
**Strategy For Estonian Development Cooperation And
Humanitarian Aid 2011–2015**

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1. Introduction

The Strategy for Estonian Development Cooperation and Humanitarian Aid 2011-2015 serves as the basis for regulating the activities of the Estonian public sector in the areas of development cooperation and humanitarian aid. The Strategy also allows other development cooperation and humanitarian aid players to plan their activities. The Strategy has been drawn up on the basis of the previous strategy for 2006-2010 whose underlying principles and directions are continued and furthered.

The guiding principle of the Strategy is to make Estonia a unique donor country that supports international development goals and builds on generally recognised principles of development cooperation, whose assistance is welcome in the partner countries and beneficial to their development and with whom the other donor countries are willing to cooperate.

As a result of drawing up the Strategy, Estonia's development cooperation is transparent and effective and its grounds, areas and major partners by target countries and international organisations have been identified. Estonia's development cooperation resources are limited, considering global development and humanitarian aid needs, and therefore the function of the Strategy is to achieve as accurate planning and efficiency of the aid activities as possible, compliance with the needs of the target countries and the activities of other donors in line with the generally recognised principles of aid such as the Paris Declaration and the Accra Agenda for Action.

The Strategy is based on general international development agreements and goals, for instance, the UN Millennium Development Goals as well as the development policy decisions and guidelines of the European Union (EU). Nationally, development cooperation is regulated by the Government of the Republic Act, Foreign Relations Act and the Procedure for Implementation of Development Cooperation Projects. The Strategy supplements and furthers the document "Principles of Estonian Development Cooperation" approved by the *Riigikogu* as well as other international and national underlying documents.

The Strategy associates development cooperation and humanitarian aid with other policy areas and links Estonian development cooperation with international development cooperation agreements and goals. The goals of Estonian humanitarian aid and the ways of providing aid are discussed separately.

The overall goal of Estonian development cooperation is to contribute to the eradication of world poverty and to attaining the Millennium Development Goals.

The goals of Estonian development cooperation across the areas of activities are the following:

- 1) supporting human development and increasing the availability of education and health care in developing countries, focusing on women and children;
- 2) supporting the protection of peace and human rights and development democracy, ensuring the stability of countries, introduction of good governance practices and guaranteeing human rights;

- 3) promotion of economic development, including supporting economic reform, integration into the global trade network and agriculture; fostering environmentally friendly and sustainable development;
- 4) in line with the principles of the Strategy, supporting international organisations that implement development cooperation. Improvement of Estonian development cooperation, focusing, above all, on a limited number of priority partner countries and sectors, following the priorities of the partner country and keeping in mind long-term goals;
- 5) enhancement of the development cooperation capacity of the Estonian public, private and third sectors and increasing the population's awareness of development cooperation and introducing global education.

Covering all areas, Estonia promotes more extensive application of information and communication technologies in the framework of development cooperation, where possible.

Estonian bilateral development cooperation is primarily aimed at countries to which Estonia can offer added value relying on its own experiences and which are ready to move towards a democratic society built on human rights. Thus, the priority partner countries of Estonian bilateral development cooperation are, in terms of the least developed countries, Afghanistan and, in terms of European countries having the lowest GNI, such EU's Eastern Partnership countries as Armenia, Azerbaijan, Georgia, Moldova, Ukraine and Belarus. Besides these countries, Estonia is cooperating with other developing countries and partners interested in Estonia's experience in some particular area.

International organisations are indispensable in reducing global poverty, in ensuring stability and in observing human rights. For that reason Estonian development cooperation puts great importance on supporting their activities and goals. In this context, Estonia contributes, in addition to the EU, also to the UN system and its organisations engaged in development issues, to the World Bank and to the OECD.

The **goal of humanitarian aid** provided by Estonia is to save human lives and deliver assistance to victims of natural or manmade disasters, focusing particularly on the most vulnerable population groups. Estonia assesses each need for humanitarian aid separately and provides aid in a way that is most needed in the relevant situation in line with the activities of other humanitarian actors. The Ministry of Foreign Affairs is responsible for providing and coordinating humanitarian aid. At the national level, the Ministry cooperates with the Ministry of Internal Affairs, the Estonian Red Cross and other institutions and organisations. Estonia continues to support the international humanitarian system and coordination primarily through the UN Office for the Coordination of Humanitarian Affairs (OCHA) and the humanitarian aid structures of the Commission of the European Union (ECHO) and contributing to the UN Central Emergency Response Fund (CERF) and to the United Nations Disaster Assessment and Coordination (UNDAC) system.

To attain the goals set in the Strategy of Development Cooperation and Humanitarian Aid, Estonian development cooperation's share in the foreign policy and its coherence with policies in other areas will be enhanced. Estonia has increased the level of its official development assistance to 0.1% of its gross national income (GNI) in 2010

and is striving for the level of 0.33% of GNI in accordance with the EU Council of Ministers' decision of 25 May 2005.

2. Strategic grounds of the area

2.1 General principles of the area of activity of Estonian development cooperation

Throughout, Estonian development cooperation will address:

- human rights;
- gender equality;
- environmental friendliness.

Building on partnership and on the priorities of the partner country

Estonia in its development cooperation also builds on the principle that responsibility for their development primarily lies, above all, with the developing countries themselves. To achieve sustainable results and to ensure the responsibility and motivation of the partner for that purpose, Estonian development cooperation will be based upon the needs, priorities and development strategies of the partner country. However, upon planning cooperation, Estonia also follows its own priorities and possibilities. To achieve greater involvement of the partner country, Estonia is willing to cooperate in the drafting, implementation as well as assessment of development cooperation with as many social groups of the partner country as possible, including, in addition to the government and representative bodies, also the third sector and private sector.

Building on long-term goals and results

In order to achieve lasting results and ensure greater responsibility and involvement of the partner country, Estonia plans and assesses projects increasingly on the basis of longer-term supra-project goals. Estonia binds development cooperation projects with longer-term goals and programmes at the level of the partner country and, where possible, pursues long-term cooperation covering various levels and institutions in the sectors of priority.

Efficient coordination and complementarity

The efficiency of aid depends on cooperation between donors who have different interests, goals and aid policies. For the purpose of harmonisation of operations Estonia actively participates at the partner country level in the harmonisation structures, supporting the leading role of the partner country, where possible. Estonia follows the EU Council's conclusions on harmonisation of assistance activities and the Paris Declaration of harmonisation of assistance (2005) and the Accra Agenda for Action (2008).

2.2 Compliance of the Strategy with international goals

Estonia cannot afford to be indifferent about what is happening in the world – Estonia's security and the economic and environmental wellbeing depend directly on the events occurring in the world. Extreme poverty, spread of diseases, global economic problems, conflicts, spread of terrorism, food security and global warming are problems that have direct impact on the Estonian state and its residents and their

future. The countries of the world, including Estonia, agreed on the Millennium Goals at the UN summit in September 2005. Together with the Millennium Declaration, adopted in 2000, these decisions constitute the internationally agreed goals that, in aspects relating to development cooperation, are more specifically known as the UN Millennium Development Goals.

UN Millennium Development Goals for 2015

1. **Eradicate extreme poverty and hunger.** Halve the proportion of people living on less than a dollar a day. Halve the proportion of people who suffer from hunger.
2. **Achieve universal primary education.** To provide all children with primary education.
3. **Promote gender equality and empower women.** To ensure that by 2015 children everywhere, boys and girls alike, will be able to complete a full course of primary schooling.
4. **Reduce child mortality.** Reduce by two-thirds the under-five mortality rate.
5. **Improve maternal health.** Reduce by two-thirds the maternal mortality ratio.
6. **Combat HIV/AIDS, malaria and other diseases.** Have halted by 2015 and begun to reverse the spread of HIV/AIDS. Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases.
7. **Ensure environmental sustainability.** Halve, by 2015, the proportion of the population without sustainable access to safe drinking water and basic sanitation. By 2020, to have achieved a significant improvement in the lives of at least 100 million slum residents. Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources.
8. **Develop a global partnership for development.** Develop further an open, rule-based, predictable, non-discriminatory trading and financial system; address the special needs of the least developed countries, including tariff-free and quota-free access for their exports and cancellation of official bilateral debt; make available information and communications technologies; provide access to affordable essential drugs in developing countries; develop decent and productive work for youth.

Estonia is a member of the European Union and the EU is the biggest global donor. In addition to the Joint statement on the European Union development policy: The European Consensus on Development (December 2005), the EU and its Member States have assumed the obligation to follow the Paris Declaration and the Accra Agenda for Action on aid effectiveness, the Doha Declaration on Financing for Development and have made various ambitious decisions to increase the EU's assistance sums and improve the efficiency of and coordinate activities. The Estonian development cooperation policy is also based on those decisions.

In its development cooperation Estonia is building on the following international agreements:

- Declaration of the UN Conference on Environment and Development (Rio de Janeiro 1992);
- UN Millennium Declaration and UN 2005 and 2010 World Summit Outcomes;
- UN Millennium Development Goals (2000);
- Declaration and Plan of Implementation of the UN World Summit on Sustainable Development (Johannesburg 2002);
- Consensus of the International Conference on Financing for Development (Monterrey 2002) and Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus (Doha 2008);
- Declaration of the World Summit on Food Security (Rome 2009);
- Decisions related to the WTO Doha Development Round;
- Declaration of the Fourth World Conference on Women (Beijing 1995);

- Programme of Action of the UN International Conference on Population and Development (Cairo 1994);
- Declaration of the World Summit for Social Development (Copenhagen 1995);
- EU Council conclusion, “Accelerating Progress towards Achieving the Millennium Development Goals” (May 2005);
- Joint statement on the European Union development policy: The European Consensus on Development (December 2005);
- Decisions of the high level forums on harmonisation and aid effectiveness (Rome 2003, Paris 2005) and Accra Agenda for Action (2008);
- Principles, rules and guidelines of development assistance agreed upon in the OECD Development Assistance Committee;
- EU Code of Conduct on Complementarity and Division of Labour in Development Policy (May 2007);
- EU Strategy on Aid for Trade Enhancing EU support for trade-related needs in developing countries (October 2007);
- EU action plan on gender equality and women's empowerment in development 2010-2015;
- Council Conclusions on an Operational Framework on Aid Effectiveness (November 2009);
- Council Conclusions on In-country Division of Labour (May 2010);
- Council Conclusions on the Millennium Development Goals (June 2010).

2.3 Relationship between development cooperation goals and other policy areas

For the purpose of efficient and effective implementation of the national development cooperation policy it is important to take into account other policies of the Estonian state. International development policy agreements and analyses, including the European Consensus on Development (2007), draw attention to security as an important prerequisite for development, as a result of which the development policy is closely related to foreign and security policy activities. The entry into force of the Lisbon Treaty and the European External Action Service allow for even better integration of the EU's development policy into other EU policy areas. The integrated approach allows the EU to pay attention to states and regions where there is an insecure security situation, a humanitarian catastrophe caused by the forces of nature or humans, a political or social crisis or which poses a direct threat to the security of neighbours of the EU. Therefore, it is important that Estonia be prepared to and contribute to the EU's as well as the UN's crisis management initiatives, involving relevant national expertise and capacity in regions and areas that desperately need it. In order to achieve the goal, it is planned on expanding Estonia's participation in international civil missions and to coordinate and plan (incl. in Afghanistan and the West Balkans) the respective national and supra-area policy.

In addition to security and enforcing peace, policy areas important from the point of view of development include the economic and trade policy, education policy, health care and social policy, environmental policy and regional policy. For the purpose of attainment of Estonia's development cooperation goals via the EU or other international organisations, it is important to plan national development cooperation capacity and identify it at the level of ministries and their subordinate agencies within the limits of the latter's area of administration.

List of national underlying documents relating to development cooperation activities

The Strategy for Development Cooperation and Humanitarian Aid is related to the following Estonian national underlying documents:

- Governing Coalition's Programme for 2007-2011;
- Government's European Union Policy 2007-2011 (25.10.2007);
- National Security Concept of the Republic of Estonia (2010);
- Estonian Action Plan for the Implementation of the UN Security Council Resolution 1325 "Women, Peace and Security" in Estonia through 2010-2014;
- Estonian National Strategy on Sustainable Development "Sustainable Estonia 21".

2.3.1 Ministries, persons and institutions involved

The Ministry of Foreign Affairs is responsible for the strategic planning, implementation and coordinating the activities of different participants of Estonian development cooperation.

The Ministry of Foreign Affairs:

- jointly with other institutions and organisations, drafts the directions of development cooperation and the Strategy, draws up and submits to the Government of the Republic the Estonian Development Cooperation Implementation Plan on the basis of the goals established in this Strategy;
- holds an active political dialogue with the partner countries; based on the needs and priorities of the partner country and Estonia's resources, agreed on specific areas of cooperation;
- represents Estonia and its positions on development cooperation at the international level, including in the international organisations falling within the area of responsibility of the Ministry of Foreign Affairs as well as in forums and in the media;
- assess the situation and, if necessary, upgrade the system of implementing bilateral development cooperation;
- communicates with other donors both at the partner country level as well as internationally and prepares bilateral or multilateral cooperation projects with other donors;
- informs relevant institutions, ministries and state authorities, civil associations and the private sector and involves them in the implementation of development cooperation.

Other ministries, local authorities and civil associations are also involved in drafting, renewing and implementing the Strategy for Estonian Development Cooperation and Humanitarian Aid. Representatives of ministries and civil associations participate in the development cooperation project evaluation committee that approves bilateral development cooperation projects and supervises their implementation.

Considering the proposals by the ministries, the Strategy sets out the areas, measures and organisations falling within the field of administration of other ministries in which Estonia intends to support developing countries. Other ministries are primarily responsible for planning, implementing and evaluating development cooperation projects in their own field and for development of direct relationships with relevant institutions in developing countries, keeping in mind the goals of this Strategy. Local authorities and the private sector, incl. business organisations, are active partners in shaping the development cooperation policy and implementing projects.

The implementation of development cooperation activities requires the involvement of the whole of society and in achieving this civil associations have the best opportunities in Estonian development cooperation. Their relations with partner countries' civil associations make these organisations valuable partners for the public sector in policymaking, project implementation and in informing and involving the public.

3. Areas of activity of development cooperation

3.1 Current situation

Since 1998 Estonia has systematically engaged in development cooperation, i.e. in providing developing countries with development assistance. Bilateral projects that were initially one-off and aimed at transition economies (South Caucasian and West Balkan states, Ukraine, Moldova, etc.) have gained a political basis (decision of the *Riigikogu* "Principles of Estonian Development Cooperation"), administrative structures required for implementation (the Development Cooperation and Humanitarian Aid Office of the Ministry of Foreign Affairs), implementing legislation and rules.

Main achievements through 2006-2010

- A systematic and coordinated approach to the area has been developed at the national level, including at the legislative level: on 21 January 2010 the Government of the Republic adopted Regulation No. 8 "Conditions of and Procedure for Provision of Development and Humanitarian Aid". The procedure specifies the mandate and competencies of the Development Cooperation Committee and the organisation of (open and limited) calls for proposals. Also, it sets out the ways of granting new assistance such as microfinancing and the cofinancing of the European Commission's development cooperation projects. The decision-making mechanism of granting humanitarian aid has been updated and the coordinating role of the Ministry of Foreign Affairs has been strengthened.
- Constructive and regular cooperation has been developed with priority partner countries and other project partners.
- Estonia has a considerable number of potential implementers of development cooperation projects.
- As a donor, Estonia has earned the reputation of a reliable partner and is a valued partner among partner countries, other donors as well as international organisations (EU, UN, World Bank, OECD, etc.).

- Awareness of development cooperation and its importance has increased among the public – voluntarism and philanthropy have strengthened.
- A system of granting humanitarian aid and a network of partners have developed.
- Estonia's development cooperation and humanitarian aid resources have, in spite of the difficult economic situation, increased on the whole.

With the increase of Estonia's development cooperation contribution, more attention will have to be paid to making development aid more planned, effective and sustainable, for it is one of the biggest challenges when it comes to current activities. To that end both the capacity of the organisations and people directly involved in granting development aid as well as the awareness of society in general of granting aid and the readiness have to be increased – this is what the Strategy and financial resources are aimed at. Furthermore, it is also important to plan additional resources in the budgets of other ministries for implementation of development activities in their area of responsibility.

Legal grounds

The underlying document for Estonian development cooperation is the Principles of Estonian Development Cooperation approved by the *Riigikogu* on 15 January 2003. The document specifies the common goals and priorities of Estonian development cooperation and the forms of implementing development cooperation. The Government of the Republic Act and the Foreign Relations Act specify the mechanisms of granting development aid in greater detail and the leading role of the Ministry of Finance in planning and implementing development cooperation and in coordinating the respective policy. According to the Foreign Relations Act, the Ministry of Foreign Affairs presides at Inter-ministerial Development Cooperation Committee, which includes as full members the representatives of the Ministry of Foreign Affairs as well as other ministries substantial for the area. The committee's function is to ensure the high quality of Estonian development cooperation projects; the usefulness and impact as well as technical feasibility of the projects is assessed by the committee. After adoption of the Government of the Republic regulation "Conditions of and Procedure for Provision of Development and Humanitarian Aid" the implementation of bilateral development cooperation has become more planned and the financing conditions have become clearer. The Conditions of and Procedure for Provision of Development and Humanitarian Aid provides for organisation of application rounds for finding projects, more detailed terms and conditions of granting aid, limits of aid and self-financing, establishes project assessment criteria, etc.

Funds

In 1998 for the first time 0.45 million euros was planned in Estonia in the reserves of the Government of the Republic for implementation of development cooperation, i.e. supporting the development of other countries. Since 2004 development cooperation and humanitarian aid resources in the budget of the Ministry of Foreign Affairs have increased year by year. In 2009 Estonia allocated a total of 13.23 million euros in its state budget for development cooperation and humanitarian aid. This sum includes the development cooperation resources of the Ministry of Foreign Affairs as well as other government agencies and Estonia's contribution to the EU budget. In 2010 Estonia achieved the goal established by the Government of the Republic in May 2005 to raise the development cooperation and humanitarian aid resources to at least 0.1% of the

GNI by 2010. In April 2010 the Government set a new goal of achieving the level of at least 0.17% of the GNI by 2015.

3.2 Sub-areas, sub-goals and measures of Estonian development cooperation

Proceeding from the international decisions specified in Chapter 2, Estonian development cooperation as an integral part of its foreign policy is aimed at reducing poverty, ensuring economic and social stability and safeguarding peace, democracy and the observance of human rights in accordance with the internationally endorsed principles of sustainable development.

In resolving global development problems, Estonia recognises that a comprehensive approach is necessary: the safeguarding of security, human rights and democracy is closely connected with environmental and development issues and promoting one area will support other areas. To achieve the established goals, Estonia participates in bilateral and multilateral development cooperation.

STRATEGIC GOAL I: Contributing to the reduction of poverty and achievement of the Millennium Development Goals

SUB-AREA I

3.2.1 SUPPORTING HUMAN DEVELOPMENT

According to the Human Development Report 2010, most of the people in the world are currently healthier, more educated, live longer and they have better access to goods and services than ever before. In comparison with 1990 the number of people living in complete poverty (i.e. who have to cope with less than 1.25 USD a day, has decreased from 1.8 billion to 1.4 billion. This shows that we are moving in the right direction in achieving the first Millennium Development Goal. However, according to the multidimensional poverty index, which takes into account, among other things, the access to education and health care services, 1.75 billion people are still living in poverty. Most of them live in sub-Saharan Africa and in the least developed countries of South Asia, but poverty is limiting development outlook also in medium-income Eastern Partnership countries in the proximity of Europe.

Women and children are still the most struggling social groups in developing countries. Considerable progress has been made in identifying the reasons and consequences of poverty based on gender and more attention has been paid to the education, health care, security and equal opportunities of personal income and empowerment among women living in developing countries. In the Strategy for Estonian Development Cooperation and Humanitarian Aid 2011-2015 women and children are the central target group in the achievement of the sub-goals of the sub-area of human development. Through it the achievement of such Millennium Development Goals as reduction of the child mortality rate, improvement of maternal health and promotion of gender equality is supported – it is a clear contribution to the development of a more balanced and sustainable society.

<u>Sub-goal 1: Supporting making education more available and improving the quality of vocational education</u>
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In order to improve the situation of people living in poverty, Estonia considers it important to support the development opportunities of, above all, individuals. The most sustainable and long-term investment in the growth of people's opportunities as well as in the development of society is the increasing of the availability of education. Basic education in developing countries has become gradually more easily available. Although the number of children of the schooling age is rising, the number of children deprived of school education has fallen from 106 million in 1999 to 69 million in 2008. Thus, support to ensuring the availability of global development objectives still remains important in ensuring the availability of primary education. One of the measures in it is the school food programme more extensively used by the WEP, which helps to bring millions to education and to keep it there.

Through 2006-2010 Estonia has achieved the sub-goal of making education more available in developing countries mainly by financing projects supporting the education system of the partner countries, including by supporting training programmes and research networks and by allocating study scholarships. Also, important international development cooperation and humanitarian aid organisations and initiatives such as UNICEF, UNDP and UNGEI have been supported in the field of education. The cost of achievement of the sub-goal in the previous four years has been over 1.60 million euros. Through 2011-2015 Estonia will continue making education more available through financing activities developing the education system of the partner countries, paying special attention to primary and vocational education.

Measures:

- MEASURE 1: cooperation with the partner countries for promotion of their education systems and improvement of international competitiveness – development of cooperation relationships and preparation, financing and implementation of bilateral development cooperation projects for the purpose of supporting education systems, including primary and vocational education systems, and for financing activities supporting women's and children's access to education; granting scholarships to citizens of the partner countries;
- MEASURE 2: Cooperation with multilateral organisations, including voluntary donations to UNICEF, UNWOMEN and UNFPA, for implementation of programmes supporting the rights and opportunities of women in developing countries, and to UNDP and WFP for financing programmes promoting the availability and quality of education in developing countries, especially in the least developed countries; supporting the IDA activities of UNESCO and World Bank.

Sub-goal 2: Supporting the development of health care
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Upon supporting human development and reducing poverty, special attention must be paid to the health care of the population in developing countries. Above all, the spread of HIV/AIDS, malaria, tuberculosis and other causes of the high mortality rate, especially in the case of mothers and infants, must be limited. Also, planned reproductive behaviour preventing health problems is important from the point of view of development of the population.

Estonia considers it important to support the systematic development of the area of health care in developing countries and, through the given sub-goal, to directly support the achievement of three global development goals: improvement of maternal health, reduction of the child mortality rate and combating the most prevalent diseases. Through 2006-2010 Estonia contributed to the improvement of the state of health of women and children by way of implementing bilateral projects mainly in Afghanistan and Georgia and by making annual voluntary donations to the UNFPA. Through 2011-2015 Estonia will continue supporting the area of health care in developing countries especially in the priority partner countries, paying special attention to women and children.

Measures:

- MEASURE 1: cooperation with partner countries – preparation, financing and implementation of bilateral development cooperation projects for the purpose of strengthening their health care systems and increasing their health care competence and capacity; paying special attention to maternal mortality rate in Afghanistan and improving the reproductive health of women and girls;
- MEASURE 2: cooperation with multilateral organisations – voluntary donations to the WHO, UNAIDS and UNFPA and, where necessary, the cofinancing of other specific projects of UN aid organisations improving the situation of children and participating in implementing them in the priority partner countries and, where possible, in other developing countries, especially in the least developed countries; active supporting of subjects relating to the health care of women and children in UN organisations.

SUB-AREA II

3.2.2 SUPPORTING PEACE, HUMAN RIGHTS, DEMOCRACY AND RULE OF LAW

Safeguarding peace and human rights and the development of democracy and the rule of law are important prerequisites for the development of the society and economy of the partner countries. Therefore, this Strategy continued the directions established under the previous Strategy of 2006-2010. In the sub-area, more attention has been paid to supporting the rule of law. According to the Strategy, it remains one of the primary fields of Estonian development cooperation. In the aforementioned period the Ministry of Foreign Affairs financed sub-area development cooperation projects in Georgia, Afghanistan, Moldova, Kosovo, Albania, Palestine and other countries with more than 2.94 million euros. This amount includes donations to international organisations and funds (UNDP, OSCE, etc.) and financing foreign missions in Kosovo, Afghanistan and other countries. In the course of project activities the creation of a stenographic record system in the Georgian Parliament, organisation of elections and IT systems in Georgia, the counselling of the Tax Inspectorate of the Republic of Moldova in reforming tax administration, the counselling of Georgian, Moldovan and Ukrainian police forces in combating vehicle contraband and other projects have been financed. Upon implementation of the goals relating to the previous Strategy of 2006-2010, Estonia has been, in general, successful, becoming a valued donor in the partner countries, as evidenced by closer multilateral cooperation with other donors and extensive substantive development of the activities contained in the sub-area and partnership relationships. Among other things, the activities of the sub-area are furthered in the Estonian Action Plan for the Implementation of the UN

Security Council Resolution 1325 “Women, Peace and Security” in Estonia through 2010-2014.

Sub-goal 3: Contributing to safeguarding peace and stability

Most of Estonia’s activities in safeguarding peace and security in the world takes place under the aegis of the UN and EU mainly through international peacekeeping and post-conflict missions. The duties of such missions include mine clearance, collection of small weapons and stabilisation of the situation, followed by build-up and development cooperation with the aim of ensuring the build-up and stability of post-conflict countries. Both in post-conflict as well as in developing countries it is important to support decentralisation, state structure functions, legislative drafting and security policy reform, training police officers and judges, fight against drug trafficking, etc. For instance, we can mention the quick and efficient work of the Estonian Rescue Board’s mine clearers following the Georgian War in 2008.

Measures:

- MEASURE 1: cooperation with multilateral organisations and supporting missions – arranging the participation of Estonian experts in international civil missions (UN, EU) for conflict prevention; cofinancing of the UN peacekeeping missions; cofinancing and participation in the implementation of the projects and programs of the UN, EU and if necessary other international organisations, implemented for the support of the democratisation of the police and legal systems of developing countries, primarily in priority partner countries;
- MEASURE 2: cooperation with partner countries, supporting the rule of law and the security sector – including, democratisation of the police, border guard, legal and national defence system. Preparation, financing and implementation of bilateral development cooperation projects in the said areas; developing cooperation relationships with other donor countries regarding partner countries.

Sub-goal 4: Supporting the development democracy and the rule of law, introduction of good governance practices and guaranteeing human rights

Based on the needs of the priority countries of Estonian development cooperation and Estonia's own success story, the Strategy has retained the sub-goal of supporting the creation of society based on democratic values and the organisation of the state based on the good governance practice. Through development cooperation projects, expert missions and training Estonia has supported the modernisation of partner countries, paying special attention to increasing the availability of information and communication technologies and their application in the government sector (e-governance), third sector and education system of the partner countries. Through counselling projects Estonia has strengthened the media and public broadcasting organisations of the target countries and also shares the experiences of the Estonian election system (incl. e-elections) and democratic organisation of the state. The said activities have, besides the efforts of international organisations (EU, OSCE, UN), contributed to the development of democracy and thus, as a sub-goal, continue to hold an important place in the Strategy for 2011-2015.

Safeguarding human rights is an important prerequisite and measure for reducing poverty. Estonia has successfully cooperated in the field of human rights with UN agencies, thereby supporting the UN Office of the High Commissioner for Human Rights with voluntary donations and, jointly with the UN Children's Fund (UNICEF), contributed to ensuring children's rights and needs (incl. the availability of education) in the world. Both from the point of view of human rights as well as social welfare, many indigenous people are often secluded and Estonia stands for their rights and wellbeing mainly by providing financial support through international organisations.

Measures:

- MEASURE 1: cooperation with partner countries for the purpose of supporting the development of democracy and good governance – preparation, financing and implementation of bilateral development cooperation projects, including supporting the introduction of democratic election principles, the capacity of the public sector, development of the third sector and the media, ICT opportunities, including e-governance and e-elections, in order to make social processes more open, transparent and citizen-centred;
- MEASURE 2: cooperation with multilateral organisations, voluntary donations – UNDP Democratic Governance Thematic Trust Fund (DGTTF); participation in the OSCE's and EU's election missions; to UN funds, the UN Office of the High Commissioner for Human Rights and to funds for indigenous people.

SUB-AREA III

3.2.3 SUPPORTING SUSTAINABLE ECONOMIC DEVELOPMENT

<u>Sub-goal 5: Supporting of the economic development and the liberalisation of the international trade system</u>

According to the UNDP and the World Bank, the development of the economy and, above all, small businesses is one of the major catalysts of reduction of poverty. In the period of the Strategy for 2006-2010 Estonia supported partner countries upon establishment of an economic environment suitable for private enterprise and foreign investments and upon opening of access to the global trade market by more than 0.34 million euros. In addition to aid, Estonia actively supports the liberalisation of the global trade rules and reduction of export and national subsidies and reduction of customs restrictions through the WTO. Admitting that many developing countries, notably the least developed countries, are not yet ready to join the global trade market in the event of greater liberalisation of trade rules, Estonia has supported the development of the foreign trade capacity of the least developed countries both via the WTO's target funds as well as through bilateral and multilateral development cooperation projects and expert missions. Specifically, Estonia has supported the convergence of the trade legislation in the countries of the European neighbourhood policy with the EU *acquis*. In the Strategy for 2011-2015 Estonia wishes to continue these activities and contribute more to the development of agriculture and creative industries of the partner countries, besides small businesses.

In most of Estonia's priority countries agriculture plays a great role in the economy and its development has a direct impact on income as well as on the development of the economy as a whole. The global importance of agricultural aid has increased in

recent years and the continuance of the trend is confirmed by the rise in food prices in the medium term. It is important use of the experience of Estonian experts through the FAO, which could be better served by creating an Estonian trust fund with the FAO. In the coming years the Ministry of Agriculture wants to join the International Fund for Agricultural Development (IFAD), which would allow the state and enterprises to contribute more to development cooperation.

Measures:

- MEASURE 1: development of cooperation with partner countries – preparation, financing and implementation of bilateral development cooperation projects upon reforming the economic environment and the trade system and in the area of agriculture, creative industries and foreign trade; supporting the development of small and medium enterprises.
- MEASURE 2: cooperation with multilateral organisations and supporting funds –contributing to the trust funds of the WTO, IMF, FAO and IFAD and preparing the accession of developing countries to the WTO; supporting the activities of the IDA of the World Bank as a donor.

<u>Sub-goal 6: Supporting environmentally sustainable development and achieving internationally set environmental goals</u>
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An indispensable prerequisite for achieving sustainable development is the sustainable use of the environment and natural resources. For that reason, one of the goals of Estonian development cooperation is to contribute to finding environmentally sustainable solutions in partner countries as well as at the global level. Ensuring a more environmentally friendly environment is also one of the Millennium Development Goals.

Measures:

MEASURE 1: development of cooperation with partner countries – preparation, financing and implementation of bilateral development cooperation projects in support of environmentally sustainable development, focusing on increasing the administrative capacity, more extensive use of renewable energy sources and introduction of innovative technological solutions.

MEASURE 2: supporting multilateral organisations, area funds and other international organisations – fast-start financing of developing countries through 2011–2012 and the financing of the adaptation and alleviation measures of developing countries under the climate agreement of the post-**Kyoto Protocol period**.

SUB-AREA IV

3.2.4 IMPROVEMENT OF IMPLEMENTATION OF DEVELOPMENT COOPERATION AND INCREASING TRANSPARENCY OF DEVELOPMENT COOPERATION

According to international agreements on the effectiveness of aid (Accra, Paris, EU Council's conclusions, etc.), the financiers of development cooperation must focus on a limited number of developing countries and act in countries/regions where the benefit factor of their activities is the highest and with which they have close ties,

including diplomatic representation. Proceeding from the goal of achieving the highest possible impact upon performance of the aforementioned goals and the desire to use limited human resources and funds as effectively as possible, Estonia will continue aiming its development cooperation at a limited number of partner countries.

Estonian bilateral development cooperation has so far been aimed mostly at a small number of target countries and the funds allocated to that end have amounted to approx. a quarter of Estonia's total funds of development cooperation since 2007 (e.g. in 2009 24%, i.e. 2.56 million euros). Through 2006-2009 the biggest recipients of aid were priority partner countries of Georgia (1.85 million euros), Afghanistan (1.47 million euros), Ukraine (0.96 million euros) and Moldova (0.83 million euros). Based on very specific needs, development cooperation projects were implemented in other developing countries such as Kosovo, the Palestine National Authority, Belarus and Armenia.

Over the previous Strategy period Estonia's capacity of pursuing bilateral cooperation increased noticeably – the number and capacity of institutions implementing it in the third sector as well as in the public sector, including local authorities.

So far Estonia's experience has shown that, given the size of Estonia's aid funds and its limited human resources, focusing on a small number of partner countries has justified itself. Since development cooperation is, as an external activity, a relatively new area for Estonia, the previous years have been spent on getting to know the partner countries, establishing cooperation relationships and developing the areas of cooperation. Estonia has earned the reputation of a reliable partner in the partner countries whose assistance is welcome and necessary. The focus on the countries of the nearby region and on one least developed country has also justified itself. Upon planning bilateral projects, it was proceeded from the needs of the partner countries and their own priorities, which contributed to the effectiveness of aid and greater involvement of the recipient. In terms of areas the focus of bilateral development cooperation has shifted over the years. In 2006 development cooperation concerned mainly the area of good governance and development of democracy, but by 2009 the share of education and the rights of women and children has increased in the bilateral development aid activities.

At the same time it has become evident that bilateral activities need to be more prioritised by areas at the level of partner countries in order to reduce the fractioning in of assistance activities and thus increase the effectiveness and long-term impact of Estonia's contribution. Likewise, in pursuing development cooperation activities in the partner countries Estonia will pay more attention to cooperation with other donors.

Upon selecting the priority partner countries of development cooperation for years 2011-2015, Estonia has proceeded from the following:

- the countries' development needs, priorities of their governments and their dedication to reducing poverty, creation of an environment required for economic development and development of democracy;
- the importance of development cooperation from the point of view of the needs and challenges of the state, including the impact of the possible instability on the region or the world;

- Estonia's resources and ability of ensuring the results and their impact on the development of states (evaluating whether Estonia is able to provide value added with its knowledge and funds);
- existing political, economic and cultural relationships between the national and other institutions of Estonia and the partner country;
- Estonia's foreign and security policy and economic policy goals.

Sub-goal 7: Considering the principles of effectiveness of international aid, perfecting and improving the bilateral development cooperation system with the priority partner countries, above, all Afghanistan and Eastern Partnership countries of Armenia, Azerbaijan, Georgia, Moldova, Ukraine and Belarus

Afghanistan

Afghanistan is one of the poorest countries of the world and its human development indicators are among the lowest. The majority of the population of the country (nearly 70%) live in total poverty, especially women and children. At the present pace of development, Afghanistan would have problems attaining almost all the Millennium Development Goals. The state's biggest concern is the lack of stability and security that is the prerequisite for sustainable development. For supporting progress, an agreement between the Afghan Government and the international community (*Afghan Compact*) was concluded, in the implementation of which Afghanistan itself has the leading role. The state's development directions are set out in the Afghanistan National Development Strategy. The need for assistance in Afghanistan is great and Estonia's contribution to help one of the poorest countries of the world is most welcome.

Since 2006 Afghanistan has been one of the most important countries of destination of Estonia's bilateral development cooperation and the cooperation encourages continuing with civil contribution. Estonia completely shares the principles of the broad-based approach, according to which military activity, diplomacy and build-up work must support and supplement one another. Year by year Estonia's civil contribution in Afghanistan has increased. The work of the Estonian special mission in the Provinces of Kabul and Helmand contribute to the improvement of the system of bilateral development cooperation. Through 2011-2015 Estonia continues cooperation projects mainly in the area of health care, education and good governance.

Eastern Partnership countries

The main attention of Estonian development cooperation is paid to our neighbouring region: Eastern Partnership countries of Armenia, Azerbaijan, Georgia, Moldova, Ukraine and Belarus. These countries are still facing great development challenges such as the reduction of poverty, strengthening the economic potential, supporting democratic institutions, raising the capacity of the public sector and coping with the functions of sustainable development. According to the UN human development index, these states are also one of the poorest in the European continent.

For 2011-2015 the main way of Estonian development cooperation will be the communication of the social, state governance and administrative reform experience,

which is of the greatest interest and need in the Eastern Partnership countries. Thus, Estonia's ability to provide value added through its activities is the greatest in the countries of this region. It is also supported by the close existing political and economic relationships. The development of the Eastern Partnership countries is decisive from the point of view of ensuring the stable and peaceful development of the entire region and it has an important role in the achievement of Estonia's foreign, security and economic policy goals. Given the prior close cooperation with the countries of the region, the capacity of Estonian institutions and their contacts with the countries have increased and based thereon the further development of cooperation is justified. The partner countries' interest in Estonia's assistance and the motivation of their governments to make changes has remained. International partners such as other donor countries and international organisations (e.g. the European Union) presume, given Estonia's advantages of offering value added there, that Estonian development cooperation activities will be aimed at the development of these very countries.

Estonian development cooperation will contribute to the development of the Eastern Partnership countries in the next five years both through joint activities organised in the region as well as bilateral projects/programmes in specific partner countries. An important institution in the implementation of the said development cooperation, especially in the case of activities covering the entire region is the Estonian Eastern Partnership Centre that will commence operation as of January 2011. Based on the needs of the specific country and Estonia's resources, the intensity of bilateral cooperation will be different in different countries.

Measures:

- **MEASURE 1: cooperation with priority partner countries** of Afghanistan, Armenia, Azerbaijan, Georgia, Moldova, Ukraine and Belarus – development of cooperation relationships and compilation of a programme-based cooperation framework, relying on the needs and development strategy of the specific partner countries; identification of specific development directions and areas of each priority partner country; aiming most of the bilateral development cooperation projects at these countries; supporting the operation goals of the Estonian Eastern Partnership Centre; pursuing a lasting dialogue and cooperation with these countries at as different levels of society as possible, including in the framework of the intergovernmental political dialogue.

Other countries

Estonia continues to support other developing countries, including the least developed countries, mainly through such international organisations as the European Union, UN and the World Bank. Estonian bilateral development cooperation has nevertheless been able to operatively react to the needs of many other developing countries as well. Estonia will continue flexible reaction to the needs of other developing countries, especially the least developed countries, if the value added of Estonia's activities is clear. In the coming years Estonia aims at increasing its capacity of developing bilateral development cooperation, in addition to Afghanistan, with some other least developed countries, for instance, in Sub-Saharan Africa or another region.

- MEASURE 2: implementation of cooperation projects with other least developed countries – preparation, financing and implementation of development cooperation projects according to the clear needs of these countries and the existence of the value added of Estonia's activities; evaluation and development of cooperation opportunities and implementation of projects with some least developed country or a group of countries.

Other financiers

Cooperation with other financiers or donors and international organisations has always played an important role in Estonian bilateral development cooperation and various joint projects with other donors have been implemented over the last Strategy period. In addition, periodical consultations and exchange of information with many other financiers, including the US, Finland, Sweden and Baltic countries, have taken place. In order to ensure the effectiveness of aid and prevent duplication of activities, cooperation with other donors will be further deepened in this Strategy period.

- MEASURE 3: closer cooperation relationships with other financiers of development cooperation – increasing the exchange of information upon planning projects and programmes; identification of joint interests; planning and implementation of cofinanced projects; using the aid systems of other donors for implementation of bilateral development cooperation (using delegated liability) and using the resources of other financiers in Estonian development cooperation activities.

Sub-goal 8: Contributing to the purposeful functioning and to the effectiveness of the activities of major international organisations committed to solving global development problems and combating poverty

In the Strategy period of 2006-2010 Estonia's support of international development cooperation organisations as well as Estonia's activeness and participation in these organisations increased. Most of the official Estonian development aid reaches developing countries, including the least developed countries, through the budget of the European Union. Through 2006-2010 Estonia joined OECD and IDA, achieving the goal of becoming a donor country in the World Bank as well as in the International Bank for Reconstruction and Development instead of being a borrowing country. Over three years Estonia contributed up to 1 million euros to financing the Neighbourhood Investment Facility (NIF) of the European Union, which supports mainly large infrastructure and environmental projects in the eastern and southern neighbourhood of the European Union. In 2008 Estonia (the Government and Eesti Pank) supported the settlement of Liberia's debt before international organisations in the amount of 183,611 euros (173,924 SDR) via the International Monetary Fund (IMF). Through annual non-earmarked contributions Estonia also supported the activities of other international organisations (agencies of the UN) active in development cooperation. 2009 was the year of growth of Estonia's substantive role in the international development cooperation policy. Estonia led the negotiations on the reform of the UN development aid system, as a result of which a new UN agency, UN WOMEN, was created in the summer of 2010. It is still important to achieve a greater representation in the administrations of organisations engaged in development assistance as well as to involve Estonian experts in the activities implemented by these organisations.

Activities aimed at major international organisations in terms of development cooperation

European Union

In the new development plan Estonia aims at strengthening the international development cooperation and humanitarian aid system, making it more effective and purposeful. Estonia is active in making the EU's development policy, contributing in substantively chosen areas such as the coherence of policies and the efficiency of aid. In addition, we will continue financial contribution to the EU budget, including through EU aid programmes and funds. To that end Estonia actively participates in the decision-making process of joint programming of the EU development aid budget. Estonia also takes steps to create the development cooperation system required for the implementation of delegated cooperation created on the initiative of the European Commission.

- MEASURE 1: active EU partnership and participation in EU's decision-making and coordination mechanisms, contributing in the field of the coherence of policies and effectiveness of aid – participation in the EU discussion, policymaking and planning aid programmes, following the geographical and thematic priorities of Estonian development cooperation; strengthening the cooperation of the EU Member States in organisations that are important from the point of view of the development goals such as the UN, World Bank, IMF and OECD.
- MEASURE 2: supporting the coherence between the EU policy areas by ensuring the coherence of Estonian positions in the shaping of other policy areas having an effect on development cooperation, such as the trade policy, security policy, etc.

UN system

For Estonia it is important to be visible in the work of the UN. Estonia supports the functioning of the UN, the only universal and legitimate global development cooperation system, through which it is possible to direct development processes in the world's least developed regions. To that end Estonia has actively participated in the work of ECOSOC, focused on the promotion of good humanitarian donorship at the EU and UN level, and been an active advocate of women's issues in the field of development cooperation.

- MEASURE 3: active UN membership – to be an active partner in the UN system at the normative level as well as at the level of implementing politics, cooperating with the UN agencies in the implementation of assistance programs (primarily in priority partner countries).

World Bank

An important international organisation, through which development cooperation is implemented, is the World Bank and organisations of the World Bank Group.¹

¹ *International Bank for Reconstruction and Development (IBRD), International Development Association (IDA), International Finance Corporation (IFC), Multilateral Investment Guarantee Agency (MIGA), and International Centre for Settlement of Investment Disputes (ICSID).*

Estonia has achieved the goal of becoming a donor, which was established in the previous development cooperation Strategy. Estonia joined the IDA in 2008 and through 2008-2010 has contributed 1.69 million euros to the development of developing countries through the IDA. Estonia strives for even more active participation as a donor in the Nordic-Baltic constituency as well as in the work of the organisations of the World Bank Group, notably the IBRD and the IDA, along with contributing to the funds of the World Bank.

- MEASURE 4: active donorship in the World Bank – Estonia pursues cooperation with the World Bank and participates as a donor through the organisations of the World Bank Group, including the IBRD, trust funds and the IDA.
- MEASURE 5: cooperation with other members of the Nordic-Baltic constituency – active participation in working out the positions shaping the policy of the bank in the Nordic-Baltic constituency; cooperation with other EU Member States in working out the positions shaping the policy of the World Bank.

IMF

Development aid is not the main function of the International Monetary Fund (IMF), but it takes into account the level of development of the states upon shaping its loan instruments, providing technical assistance and giving the member states economic policy advice. Thus, IMF offers loans with a subsidised interest rate and free technical assistance to poor countries. In the new Strategy period Estonia aims at contributing the subsidisation fund of loan instruments offered to poor countries in proportion to its rate of participation in the IMF.

- MEASURE 6: participation in IMF discussions concerning poor countries – especially in priority areas (coherence of policies and efficiency of aid) and in matters concerning the priority partner countries.
- MEASURE 7: cooperation with other members of the Nordic-Baltic constituency – active participation in working out the positions shaping the policy of the fund in the Nordic-Baltic constituency. Cooperation with other EU Member States in working out the positions shaping the policy of the fund.

OECD

In the next Strategy period Estonia is a member of the OECD (in the previous period Estonia had the status of an observer), which gives the chance to develop closer ties with the organisation that shapes the principles of development cooperation, set the priorities and commence participation in the work groups engaged in OECD development cooperation.

- MEASURE 6: active OECD membership – observing the work of the OECD's development aid committees, including OECD DAC, and preparations for contributing to the activities of work groups.

<u>Sub-goal 9: Creation of a system for regular evaluation of Estonian development cooperation</u>

The Government of the Republic Regulation “Conditions of and Procedure for Provision of Development and Humanitarian Aid” entered into force on 15 February 2010. As of this time the implementation of bilateral development cooperation has become more planned, transparent and the financing conditions have become clearer. So far the achievements of bilateral development cooperation were evaluated mainly on the basis of specific projects. Now it is necessary to develop a more systematic and extensive monitoring and evaluation system in order to evaluate the results of bilateral development cooperation activities, their impact and sustainability both in the short term as well as in the longest term possible.

Measures

MEASURE 1: perfection of the system of implementation of bilateral development cooperation – continued improvement of the system of project competitions; strengthening the monitoring system of development cooperation projects; drafting the bases for evaluation of the activities of Estonian development cooperation at different stages of the project cycle;

MEASURE 2: involvement of other institutions in the Strategy’s effectiveness analysis – analysis of the implementation of the Strategy, achievement of the goals and effectiveness of the measures in cooperation with the institutions related to the Strategy.

Sub-goal 10: Enhancement of the capability of public institutions and institutions of the non-profit sector implementing Estonian development cooperation
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Estonian development cooperation with partner countries and their institutions is implemented by the Ministry of Foreign Affairs, other ministries, local authorities and representatives of the non-profit sector and private sector pursuant to their international commitments, "Principles of Estonian Development Cooperation", this Strategy as well as the "Procedure for Provision of Development Assistance and Humanitarian Aid". Upon development of the people and organisations engaged in development cooperation, the knowledge of the areas directly and indirectly related to development cooperation (such as trade policy and security policy) must be increased. Increasing funding for development cooperation requires increasing administrative capacity as well (project management, budgeting and accounting, project evaluation, etc.).

It is important to continue tightening cooperation with civil associations, whose potential role in shaping policy as well as in implementing projects has increased over the last few years. Civil associations have implemented a large portion of the bilateral development cooperation projects financed from the budget of the Ministry of Foreign Affairs.

- MEASURE 1: training officials engaged in development cooperation – finding and organising opportunities for supplementary training and other training opportunities relating to development cooperation for the employees of the Ministry of Foreign Affairs, other ministries, state agencies and local authorities involved in the drafting, implementation or assessment of Estonian development cooperation; finding and implementing opportunities for people

in the field of development cooperation to get practical experience at international organisations (incl. the EU, UN, OECD), non-profit associations or other donors;

- MEASURE 2: consistent assessment of needs – in accordance with the growth of financial resources allocated to development cooperation, a consistent assessment of human resources needs and the enhancement thereof as required;
- MEASURE 3: improvement of information exchange – the launch of a web-based database for better coordination of development cooperation between different institutions;
- MEASURE 4: training of the representatives of universities, private sector and civil society – supporting the organisation of training and seminars primarily for the purpose of facilitating the analysis and implementation of development cooperation projects and cooperation with international partners;
- MEASURE 5: pursuing a dialogue in order to increase the involvement of the civil society and private sector – supporting of the umbrella organisation of civil associations involved in development cooperation; organisation of joint events.

SUB-AREA VI:

3.2.5 INFORMING THE PUBLIC AND GLOBAL EDUCATION

Sub-goal 11: Raising the awareness of the Estonian public, particularly younger people, as regards development cooperation and global development problems

Informing the public

Since 1998 development cooperation has become an increasingly important foreign policy output for Estonia and the state's contribution to international development cooperation has increased. According to the public opinion polls carried out in 2005 and 2008, the support of the Estonian population to development cooperation has gradually increased. 65% of the population and 95% of the opinion leaders support the helping of poorer countries. It became evident from the surveys that primarily opinion leaders (97%), but also three residents out of four are convinced that Estonia should render assistance to poorer and less developed countries. Among the population the support to development cooperation has grown by 11% in three years and that can be associated with higher living standards. 21% of the population and 1% of opinion leaders have a more dismissive attitude towards development cooperation. The constantly developing foreign policy area still requires active and purposeful notification of the members of society of international development goals and problems. The most important target group of Estonian development cooperation is young people.

Through 2006-2010 mainly the organisation of development cooperation seminars and conferences by the third sector, the issue of publications and collections of articles and the publication of articles has been supported in the framework of informing the public by way of cofinancing and joint organisation. The Ministry of Foreign Affairs as well as the main project implementers, i.e. non-profit association Arengukoostöö Ümarlaud (Development Cooperation Round Table) and its member organisations, have been engaged in informing the public. The World Day, an event introducing development cooperation and humanitarian aid to the general public, and

the missions of volunteers to developing countries has been supported since 2005. Over the last four years more attention has been paid to global education projects and to introducing development cooperation in the school education system and also regular information days for entrepreneurs have been organised in cooperation with the Estonian Chamber of Commerce and Industry for the purpose of introducing the development cooperation system. The cost of achievement of the sub-goal in the previous four years has been approx. 0.38 million euros.

The new Strategy for 2011-2015 contains updated measures of the sub-goal of informing the public and global education. In addition to involving different target groups, the new Strategy pays more attention to developing global education in the formal and informal education system, thereby supporting the preparation and dissemination of teaching materials. Under the new Strategy Estonia informs its citizens of the possibilities of participating in humanitarian and development cooperation activities through campaigns and direct donations, which results in greater awareness of humanitarian assistance and development cooperation.

Measures

- MEASURE 1: introduction of development cooperation to the target groups and partners in the public sector, non-profit sector and private sector, to academic circles and media representatives, including supporting thematic conferences, seminars, public information events and media coverage as well as supporting publication and dissemination of information;
- MEASURE 2: promotion of global education in the formal and informal education system, including preparation and dissemination of teaching materials and implementation of activities introducing global education via the school education system, research institutions, adult training institutions and civil associations;
- MEASURE 3: fostering voluntary activities – to increase, in the framework of development cooperation, volunteering opportunities through the preparation and implementation of different cooperation projects, including in cooperation with international organisations.

It is just as important to raise the awareness of society of the principles and manners of providing humanitarian aid and to contribute to the rescue and assistance of the victims of natural disaster or human-induced catastrophes in the event of area of activity II of the Strategy.

4. Area of activity II: humanitarian aid

4.1 Current situation

Besides development cooperation, granting humanitarian aid to countries and territories that have suffered from a catastrophe is an important part of Estonian external activities. In the Strategy period Estonia continued to consistently increase its contribution to reacting to the consequences of various humanitarian crises sparked by a natural disaster or induced by humans and to supporting the international humanitarian aid system.

Estonia assesses each need for humanitarian aid separately and provides assistance in the manner most needed in the given situation and consistent with the activities of the rest of assistance providers. Estonia builds on international humanitarian law and humanitarian assistance principles: impartiality, humanity and equality.

Estonia considers it important for the EU – the biggest provider of global humanitarian aid – to be more active in improving the system for international humanitarian aid and coordinating such aid. Another increasingly important facility for reacting to humanitarian crises is closer cooperation between military and civil institutions and the use of military resources in providing humanitarian aid in accordance with the Oslo Guidelines.

Upon providing humanitarian aid, Estonia has proceeded, above all, from specific needs and found the quickest and most efficient way of providing aid in the event of each catastrophe. Estonia mostly relied on the assessment of the situation by the UN, European Commission or Red Cross as well as direct requests for assistance by countries (e.g. Ukraine, Moldova). Humanitarian aid has been granted in the event of long-term and complicated emergencies, for instance in Sudan, D.R. Congo, Sri Lanka, Pakistan, as well as to countries suffering from a natural disaster such as Pakistan, Indonesia, Haiti, Moldova. Through 2006-2010 Estonia provided the total of 34 countries with humanitarian aid in the total amount of 3.88 million euros. Estonia has granted most of its humanitarian aid through UNHCR, UNICEF and other UN and International Red Cross organisations, which are mostly represented in the region struck by the catastrophe/crisis and thus know the situation on the spot, have an overview of the scope of the crisis and are able to bring the aid to those in need efficiently and quickly.

Estonia has also supported the activities of international organisations, incl. OCHA, by annual voluntary contributions. Estonian rescue experts have repeatedly participated in the work of the OCHA UNDAC teams in various disaster relief efforts. The Rescue Board in the area of administration of the Ministry of the Interior has over the years achieved the capacity of providing rescue services and humanitarian aid in compliance with international standards, which enables Estonia to dispatch a team prepared for fulfilling different tasks (Estonian Disaster Relief Team – EDRT) to a natural disaster-stricken region. In the Strategy period Estonia's capacity of providing rescue and humanitarian aid in compliance with international standards was increased considerably (to the extent of 0.23 million euros). The members of the EDRT often participate in joint missions in the framework of the International Humanitarian Partnership (IHP) cooperation network. In 2010 the members of the EDRT participated in rescue missions almost throughout the year (IHP missions to Haiti and Pakistan). EDRT has participated in the following missions through 2006-2010: river pollution abatement in Latvia (2007), mine clearing mission to Georgia (2008), alleviation of floods in Moldova and Poland as part of BaltFloodCombat (2010).

Since 2008 Estonia's visibility and activeness in shaping the international humanitarian aid policy has increased considerably. In 2009 Estonia organised the first regional seminar on humanitarian donorship in cooperation with the Finnish Ministry of Foreign Affairs and OCHA. Estonia was the vice president in charge of the humanitarian aid area of ECOSOC of the UN and through 2009-2010 Estonia

president jointly with Ireland the Good Humanitarian Donorship (GHD) which unites the world's biggest humanitarian aid donors.

Legal grounds

The underlying documents of Estonian humanitarian aid efforts are the Principles of Estonian Development Cooperation approved by the *Riigikogu* on 15 February 2003 and this Strategy. The Government of the Republic Act and the Foreign Relations Act provide in greater detail the mechanisms of granting humanitarian aid and the Regulation of the Government of the Republic of 21 January 2010 "Conditions of and Procedure for Provision of Development and Humanitarian Aid" regulates the terms and conditions of allocating humanitarian support (incl. requirements for applicants and applications). The Rescue Act, which entered into force on 1 September 2010, and the Civil Missions Act, which will enter into force in 2011, regulate the sending of the EDRT or its members to catastrophe areas. The provision of humanitarian aid is decided by the Minister of Foreign Affairs and the sending of the EDRT is decided by the Minister of Foreign Affairs following consultations with the Ministry of the Interior.

Funds

The Ministry of Foreign Affairs has funds in its budget for implementing development cooperation and providing humanitarian aid. In 2007 the Ministry of Foreign Affairs allocated 0.44 million euros from its budget for humanitarian aid, in 2008 1.44 million euros and in 2009 0.69 million euros.

Institutions

Pursuant to the Government of the Republic Act and the Foreign Relations Act, the Ministry of Foreign Affairs is responsible for providing and coordinating humanitarian aid. The domestic partners include the Rescue Board in the area of administration of the Ministry of the Interior, which is responsible for the preparation and dispatching of the EDRT, and the Estonian Red Cross and non-profit organisation Mondo, which have dispatched Estonian humanitarian aid to natural disaster or conflict-stricken areas.

STRATEGIC GOAL 2: rescuing and helping victims of natural or human-induced catastrophes as well as prevention of such situations and improving readiness of reacting to such situations

Measures

- MEASURE 1: allocating earmarked humanitarian aid – analysis of global humanitarian aid needs and monitoring humanitarian crises; provision of humanitarian aid by way of bilateral aid or via international organisations, based on the requests for help by the country or territory in need of aid or by an international organisation;
- MEASURE 2: supporting the international humanitarian aid system – supporting the international humanitarian aid system and coordination by making annual non-earmarked monetary donations to international humanitarian aid organisations (incl. OCHA, UNDAC, CERF, UNHCR, ICRC). Financing the humanitarian aid efforts of the European Union through Estonia's contribution to the EU budget; supporting the increase

of the activeness of the EU as a humanitarian aid donor; participation in international rescue cooperation, thus making the international humanitarian aid system more efficient and participating in its coordination; active participation in the work of the Good Humanitarian Donorship group; preparing for participation in OCHA DSG;

- MEASURE 3: improving Estonia's readiness and capacity – supporting reaction to international humanitarian crises by Estonian humanitarian aid institutions, increasing and developing their capacity, incl. the international reaction capacity of EDRT and its members; training the officials of the Ministry of Foreign Affairs, incl. creating internship opportunities in international organisations; notification of the principles and manners of international humanitarian law (IHL) and humanitarian aid;
- MEASURE 4: regular evaluation of providing humanitarian aid – evaluation of the Estonian humanitarian aid policy keeping in mind the compliance of the activities with the principles of Good Humanitarian Donorship (GHD);
- MEASURE 5: supporting prevention – supporting developing countries in order to improve their readiness for crises and crisis prevention; increasing the readiness of the institutions of the partner countries for crises by way of preparing, financing and implementing bilateral projects; supporting respective activities of international organisations.

5. Funds

Estonian official development assistance will reach 0.1% of GNI in 2010 (Table 1), which is in line with the decision of the Government of the Republic in May 2005, when it was decided that by 2010 the level of official development assistance must be taken to 0.1% of the GNI.

TABLE 1: Funds allocated for development cooperation and humanitarian aid in the state budget of Estonia through 2006-2010 (EUR mln per annum)

	2006	2007	2008	2009	2010*
GNI	12,628	14,507	14,801	14,022	13,502
Official development assistance (development cooperation and humanitarian aid) funds, % of GNI	0.09	0.08	0.10	0.10	0.10
1. Total official development assistance (development cooperation and humanitarian aid funds)	11.50	11.89	15.53	13.23	14.64
1.2 Development cooperation funds	9.46	9.84	12.33	10.93	12.27
1.2.1 Within the budget of Ministry of Foreign Affairs	1.15	1.85	3.64	2.43	3.07
1.2.2 Estonia's payment to EU budget, proportionally from	7.73	7.48	7.16	7.29	7.93
1.2.3 European Development Fund (EDF)*	-	-	-	-	-
1.2.4 Other ministries, state institutions and local authorities, among others:	0.54	0.66	1.53	1.21	1.28
1.3 Humanitarian aid funds	2.05	2.17	3.20	2.30	2.36
1.3.1 incl. Estonia's payment to EU budget (18%)	1.66	1.79	2.62	1.60	1.41

The Government of the Republic has established the new target of achieving the level of at least 0.17% of the GNI by 2015, moving towards the EU's advisable development cooperation contribution, i.e. 0.33% of the GNI by 2015.

TABLE 2: Funds allocated for development cooperation and humanitarian aid in the state budget of Estonia through 2010-2015 (EUR mln per annum)

	2010	2011	2012	2013	2014	2015
GNI	13,502	14,147	14,850	15,613	16,442	17,026
% of GNI (Government proposal 13.05.2010)*	0.104	0.119	0.143	0.149	0.162	0.176
1. Total official development assistance (development cooperation and humanitarian aid funds)	14.00	16.97	21.31	23.28	26.76	30.06
1.2 Development cooperation funds	11.63	13.74	18.75	19.58	23.13	24.95
<i>1.2.1 Within the budget of Ministry of Foreign Affairs</i>	3.20	4.03	6.89	8.85	11.64	12.78
<i>1.2.2 of Estonia's payment to EU budget</i>	7.93	6.39	6.77	6.97	6.97	6.97
<i>1.2.3 European Development Fund (EDF)</i>	-	1.66	1.92	1.92	1.92	1.92
1.2.4 International Development Association (IDA)	0.75	0.75	2.00	2.00	2.00	2.00
1.2.5 Other ministries and state institutions	0.89	1.89	2.94	1.09	1.15	1.28
1.3 Humanitarian aid funds	2.36	2.36	2.56	3.13	3.96	4.73
1.3.1 of Estonia's payment to EU budget (18%)	1.41	1.41	1.47	1.53	1.53	1.53
1.3.2 In the budget of Ministry of Foreign Affairs (25% of development cooperation and humanitarian aid funds)	0.96	0.96	1.09	1.60	2.43	3.52

* The percent of the GNI will rise on average by 0.014 percentage points a year.

In conformity with the criteria determined by the OECD Development Assistance Committee, Estonia regards only assistance activities directed towards developing countries as development assistance. According to the criteria issued by the OECD Development Assistance Committee, the following activities count as ODA: development assistance and humanitarian aid provided by the Ministry of Foreign Affairs; participation in international civil missions; development assistance and humanitarian aid activities performed by other ministries; payments to international development and humanitarian aid organisations, including membership payments; domestic information and publicity activities connected with development assistance and humanitarian aid; certain administration expenses. Part of the Estonia's EU budgetary payment, which is channelled via the EU budget to finance the European Commission's development cooperation and humanitarian aid, constitutes the biggest part of Estonia's official development assistance. Starting from 2011, Estonia will also contribute to the European Development Fund.

6. Implementation and management of the Strategy

The Ministry of Foreign Affairs is responsible for the implementation and management of the Strategy for Estonian Development Cooperation and Humanitarian Aid. Besides the Ministry of Foreign Affairs, other ministries and their

agencies, the *Riigikogu* and other constitutional institutions, local authorities, the non-profit sector and the business sector implement activities in the framework of the measures set out in the Strategy.

Each year the Ministry of Foreign Affairs submits to the Government of the Republic a report on the implementation of the Strategy, achievement of the goals established in the Strategy and in the implementation plan and on the effectiveness of the measures. To that end the Ministry of Foreign Affairs asks the opinion of other institutions related to the Strategy and their evaluation of the compliance of the implemented activities with the goals of the Strategy. In addition, in the event of Strategy goals and activities (projects, assistance allocated to international organisations, etc.) aimed directly at developing countries the Ministry of Finance takes into account the assessments of the partner countries and their partner institutions and international development cooperation and humanitarian aid organisations regarding progress made in relevant sectors in the developing countries.

The compliance of the activities (development cooperation projects) financed from the development cooperation and humanitarian aid budget of the Ministry of Foreign Affairs with the goals of the Strategy and their effectiveness is evaluated by the Development Cooperation Committee on the basis of legislation. Other ministries exchange information and cooperate with the Ministry of Foreign Affairs.

Based on consultations with other institutions, the Ministry of Foreign Affairs has drawn up the implementation plan for 2011-2012 and monitors its implementation and the compliance of the goals of the Strategy and annually submits the implementation plan for the next two years.

The other ministries inform the Ministry of Foreign Affairs of the development cooperation planned for the upcoming budgetary year in their area of government and on the basis thereof the Ministry of Foreign Affairs amends the implementation plan, where necessary. In addition, the other ministries annually, in the first quarter, submit to the Ministry of Foreign Affairs and to the Estonian institution that gathers development cooperation statistics, the data on the activities of the previous year. On the basis thereof the Ministry of Foreign Affairs will draw up an overview of the resources of Estonian state budget-funded institutions, which is treated as a part of the development cooperation under the methodology of the OECD's Development Cooperation Committee and submits it to the OECD DAC.

Definitions and abbreviations

Official Development Assistance (ODA) – a term that covers the loans and grants granted by the public sector to developing countries for the purpose of supporting economic development and welfare, incl. humanitarian aid. The definition of Official Development Assistance and the auxiliary activities contained therein are decided by the DAC of the OECD. Based on the definition of the Official Development Assistance, the OECD gathers international development assistance statistics as well.

Development aid/assistance/cooperation – the general term that covers the financial assistance granted to developing countries, provision of expertise (technical assistance) and material assistance by way of bilateral or multilateral cooperation.

Developing country – a country that has been included as such in the list of the Development Assistance Committee (DAC) of the Organisation for Economic Cooperation and Development (OECD).

CERF – the Central Emergency Response Fund of the United Nations.

DAC – the Development Assistance Committee of the OECD.

Donor country – a country that provides another country or region with development or humanitarian aid.

ECHO – Humanitarian Aid Department of the European Commission, formerly known as European Community Humanitarian Office.

European Development Fund (EDF) – the European Commission finances the assistance granted to African, Caribbean and Pacific countries out of the funds of the EDF.

Estonian Disaster Relief Team (EDRT) – a group of experts from Estonia participating in international rescue work and mine clearance operations.

FAO – the Food and Agriculture Organisation of the UN.

GEF – Global Environmental Facility.

GHD – Good Humanitarian Donorship initiative.

Humanitarian aid – crisis assistance and/or aid for alleviation/elimination of the consequences of natural disasters or human-induced disasters.

IBRD – International Bank for Reconstruction and Development. Belongs to the World Bank Group.

ICRC – International Committee of the Red Cross.

IDA – International Development Association. Belongs to the World Bank Group.

IFAD – International Fund for Agricultural Development.

IFRC – International Federation of Red Cross and Red Crescent Societies.

IHL – international humanitarian law.

IHP – International Humanitarian Partnership.

ICT – information and communication technology.

Human Development Index (HDI) – an indicator of the UN Development Programme (UNDP), which synthesises 3 aspects of human development on a numerical scale: life span, knowledge and living standard.

IMF – International Monetary Fund.

Bilateral development cooperation – development assistance that a donor country or donor countries grant to a recipient country in cooperation.

World Bank (WB) – IBRD and IDA (see separately). Besides the IBRD and the IDA the World Bank Group includes the International Finance Corporation (IFC) and the Multilateral Investment Guarantee Agency (MIGA) and the International Centre for Settlement of Investment Disputes (ICSID).

Multilateral development cooperation – assistance granted to a recipient country by international organisations or assistance granted to a recipient country via international organisations.

NIF – Neighbourhood Investment Fund of the EU.

OECD – Organisation for Economic Cooperation and Development.

Development Assistance Committee (DAC) – one of the special committees of the OECD, which is aimed at increasing the funds available to developing countries and improving the efficiency of their use. To that end assistance programmes are supported and countries' development cooperation activities are coordinated.

OCHA – United Nations Office for the Coordination of Humanitarian Affairs.

OCHA DSG – United Nations Office for the Coordination of Humanitarian Affairs Donor Support Group.

Purchasing power parity (PPP) – expresses the actual purchase power of the currency and differs from the official exchange rate of the currency.

Priority partner country – a developing country with which Estonia pursues closer cooperation in the interests of the country and which has been specified in the Strategy as a priority partner country.

Partner country – a developing country in the interest of which Estonia implements development cooperation projects and which has not been specified as a priority partner country.

PRSP – internationally recognised national development strategy that is drafted by involving the entire society for the purpose of establishment of national goals and priorities.

Gross national income (GNI) – the monetary expression of the total amount of goods and services for final consumption created by the state's production factors in a year.

Gross national product (GDP) – the value added of the goods and services produced in the state’s economic territory in a year.

UNDAC – United Nations Disaster Assessment and Coordination.

UNDP – United Nations Development Programme.

UNEP – United Nations Environment Programme.

UNICEF – United Nations Children’s Fund.

UNIFEM – United Nations Development Fund for Women.

UNHCR – United Nations High Commissioner for Refugees.

WFP – World Food Programme.

WTO – World Trade Organization.

UN – United Nations.