Pontis Digest

Focused on development cooperation

2014|4

pontis foundation







International Conference

DEVELOPMENT AND DEMOCRACY

CONFERENCE • BRATISLAVA • OCT 15, 2014

Development Ecosystems in V4: the New Role for Civil Society Organisations and Business Beyond 2015



"In countries of Eastern Partnership we could benefit from our strong presence," envisages Peter Hulényi

Peter Hulényi, *Director of the Department of Humanitarian and Development Aid, Ministry of Foreign and European Aff airs of the Slovak Republic*

The Visegrad group is experiencing its golden era. Where do you see the major opportunity for cooperation of the V4 countries in the field of development cooperation?

The V4 countries are at several crossroads both in priority regions and sectors. Limited development budgets, common transformation and integration experience and a similar approach to ODA make us close partners for achieving even more when working in this field together. Moldova, Georgia and Ukraine have a natural priority for the Visegrad group, but we could envisage certain forms of cooperation also in countries like Kenya or Afghanistan. Cooperation gradually exceeds the basic exchange of information and covers more sophisticated forms. This refers to development cooperation, humanitarian aid, development education or public awareness activities. Let me mention some examples. Previously, successful V4 assistance was provided to Moldovan MFA. In March this year Slovakia and Hungary used a Slovak charter flight to deliver humanitarian aid in kind to Kiev. Next year Slovakia together with the Czech Republic will launch a trilateral program in water and sanitation in Moldova. The V4 countries are preparing common public awareness activities within the framework of European Development Year 2015. We also suppose that the recent trip of MFA V4 State Secretaries to Lvov (in early October 2014) has created new ideas and inspirations for our future cooperation with Ukraine.

The V4 countries have similar comparative advantages, aren't they competitors in this field?

Competition is always beneficial and this also includes development cooperation. At the same time, NGOs and companies from EU15 very often work in alliance or consortia to combine their strengths and make synergies. That's something V4 should learn from traditional EU donors. It could increase our chances in EC grants and tenders as well.

Would you prefer complementary actions of the V4 countries in a certain region/country to the division of regions among countries providing development cooperation?

Both options are feasible, however it greatly depends on the particular region where we operate. In countries of Eastern Partnership we could benefit from our strong presence and active involvement as V4 and implement complementary activities. On the other hand, in more distant regions a division of labour makes more sense. We could for example offer our V4 partners well established implementing capacities of SlovakAid and Slovak NGOs in Kenya, while the Czech Republic could do the same e.g. in Ethiopia.

Could we learn from each other in improving our development cooperation systems?

Indeed, all V4 countries established their ODA mechanisms a few years before joining the EU. We started together and we face similar challenges. Therefore, it is natural to learn from each other and to share both best practices and failures. For example this summer Czech colleagues prepared a set of recommendations for our agency. In October this year we shared lessons learned from establishing the Slovak development agency with our Hungarian counterparts since Hungary has recently decided to create an independent development agency as well.

The participating countries at the Global Partnership for Effective Development Cooperation meeting this year in Mexico agreed on the need for greater effectiveness and coordination. Will this have an impact on the development cooperation of V4?

We believe that Global Partnership could be an impetus for closer cooperation among V4 countries. At the same time we could use the momentum of the upcoming European Development Year and culminating negotiations on SDGs. From a development perspective we are entering an exceptional and challenging year 2015. ■

“The MDGs have been a great achievement of the international community,” thinks Ingrid Brocková

Ingrid Brocková, *Ambassador, Permanent Representative of the Slovak Republic to the OECD*

With respect to the Millennium development goals, do you agree with the statement that in development cooperation one can make effective progress only in areas that are measured and can be measured?

By approaching 2015, more and more focus and attention has been paid to the assessment of MDGs, based on measuring the progress achieved. Today we hear many different points of view on the MDGs, their fulfilment, lack of progress or even failure. We should, perhaps, realise that, with still some time left for their implementation, they have been a great achievement of the international community, regardless of what we believe today, how they should have been drafted or how many indicators they should have had. Their measuring has been crucial since the very beginning. The OECD has played an important role in this endeavour since 2000, when it created a framework for their measurement. It was also a founding member of the Inter-Agency Expert Group that tested and refined the MDG indicators, and has contributed to the UN's annual MDGs progress reports. So it is by no way a coincidence that the UN in preparation for Sustainable Development Goals (SDGs) for post 2015 further relies very much on the knowledge and expertise of the OECD in measuring, assessing and evaluating. Without having such a robust framework at our disposal, it would be very difficult to quantitatively assess the progress we all hope we will achieve.

The Millennium Development Goals should be achieved by 2015. After that, the European Union should adopt a new strategy – Sustainable Development Goals. Many have criticized the lack of binding targets for the countries of the north in MDGs and also the fact that they are too general and most of them remained unfulfilled. The MDGs did not even insist on quality – for example, education. What do you think about the discussions that the new targets should also apply to richer countries and that for example, issues of income inequality and dignified life should be dealt with?

Almost five years before the 2015 deadline, the world community reached the MDG-1 target by halving the proportion of people living in extreme poverty. But, there is still more than 1.2 billion poor people living worldwide. Moreover, we see that the geography and spread has shifted and today a growing quantity of poor people lives in middle income countries like e.g. China and India. Estimates suggest that by 2015 about half of the world's extreme poor will live in fragile low and middle income countries. This estimate dramatically increases by 2030 (in the meantime China has become the second largest economy in the world). Ending poverty does not mean solving the income problem only. It is a multidimensional problem of inequality, sustainability and well-being. To solve it we need to find new development paths that will address key contemporary challenges ranging from food security, gender equality, empowering, sustainable economic growth, environment protection and biodiversity up to promoting peaceful societies and providing quality education. To break the vicious circle of poverty, growth is needed. The type of growth that is fuelled by sustainable consumption and production patterns, growth that produces jobs coupled with complementary social policies and legal protection. So I believe that people, regardless of their lives lived in the south or north, should benefit from the new quality of life as defined in the SDGs. At the same time I would like to underline that the ending of poverty still remains one of the most important, and in the case of SDGs as in the case of MDGs, the first priority.

Based on the Lisbon Treaty, policy coherence for development is a legal obligation of the EU. It is also one of the primary objectives of the OECD Strategy on Development. How can the V4 countries ensure that broader policies pursued by the V4 are coherent with the goal to promote worldwide development?

The process of Policy Coherence for Development (PCD) has evolved in the OECD over the last two decades. Today the OECD PCD could be broadly described as a process for integrating the multiple dimensions of development at all stages of policy making. It shall be done so with the aim of exploiting the potential of positive synergies of individual policies to support development,

to help them to reconcile domestic policy objectives with broader international or global objectives and to avoid or to minimise the negative side-effects and impacts of policies on development. In context of this description, it is advisable to look at how our domestic policies contribute to our vision of eradicating poverty. It has been stated as the overarching objective of the Slovak ODA, by fostering a "whole of government" approach – necessary for better understanding of potential impacts of relevant sectorial policies on development and for effective implementation of the PCD concept. In the context of V4, the PCD means that different communities in all our countries should work on a regional level in ways that result in more powerful tools and products for all concerned. While the Lisbon Treaty binds us to implement the PCD, I would encourage all stakeholders in our countries to utilise more the outputs of the OECD in this area, namely the OECD Policy Framework for PCD, which provides policy-makers and development agencies with institutional and sectoral guidance for promoting and assessing the PCD. ■

"The greatest incentive for a CSR in developing countries or driver is still risk management," claims Melissa Whellams

Melissa Whellams, *Principal, Avanzar Consulting, Canada*

Nowadays more and more companies active in developing countries involve CSR into their businesses. What would you pinpoint as the most crucial building stone of a CSR strategy that decides about its success or failure?

One of the greatest challenges for CSR practitioners and companies implementing CSR programs in developing countries is investing in projects that provide long-term sustainable benefits to local stakeholders without engendering dependency on the company. Engagement with intended project beneficiaries and government institutions is critical to both identifying local needs and priorities, and determining how the different parties can work together to achieve a common goal. Involvement of project beneficiaries, government and potential partners in the design, development, implementation and monitoring of programs is essential to CSR program success.

Is it possible to compare willingness to engage in CSR and having a positive social impact among different industries? In which industries the need for a sustainable and environment- and social-friendly is the highest and in which branches are the most of policies and activities implemented?

Although some CSR initiatives are industry specific (e.g. the Voluntary Principles on Security and Human Rights, the 4C Association), examples of companies contributing to positive social impact can be drawn from a wide range of industries. It is true that the nature and degree of impacts and risks may be differ from industry to industry – for example the apparel industry focuses a lot of attention on labor rights while the mining industry focuses a lot of attention on impacts on land and natural resources. Having said that, the apparel industry cannot ignore its environmental impacts (e.g. from raw material sourcing) and the extractive companies cannot ignore their potential impacts on labour rights (e.g. throughout their supply chain). Moreover, there is considerable overlap between industries when it comes to social and environmental impacts and industries can benefit from cross collaboration on common issues of concern. For example, McDonalds is in the food industry, but it also happens to be the world's largest toy distributor (for toys used in their happy meals) and it must consider similar social and environmental issues to companies such as large toy manufacturers such as Mattel. The UN Global Compact Advisory Group on Supply Chain Sustainability is just one forum that allows companies across industries to share best practices on sustainable supply chains. Regardless of the industry, all companies should identify and engage with their stakeholders regularly to identify and address relevant existing and emerging social and environmental issues.

Where do the incentives for a CSR in developing countries come mostly from? Does it stem from the demand of local communities or from the consciousness and concerns of the companies?

There are a variety of drivers for CSR in developing countries, including pressure from civil society, local communities and supply chain partners, anticipation of more stringent legislation and regulation, and compliance with voluntary industry initiatives, While I have definitely seen a positive shift in the attitude of people within large multinationals wanting to do the "right thing" I would say that the greatest incentive or driver is still risk management. ■

"It is desirable to replace charity-based aid with Private Sector Development where possible," says Melina Heinrich

Melina Heinrich, *Senior Private Sector Development Specialist at the Donor Committee for Enterprise Development, UK*

Is it possible to measure and compare the success of Private Sector Development (PSD) with other development programmes? What are the outcomes, results and implications?

A key issue is how to make programmes comparable, based on a common, credible system for measuring results. The DCED, a growing forum of donor and development agencies, has developed a standard for results' measurement[1] used by over 100 field programmes. It specifies 8 elements of a quality results measurement system, which can be audited externally to ensure credibility. By promoting a global community of practice, the standard provides a basis for mutual learning and comparison.

It is also important to be realistic about broad comparisons. Even within PSD alone, there is a huge variety of approaches. Identifying a narrow set of interventions that 'works' for development will not only be difficult but there is also a danger of prescribing 'one size fits all' solutions to a variety of problems. It remains crucial to take context as a starting point and to design programmes that are likely to yield scalable results that last after the end of donor support. This can often be made possible through private sector and market approaches.

Successful PSD cases show the positive impact they bring – higher incomes, employment, better quality products and services. However, are there any negative externalities that may occur? What are the risks?

Like other aid strategies, PSD has risks. These are specific to the PSD approach, sectors and partners chosen but may involve creating dependencies or distorting markets rather than developing them; or neglecting social or environmental impacts of businesses. However, based on agency experiences there is now a range of tools to assess and minimise such risks (see the DCED website[2]).

In general, certain principles can help programmes manage risks more effectively. These include on-going market analysis, clear exit strategies and the flexibility to learn from and adapt interventions, based on real-time results measurement (see above).

Do you think that PSD could in the future completely substitute the traditional development assistance based on charity? In which ways it is desirable and in which not?

Charity will remain vital for those in need, e.g. in conflict zones. Yet the ultimate purpose of development aid should be to enable self-sustaining livelihoods for the poor rather than maintaining dependence on handouts. PSD is central to this transition; in the long run, vibrant businesses also generate the taxes needed for improved healthcare etc. In this sense, it is desirable to replace charity-based aid with PSD where possible. It is also critical to ensure that charity does not undermine local markets. ■

1 http://www.enterprise-development.org/page/measuring-and-reporting-results

2 For example at http://www.enterprise-development.org/page/practical-tools or http://www.enterprise-development.org/page/m4p

"V4 states need a more coordinated approach in their transition experience," maintains Simon Lightfoot

As far as we know you are currently a Senior Lecturer in European Politics at the University of Leeds. What are your main research interests and expertize? In addition, why did the V4 countries catch your attention?

My main research area at present is the development policy of the East Central European states, especially the V4. The V4 countries caught my attention along with the other states that entered the EU in 2004 as never before in EU history had so many states that had previously been recipients of aid become aid donors. I was fascinated about how this transformation had occurred, what influence history had on the process and how important domestic and external factors have been on helping the states on their journey. The fact that

Simon Lightfoot, *Senior Lecturer in European Politics, University of Leeds*

the V4 states have only been donors in this current form for ten years makes it really interesting to see how they will develop in future years.

What are in your opinion the key aspects that distinguish development cooperation policies in V4 countries?

Given that 3 of the V4 are now full members of the DAC it appears that they have adopted the norms and practices of the donor community. The one area that the V4 states highlight as their unique contribution to the donor community is that of transition experience. There is a strong rhetorical commitment to the concept in the development cooperation policies of the V4 states but as yet the precise nature of this transition experience and where it can be applied lacks clarity. As a result the V4 states are not fully able to push agendas within the EU and this is an area that probably needs a more coordinated approach across the V4.

How would you assess Slovak/V4 ODA in relation to the EU? Are there premises for improvement of the existing model of development cooperation? What do you consider to be the future of ODA in the V4 countries?

Interesting question. Within the EU, member states attach different priorities to ODA and development cooperation. Some states exceed the 07 % commitment whilst others struggle to maintain aid budgets in the time of austerity. Thus we see some of the V4 donors, such as the Czech Republic and Slovakia with ODA levels similar to some of the more established EU donors. The issue for me is whether we can see the V4 as a group anymore in relation to development cooperation. The fact that the Czech Republic, Poland and Slovakia have joined the OECD DAC suggest that they are taking a different trajectory to that of Hungary. Whether this is just temporary will be interesting to analyse, should there be a change of government in Hungary. In the future though, the V4 states need to continue to ensure their aid is effective and consistent, which does mean some internal reforms. ■

"Why can't we imagine a V4 Higher Education Area with strong exchange, teaching and research projects?" asks Cezary Kościelniak

You are tenure at Department of Social Science in Adam Mickiewicz University in Poznan. On what is your research focused?

My research is focused on the transformations of higher education policy, especially in post-transformation countries. I am also greatly involved in the subject of cultural development and cultural contexts of the education welfare state and global education. In addition, I deal with the processes of secularization in the Western world. In my work with students the biggest challenge is involving them with participation, I think participated learning is the future in work with students.

Critical discussion of global education is greatly needed since it has become an increasingly diverse issue, pursued by a variety of stakeholders in the past decade. With growing engagement of national governments, different ministries and local authorities, the global education concept has become a challenge for contemporary national curricula. What is the role of universities in their civic duties, which are a part of global education?

Higher education institutions, especially universities are crucial in the processes of global education. Universities have essential tools for providing professional knowledge on the one hand and shaping social awareness on the other hand. To be professional, well skilled alumni and to be conscious citizens, this is the current aim of higher education. The needs of civic development is the most important task in countries with an underdeveloped democracy. In post-transformation countries, like in the V4, the curriculum of global education is a part of the internationalization agenda.

How do you perceive the opportunities to reform national curricula in the countries of the V4 which would prepare students for the complexities of an interconnected and interdependent world and empower them to create a world they wish to live in?

Cezary Kościelniak, *Tenure at Department of Social Science, Adam Mickiewicz University in Poznań*

First of all, I think that Visegrad countries should cooperate much more closely. In the twentieth century all the member countries had a similar history, a similar transformation experience, as well as similar problems. Despite many efforts and reforms, higher education policy in Poland, Slovakia, the Czech Republic and Hungary still differs from that of Western countries. For example, the EU average spending on HE and R&D is 1.5 %, in our countries this is below 1 %. In fact the problem not only lies in financial issues, but also cultural matters. The challenge is issues like internationalization, transparency and fair policy in hiring new faculty members, involving universities in the issues of the public sphere, as well as, openness to innovation. I think that closer cooperation, defining common challenges and building strong partnerships in higher education is both a realistic and compelling perspective for V4 countries. Why can't we imagine a V4 Higher Education Area with strong exchange, teaching and research projects? ■

"The concept of policy coherence of development enables us to look at the wider perspective," maintains Jan Bazyl

Jan Bazyl, *Executive Director, Grupa Zagranica, Poland*

Policy Coherence for Development has become an important topic in the discussions on development. Why is policy coherence for development essential for eliminating poverty?

Looking only at the specific area of development cooperation that concentrates on the quantity and quality of ODA (official development assistance) ignores far bigger financial flows that also have an impact on the well-being of developing countries. The concept of policy coherence of development enables us to look at the wider perspective and assess how other national, regional or global policies impact the poverty eradication aim. There is an urgent need to think about development as a horizontal topic that has to be tackled within the discussions on other global issues – future of agriculture, tax evasion, investment policies, climate & energy and so on.

What is the state of implementation of the PCD commitments in Poland? Is there a legal basis and an institutional mechanism for PCD?

The Polish Development Cooperation Act from 16th Sept 2011 sets ground for PCD in so far that every Ministry spending funds on development cooperation activities is obliged to consult the Minister of Foreign Affairs (Art. 8, 9) and the Minister of Foreign Affairs is obliged to opinion government programs and strategies with regard to development cooperation goals (Art. 13). In the Multiannual Program for Development Cooperation for 2012–2015 coherence with development cooperation goals is mentioned as the overarching principle.

The Polish Development Cooperation Act also provides for a Development Cooperation Policy Council, which consists of representatives from all ministries, parliament, academic institutions and CSOs. The Board formulates proposals of development cooperation activities and opinions government initiatives with (Art. 16), however PCD is not explicitly named as the Board's competence. It has potential to be more of a guardian of PCD and according to one official from the Development Cooperation Department of the MFA, some members of the Board have voiced the desire that the body gets more engaged in PCD, which should be discussed in near future. However, so far representatives of other Ministries in the Board are pushing rather the interests of their respective Ministries on the Development Cooperation Department of the MFA, which is contrary to PCD.

Recently some positive developments have become visible – the MFA established an inter-ministerial team that aims at exchanging information and

coordinating PCD across different ministries and there is an interest in MFA to use good practice from more experienced countries in this field (recent meetings with representatives of the Swedish MFA).

What's worth adding, as Poland became a member of DAC OECD last year, there will be a full peer review of the country's development cooperation policies in 2015 that also gives a more detailed picture of PL progress in PCD area.

Which areas of policy coherence for development do the Polish NGOs advocate?

For now there are several polish CSOs active in specific areas of PCD – advocating climate policy, food security, land-grabbing, tax evasion and agricultural policy. These activities are as much advocacy as general awareness raising campaigns aimed at education of the general public and decision-makers on those topics.

Grupa Zagranica, a platform for development NGOs concentrates more on monitoring the PCD institutional mechanism – looking at the activities of MFA and following the discussion within Development Cooperation Policy Council. Recently we have co-authored a ***PCD Study*** *that presents 8 cases of policy incoherence in 8 EU countries.* ■

"One of the biggest risks in the next 10 years in the Balkans would probably be the withdrawal of foreign donors," thinks Ilina Nesik

Ilina Nesik, *Project and Communication Manager, Balkan Civil Society Development Network, Macedonia*

From your point of view what are the strengths and weaknesses of civil society organizations in the Balkans? To what extent are there differences among individual countries?

According to recent studies on civil society development in the Western Balkan countries (CIVICUS Civil Society Index, USAID Sustainability Index etc.) civil society is maturing. While facing many different country-specific challenges, the common one faced by all is the lack of influence on the development of laws and policies that affect the daily lives of ordinary citizens. Considering that all of the countries are on the path to EU membership, this process, no matter how long, always requires massive changes of laws, bylaws and policies (usually termed by experts as "harmonization" and "transposition"), sometimes even overnight.

In such a context our Balkan Civil Society Development Network felt it was one of its strategic goals to work on the development of advocacy knowledge and skills among civil society actors as a base for their greater impact. This is how BCSDN and Pontis started working together and created the Slovak Balkan Public Policy Fund with the aim of supporting civil society actors form the Western Balkans to develop their advocacy capacities and increase their engagement in the creation of public policy in regards to the EU integration process.

SlovakAid has been active in Balkans since its origin focusing mainly on providing technical assistance. Which concrete aspects do you think have proved to be most relevant so far? Can you mention some examples?

The Slovak Balkan Public Policy Fund operates through a programme of small grants and tailor-made capacity-building support allocated to CSOs and individuals that are involved in the shaping of the public debate. In the first phase, the Fund focused on providing local CSOs concrete, practical, learning-by-doing support, including training on public policy and a mentor to develop a policy product and organize a public debate event in their area of work. This approach has been successful and relevant giving grantees the opportunity to learn from the experience of Slovakia and CSOs in the Balkans and a certain amount of freedom in the conception and implementation of the projects, which is not the case when administrating bigger funds.

What are your expectations as regards the state of civil society in the Balkans in 10 years? What do you think will change and how? What are the biggest challenges and risks?

When it comes to enabling environment for civil society in most of the countries there is a need for broader and more systematic application of the existing rules and legal framework. It is of high importance to work on the capacity building of civil servants, as well as of CSOs, to enhance the cooperation of state bodies and CSOs in the governance of the countries.

In many countries this area is not a priority and for various reasons governments are either not sufficiently active or unwilling to undertake the necessary reforms to ensure the civil society framework in their country is enabled. Receiving clear political support from the EU for such a process (as an element of the negotiation process) would also help encourage government buy-in. The EU (through its delegations or other projects and programs) should support any advocacy activities at a country level for the implementation of the Guidelines for EU support to civil society in Enlargement countries,

2014–2020. Such support should not only be financial but also political.

One of the biggest risks in the next 10 years would probably be foreign donors withdrawal and in these situations public funding is an important source of funding for CSOs. Governments should provide funds to support CSOs and a key element of any public funding scheme should be that its transparent decision-making process is not politically influenced.

CSOs need to consider alternative possibilities for raising funds and diversifying their income portfolio as a key way to achieve financial sustainability and independence in their activities. Such alternative methods include fundraising from corporations and individuals or social entrepreneurship (engaging in mission-related economic activities). Accessing such alternative sources will turn CSOs into more independent and viable organizations, closely linked to their beneficiaries and target groups. Such support should include the elimination of existing legal barriers to collecting donations or engaging in related business activities. It should also include research on motivation, support in training, sharing successful practices and foreign experience, etc. ■

"Democratic developments rely not only on democratic institutions, but on the people who make these institutions accountable for their actions," claims Jerzy Pomianowski

Jerzy Pomianowski, *Executive Director, European Endowment for Democracy, Brussels*

The European Endowment for Democracy just celebrated its first anniversary. Looking back at that year, how would you evaluate your achievements? What do you consider as your immediate priorities in the upcoming year?

The European Endowment for Democracy (EED) has started with great dynamism and during historically decisive times. We just need to look to Egypt, to Syria, to Azerbaijan and to Ukraine, to see how democracy movements are changing the status quo. Their successes (or defeats) in helping democracy blossom will determine the futures of their countries. Our support to their efforts towards democracy thus comes at an absolutely crucial time.

There is a great need for the EED's work. In only one year, we have received over 1000 Requests for Support from individuals and organisations fighting for democracy in their countries in North Africa, the Middle East and the EU's Eastern Partnership region. We have supported over 111 individuals and organisations who are struggling to develop democratic institutions and awareness in their countries.

We have tried – and I believe succeeded – to also reach the unsupported, namely those people and organisations who are not in touch with the international community, for administrative or other reasons, and cannot receive European support for their pro-democracy activities. Our flexibility, strong local contacts and expertise have helped us reach these "unusual suspects": individuals beyond the usual NGOs receiving and sometimes fully depending on Western assistance.

Complementarity and added value is the impetus of your action. What does that mean for the concrete role the European Endowment for Democracy should play in the field?

In the countries we work in, the European Endowment for Democracy (EED) works in tight partnership with other donors and the democracy support community of practice. For every initiative we consider funding, we are sure to consult with all our relevant partners on the ground, which also includes our local country consultant. This donor coordination is inspired by our mission to complement the already existing donor community working to support democratic developments.

Within this context, we have identified the current gaps, which democracy activists are asking donors to fill:

We have found that there is insufficient support given to small local actors, to individuals, to organisations who have not yet developed the more elaborate administrative infrastructure needed to manage challenging international grants and reporting.

We have also noted the need to receive support fast, often at very short notice, as the political and social contexts change at rapid pace. We are reacting to political reluctance showed by many European states to jeopardise their own government's cooperation with certain countries.

We know that it's usually impossible to support organisations that are not registered through their relevant ministries, yet will never receive that "accreditation" due to their activities, which challenge the work of these government institutions themselves.

EED has committed to serve as a complement to the existing democracy support community and to fill the above-noted gaps.

Do the "younger" EU democracies have anything to offer to the pro-

cesses of formation and implementation of the EU policies and programmes for supporting democracy and good governance?

Of course. As a Pole, I often remember my own political activism during Solidarnosc times, and the successful transformation my own country has undertaken in the last quarter century. We, the newer EU Member States, with our on-going history of peaceful revolutions, have many valuable assets and experiences we should share with others undergoing similar struggles today.

The value of external support is also much more appreciated by those countries who have lived through these struggles. Of all the Member State contributions to EED, most are from the newer members. This is one sign of proof of our enormous commitment to and appreciation of democratic transformations.

At the same time, we are very aware of the many different paths one can take towards democracy. We know that there is not one European model of democracy to share. We have each adapted our own models and adapted them to our cultural, historic and political contexts.

Finally, we know that democratic developments rely not only on formally-established democratic institutions, but first and foremost on the people who make these institutions accountable for their actions.

In EED we are aware of the need to build democracy from the bottom-up, through society-centred, and not only government-centred approaches. Only democracies that have undergone more than a mere facade change, but rather genuine bottom-up societal movements, have a chance to become sustainable democracies. ■

"Unfortunately, in the V4 we have different opinions on the conflict in Eastern Ukraine," claims Krzystof Stanowski

Krzysztof Stanowski, *Executive Director, Solidarity Fund, Poland*

With respect to your lifelong experience with capacity building in the NGO sector and development cooperation, how would you assess the transfer of transition experiences of the V4 countries? Does it show the required results especially considering new countries accessing EU?

Unfortunately I do not see many joint V4 initiatives. Poland is more and more involved in democracy support projects. We assist in decentralization reforms in Ukraine, we support local authorities in Moldova. We are looking for V4 partners for such programs. Unfortunately it's the case that in the V4 we have different opinions on the conflict in Eastern Ukraine. Recently Mustafa Dzemilev legendary leader of Crimean Tatars told me: "I spent 3 years in jail for protesting against the Soviet invasion in Czechoslovakia, and today the President of Czech Republic is suggesting that we should give up Crimea."

What do you consider to be the greatest achievement of Poland within development cooperation?

Linking democracy support with development cooperation. In Poland we don't believe in development without empowerment. Traditional development cooperation provided by the EU used to be concentrated rather on governments than local communities. In countries in transition like Moldova, Tunisia or Ukraine Polish Aid supports the implementation of reforms. In authoritarian regimes we prefer to organize parents around local school, establish parent teacher associations, renovate classrooms, and introduce participatory methods of teaching...

We also are proud of the fact that, as a result of several years of cooperation with local authorities and civil society in Ukraine they have decided to introduce a "Polish" model of local government reform. A Polish mission of experts was launched in Kiev a week after the request from the Ukrainian government was received.

You actually helped develop the NGO sector in Poland and you also specialize in civic education and international cooperation in this field. What tools, in your experience, have been proven to be the most effective in the process of stimulating and strengthening civil society?

Probably the most effective is long term cross border cooperation, between both individuals and local institutions, schools and local authorities... Working with the Crimean Tatars we assisted in the establishment of Crimean Tatar schools. We trained teachers, leaders of parent councils, editors of student newspapers... We also cooperated with dozens of Crimean Tatar NGOs. Recently these teachers, parents, NGO leaders, participated in a non-violent protest on Majdan, as proud Ukrainian citizens. They were demonstrating for dignity, democracy and a European future for their children. ■

“Donors can leverage their influence in a number of ways to incentivize fresh solutions coming from unlikely places in development,” thinks Milica Begovic

Milica Begovic, *Innovation Specialist, UNDP Regional Centre for Europe and the CIS*

How are innovations currently used in development cooperation? Which donors or international organizations shall be “trend-setters”?

*Most senior managers working in international development believe that the sector **will undergo a major transformation** over the next 10 years. The main drivers of that change will be the rise of developing countries, new actors and technologies, and decreasing bilateral funding. A closer look shows some interesting interplay between these factors as well: top level executives in social enterprises are more willing to donate money **to an untested start-up with new ideas** than an established organization with a proven track record.*

*In this context, ‘innovation’ for international organizations means figuring out how to work with the new players in radically different ways than what we’ve done up till now. In many respects, this will imply **tweaking bureaucracies** to enable easy collaboration with unusual suspects. It also means a shift toward experimenting and iterating as a way of finding solutions that are quicker and cheaper and keeping pace with the rapid changes happening outside the office.*

What role do you think innovation can play in development cooperation practice implemented by new donors, such as the Visegrad states?

Donors can leverage their influence in a number of ways to incentivize fresh solutions coming from unlikely places in development. Some examples:

*Treat projects as start-ups – this is what **development impact bonds** and payment-by-result are all about, and something that we at UNDP are hoping to experiment in with our partners at the **Behavioural Insights Team**. What if instead of paying up front for a project, funding is released only when results are achieved?*

*Replace traditional procurement with **challenge prizes and competitions** – by identifying a desired result upfront (e.g. to create a system for real-time communication between a local authority and citizens) and allowing anyone to take part, this type of a process is likely to result in more people engaging with the problem, more profile for the issue, and ultimately, again, payment for result only.*

*Demand ‘working out loud’ – simply by asking partners to blog as opposed to (or in addition to?) write regular reports (with often a limited readership), a team is likely **to have its ideas and projects exposed** to more perspectives, feedback, potential partners, and funds.*

How do you use innovation in your work and where do you see the biggest value added? You can bring a successful example of UNDP practise?

*We focus on testing various approaches to bringing citizen-driven innovation and engagement in policy making, and bringing in the solutions and expertise from outside UNDP for more effective problem-solving. In our work, we’re using various foresight methods to reflect **citizens’ versions of the future** in strategic planning; building games for **sustainable farming**, **peace and reconciliation,** and youth unemployment; using **behavioral insights to increase drug adherance among TB patients;** using design thinking to create better **disaster management services for people with disabilities**; and mobilizing **citizens to fight informal economy** with a mobile app.*

*In experimenting with new approaches, we consider data as our ‘**first line of defense**.’ For example, we can learn about **patterns of movement and behavior from the way people use their mobile phones**, which can, in turn, help us better protect them against disasters.*

*Lastly, we assume that there is a group of citizens already working on a solution to a problem we’re thinking of, or addressing a problem that we aren’t but should be aware of. This implies a pivot away from, for example, coming up with different ways of integrating people with disabilities into various segments of society to supporting those already doing it: meet Ludmila, a tour guide in Minsk, who in her free time gives **tours of the city to children who are blind** (interestingly, this helped create a new offer for seeing tourists who increasingly wish to see the city as ‘seen’ by those who are visually impaired).* ■

“There are tremendous social innovations and social entrepreneurs operating today across the developing world,” states Georg Schoen

Georg Schoen, *Venture Coordinator Austria & CEE, Ashoka, Austria*

Ashoka is a leading global platform for social entrepreneurs driving positive social change around the world. Could you tell us a little about Ashoka’s activities and the key instruments used for fostering social innovation?

Ashoka is the world’s largest network of nearly 3000 social entrepreneurs, spanning across 80 countries, who are solving some of the world’s toughest social problems. Ashoka works to identify, elect and support leading social entrepreneurs both financially and professionally. We bring communities of social entrepreneurs together to help leverage their impact, scale their ideas, and disseminate their practices. In addition, we help to build the infrastructure and financial systems needed to facilitate global growth of social innovation. To achieve this, Ashoka builds partnerships and bridges to the business, public and academic sectors. www.ashoka.org

Nowadays, almost every company has a corporate social responsibility strategy. But there is a need for greater transparency of the business operations in developing countries. What contribution can business make in development efforts?

Ashoka believes that only collaborations between social entrepreneurs, non-profit organizations, businesses and the public sector will solve at scale the complex challenges of today. Ashoka promotes business models that leverage the capabilities of the business and citizen sectors to enable the delivery of required goods and services to low-income populations in a more cost-effective way. Companies tap into new markets and expand their client base. Civil society organizations increase their impact by generating new revenue sources for their programs and expanding their service range to beneficiaries. Low-income populations improve their livelihoods as their basic human needs are met and new economic opportunities arise.

In India, Ashoka has worked with mortgage companies, for-profit housing developers, and local citizen-sector groups to create a thriving housing market – delivering affordable new apartments for the “informal” members of the local workforce. These consumers often have a steady source of income but lack proof of stability and therefore are ineligible for mortgage loans. Civil society organizations can serve as demand aggregators, bringing groups of consumers to for-profit developers, or as full design and investment partners. More than 2,500 homes have been built in the pilot phase and the model promoted for replication across India.

Or consider Ashoka Fellow Scott Gilmore who founded the Building Markets Initiative to connect local entrepreneurs to domestic, regional and global supply chains. Building Markets starts by finding and verifying competitive local businesses and matching them with the demands of the buyers. Tenders are collected, translated and distributed through extensive networks. Local business are trained how to bid on, win, and execute those tenders. Building Markets helped 680 Afghan businesses to win 1,300 contracts valued at over $1 billion. These contracts helped create or sustain an estimated 65,000 full-time equivalent jobs in Afghanistan.

How can developing countries become equal partners in discussions about private partnerships and social enterprise in development cooperation and how can they unlock their potential for example as sustainable suppliers, manufacturers and technology enabled services providers?

Ashoka pioneered the concept of social entrepreneurship in the developing world, starting in Asia, Latin America and Africa. The majority of the more than 3000 social entrepreneurs in our global network come from these regions. There are tremendous social innovations and social entrepreneurs operating today across the developing world. Their solutions and contributions to development need to be showcased, networked, and scaled up. Consider the following example: In rural India, villagers live without easy access to trade, government, business, and health information. This makes them easy prey for intermediaries who control the flow of information and can demand high payments to allow villagers access to it. Ashoka Fellow Satyan Mishra started the social enterprise Dishtree to empower marginal communities in India to nurture rural enterprises, local value chains, and ultimately, shared community prosperity. Drishtee supports villages in creating an eco-system of micro-enterprises run by local entrepreneurs with a specific focus on women. Drishtee provides a sound kiosk-based platform to deliver services such as Health, Education, Banking, Micro-finance, and livelihood services along with opportunities to provide market access and linkages for physical products such as eyeglasses, mobile phones and agricultural products. Over the years, Drishtee has facilitated and supported a network of over 14,000 rural enterprises to cater to the critical needs of base of the pyramid in India. ■

pontis foundation

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The Pontis Digest is co-financed by the SlovakAid.
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