with Vietnam that in the county, similarly as in the South-Asian region, there is a certain level of sensitivity against potential interventions into state sovereignty. If donors with small-size grants or projects apply excessive criteria towards recipient countries, the latter can rather choose the refusal of the grants/projects instead of meeting the requirements. Also no subordination can be implied in a donor/recipient relation, thus the donor must always behave as an equal partner of the recipient. As regards Vietnam, there is a definite will to improve the conditions of rights implementation in the country.

All representatives of the MOFA agreed that setting extra criteria towards recipient countries is not an international trend currently, but rather capacity building in the recipient country is an adopted method. Thus the empowered civil society can hold the government of the recipient country liable for meeting international standards of human rights, good governance, transparency, etc. Donors should not take over the role of watchdog, quasi as controllers “from above”.

Regrettably, there is another global trend, i.e. certain large donors provide absolutely unconditional grants e.g. in Africa, taking only economic and political motivations into consideration.

Meeting participants agreed that the discussion was fruitful and they will keep contact in the future in the relevant matters.