Czech Republic - Multilateral Development Cooperation Strategy (2013-2017)

<u>Context:</u> The Czech Republic became a full member of OECD/DAC on May 14, 2013. Before accession, the country actively participated as an observer in the activities of selected OECD/DAC working groups. Recently, to reflect effective development cooperation principles, the Czech Republic adopted the *Multilateral Development Cooperation Strategy (2013-2017)*. The Strategy, highly appraised by the OECD/DAC, allows the Czech Republic to cooperate with those international organisations that provide highest added value and will use the Czech financial allocation in accordance with the aims formulated in the Strategy.

<u>Objective</u>: The Czech Republic intends to increase its involvement in the decision-making processes of international organisations via its participation in their managing bodies. It will strive to maintain and improve its position within the European Bank for Reconstruction and Development (EBRD) and the World Bank and continue its active participation in UN agencies.

Specific goals include:

- Promotion of interests and priorities of the Czech Republic upon fulfilling global goals of development cooperation;
- Enhancement of participation of Czech entities within the implementation of multilateral projects;
- Involvement of Czech experts in structures of multilateral organisations;
- Increased involvement of the Czech Republic in the decision-making processes of multilateral organisations.



An education project in Ethiopia, supported by the Czech Republic

<u>Approach & Results:</u> The Czech Republic recognizes the leading role of the UN in setting up global standards for development cooperation, while understanding the shift from aid effectiveness to development effectiveness.

Some approaches include:

- To introduce innovative Overseas Development Assistance approaches that are needed to respond to entrenched development challenges such as poverty and gender inequality. Upon agreement with the Ministry of Foreign Affairs, the Czech-UNDP Trust fund is committed to financially supporting the Innovation Fund a small fund that is meant to provide seed money (on a matching basis) to UNDP country offices to encourage prototyping of approaches that go beyond traditional project implementation methods.
- To strengthen the equal division of commitments and responsibility among donors and beneficiaries.
- To continue close cooperation with UN agencies, especially with the UNDP Regional Center in Bratislava. An envisaged allocation of 500,000 USD/year to the Czech-UNDP Trust Fund includes continued financial support of the seconded Ministry of Foreign Affairs and Czech

- development Agency staff; developing closer cooperation with the UNFPA Regional Centre in Istanbul; continuing establishing Trust Funds in other selected organisations.
- Consider funding Czech Junior Professional Officer positions, and if possible co-funding, sending young professionals to expert organisations such as the International Telecommunication Union.
- Participating in EU joint programming initiatives and possibly leading the initiative in a selected sector.
- To support sustainable and renewable resources, crucial to fuel economic activities and decrease poverty in developing countries. In this sense, the Czech Republic recognizes the importance of the UN Sustainable Energy for All initiative. The Czech-UNDP Trust Fund will provide funding to finalize the upcoming Sustainable Energy for All report and to support the International Renewable Energy Agency in its fulfilment.
- Supporting Aid for Trade projects in traditional partner countries like Georgia and Ethiopia to benefit from the Czech Republic's expertise in international marketing.
- In the energy sector, to cooperate in particular with the EU, UNDP and UNIDO. Sharing experiences with renewable energy sources in local communities in order to support sustainable local development.
- Support of various Global Environment Facility projects in order to contribute to the preservation of global biodiversity, including through cooperation in research and relevant development projects in partner countries a regions affected by climate change.
- Stress the importance of transitional experience and its transfer, especially to transforming countries, like the Eastern Partnership countries, the Balkans, and the Post-Soviet Republics.

Success factors/value addition to the implementation of Busan: Various aspects of the Busan Partnership are reflected in the Multilateral Development Strategy of the Czech Republic. One of the key elements of the new partnership, reflected in the strategy, is the participation of a broad spectrum of partners in the development process. In particular, the central role of the private sector is recognized, in advancing innovation, creating wealth, income and jobs, mobilising domestic resources and in turn contributing to poverty reduction. To this end, the Czech Republic supports the role of private sector on various multilateral fora and participates actively in the current OECD work on value chains for development. Furthermore, the strategy promotes "aid for trade" as an engine of sustainable development. The Czech Republic has received OECD praise for its willingness to effectively engage in multilateral/international development cooperation.

On involving of the private sector in development cooperation, the Czech Republic has launched its bilateral *Programme of development-economic partnerships* (B2B) in 2012, based on positive experience of other European donors, namely Denmark and Finland. Serbia and Ethiopia were selected as pilot countries. The main goal is to transfer Czech know-how and technologies, improve working and living condition of the citizens in developing countries and improve competitiveness of their economies by building new business partnerships.

The Busan declaration calls for improved quality and effectiveness of development co-operation. In view of this, the Czech Republic supported the European Union initiative of joint programming of development activities so that the overall development architecture will be simplified and the transaction costs of the ODA decreased. A concrete example is Ethiopia, where the Czech Republic joined the EU programming in January, 2013. In full accordance with the Busan Partnership, the Czech Republic also puts emphasis on transparency of its Official Development Assistance programme. The Czech Republic provides regular statistical reporting based on the OECD DAC standards and furthermore, international NGOs recently ranked its Overseas Development

Assistance programme the sixth most transparent among EU member states (Aid Transparency Index 2012, Publish What You Fund Campaign).

Further information:

<u>www.mzv.cz/aid</u> (Ministry of Foreign Affairs of the Czech Republic – Development Cooperation) <u>www.czda.cz</u> (Czech Development Agency)

http://www.publishwhatyoufund.org/index/ (Aid Transparency Index)

http://www.oecd.org/dac/peer-reviews/czechrepublic.htm (Czech Republic Peer Review, OECD DAC)

http://www.mzv.cz/file/1022976/Multilateral_Development_Strategy_EN.doc

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