

**DEVELOPMENT CO-OPERATION DIRECTORATE  
DEVELOPMENT ASSISTANCE COMMITTEE**

**POLAND'S READINESS FOR ACCESSION TO THE DAC**

**Note by the Secretariat**

**DAC meeting, 22 October 2013**

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## ACRONYMS

<b>BARIE</b>	Bureau for Academic Recognition and International Exchange
<b>CERF</b>	Central Emergency Response Fund
<b>CRS</b>	Creditor Reporting System
<b>DAC</b>	Development Assistance Committee, of the OECD
<b>DCD</b>	Development Co-operation Directorate, of the Polish Ministry of Foreign Affairs
<b>EBRD</b>	European Bank for Reconstruction and Development
<b>EDF</b>	European Development Fund
<b>EIB</b>	European Investment Bank
<b>EU</b>	European Union
<b>FSS</b>	Forward Spending Survey
<b>GHD</b>	Good Humanitarian Donorship
<b>GNI</b>	Gross National Income
<b>HIPC</b>	Heavily Indebted Poor Countries
<b>IATI</b>	International Aid Transparency Initiative
<b>IDA</b>	International Development Association
<b>IFIs</b>	International financial institutions
<b>LDC</b>	Least Developed Countries
<b>MDGs</b>	Millennium Development Goals
<b>MFA</b>	Ministry of Foreign Affairs
<b>MOF</b>	Ministry of Finance
<b>MSHE</b>	Ministry of Science and Higher Education
<b>NGOs</b>	Non-governmental Organisations
<b>OCHA</b>	Office for the Co-ordination of Humanitarian Affairs
<b>ODA</b>	Official Development Assistance
<b>OECD</b>	Organisation for Economic Co-operation and Development
<b>SFS</b>	The State Fire Service
<b>SMEs</b>	Small and medium size enterprises
<b>UN</b>	United Nations
<b>USAR*</b>	Polish Urban Search and Response
<b>USD</b>	US dollar
<b>WPF</b>	World Food Programme
<b>WB</b>	World Bank

\* Acronym in original language

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## POLAND'S READINESS FOR ACCESSION TO THE DAC

### NOTE BY THE SECRETARIAT

#### Introduction

1. Poland formally requested to start the process for Development Assistance Committee (DAC) membership in a letter from the Polish Minister of Foreign Affairs, dated 6 February 2013, to the OECD Secretary-General and the DAC Chair.

2. This report presents the Secretariat's assessment of the performance of Poland's development co-operation system against the criteria for DAC membership identified in the "Aide Memoire on the Accession of New DAC Members and Full Participants" [Annex I to the DAC Global Relations Strategy - [DCD/DAC\(2011\)36/FINAL](#)]. It also considers Poland's capacity to fulfil the obligations of DAC members as also set out in the DAC Global Relations Strategy.

3. During the visit to Poland to prepare this team met with key officials and representatives engaged in development co-operation from the Ministry of Foreign Affairs (MFA), the Ministry of Finance (MOF), the Ministry of the Interior, the Ministry of Science and Higher Education (MSHE), the Solidarity Fund PL and the Grupa Zagranica, which is the Polish Platform for non-governmental development organisations (NGOs).

4. The findings and conclusions in this report are based on those meetings, other discussions, and a review of documents.

**This report concludes that Poland is ready to join the DAC and recommends that its application for membership be favourably considered by the Committee.**

#### Criteria for DAC Membership

5. As part of the process set out in the "Aide Mémoire on the Accession of New DAC Members and Full Participants" (henceforward referred to as the Aide Memoire), candidate countries are assessed in terms of the following criteria:

- The existence of appropriate strategies, policies and institutional frameworks that ensure capacity to deliver a development co-operation programme.
- An accepted measure of effort.
- The existence of a system of performance monitoring and evaluation.

#### *Appropriate strategies, policies and institutional frameworks*

**This criterion is met. A legislative framework is in place, policies and plans have been formulated that serve to focus programmes geographically and thematically and the institutional system enables Poland to deliver its development co-operation programme.**

6. The Aide Memoire stipulates that prospective DAC members should have in place appropriate strategies, policies and institutional frameworks. The Secretariat looked at Poland's high-level policies and

operational strategies for development co-operation in general, and for bilateral and multilateral official development assistance (ODA) in particular. It also looked at the institutional frameworks and organisational capacity of the development co-operation system, as well as Poland's efforts to implement the aid effectiveness principles.

7. Since the Special Review conducted in 2010 [[DCD\(2010\)3](#)], Poland has made considerable progress in structuring its development co-operation system. It has enacted and started to implement the Development Co-operation Act<sup>1</sup>, which establishes a clear mandate for the Ministry of Foreign Affairs in co-ordinating and managing aid and defines the roles and responsibilities of the other actors in the system. It has introduced a multi-annual programme and annual plans, as well as created a Development Co-operation Policy Council. The MFA has consolidated its development co-operation into one department, which enhances synergies, co-ordination and information sharing.

8. **The Development Co-operation Act** was adopted by the Polish Parliament in September 2011 and came into force on 1 January 2012. The Act directs development co-operation at:

- Promoting and supporting the development of democracy and civil society, including development of parliamentarism, principles of good governance and respect for human rights.
- Supporting long-term social and economic development, undertaking actions that contribute to the reduction of poverty and an improvement in the level of health of the population and raising the level of education and professional qualifications of the population.
- Delivering humanitarian aid, consisting in particular in providing aid, care and protection of a population affected by armed conflict, natural disaster or other humanitarian crises caused by nature or man.
- Undertaking educational activities in order to increase awareness and understanding of global problems and interdependence between countries, hereinafter called "global education".

9. The Act describes the forms and principles of Polish aid. It stipulates that Polish development co-operation should take into account the development provisions of international organisations and regulations of the European Union (EU). It calls for multi-annual planning of aid covering at least 4 year periods. The Act provides a flexible legal framework for further improvements, including the possibility of using a broader range of aid instruments as Poland's development co-operation expands.

10. The first **Multi-annual Development Co-operation Programme 2012-15** was adopted by the Council of Ministers in March 2012 after broad consultation with stakeholders. It sets forth the goals, principles and forms as well as the geographical and thematic priorities of Poland's development co-operation. It identifies two thematic priorities for Polish bilateral aid: *i)* democracy and human rights, and *ii)* political and economic transformation. It also contains provisions concerning humanitarian assistance, global development education as well as monitoring and evaluation of development activities. The Multi-annual Programme reaffirms that the primary goal of Poland's development co-operation is to create conditions for the sustainable development of developing countries. This goal is pursued by promoting and consolidating democracy and respect for human rights, by helping to create modern and

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<sup>1</sup> *Development Co-operation Act of 16th September (2011)* original, unofficial translation by the Polish MFA. [www.polishaid.gov.pl/files/Aktualnosci2011/Polish\\_Development%20Cooperation%20Act\\_2011.pdf](http://www.polishaid.gov.pl/files/Aktualnosci2011/Polish_Development%20Cooperation%20Act_2011.pdf)

efficient state institutions, by undertaking actions which contribute to reducing poverty, improving health conditions and by raising the level of education and professional qualifications in developing countries<sup>2</sup>.

11. Polish aid is guided by the principles of: subsidiarity (emphasising local ownership and community involvement), donor co-ordination, effectiveness, respect for human rights, environmental sustainability, and policy coherence for development. Gender equality is also taken into account and can be promoted under the thematic priority democracy and human rights. The Multi-annual Programme is an important step towards focusing the aid programme on a selected number of sectors and countries. Small projects, mainly implemented by NGOs, remain the principal bilateral aid modality, supplemented by scholarships, assistance for refugees, preferential loans, as well as debt reduction and conversion. A review of the Programme is foreseen for 2014 in preparation for the next multi-annual programme from 2015 onwards.

12. On the basis of the Multi-annual Programme, the Minister of Foreign Affairs prepares yearly Development Co-operation Plans that indicate, among other things, specific ODA allocations for selected priority countries and programmes. These include allocations for development projects, global education, development education, scholarships, humanitarian aid and the administrative costs for the MFA. Most of the bilateral development co-operation budget is contained in a state budget reserve dedicated to development co-operation. The contribution to the European Development Fund (EDF) has a separate line item. Poland's contribution to the European Union's development aid is included in the payment to the general EU budget. The MFA must approve all ODA allocations and grants on an annual basis. The annual budget must be spent by the end of the year. The MFA is aware that multi-annual budgeting would provide more flexibility in implementing development projects and has recently introduced two-year projects. Still, each annual allocation must be spent in full, *i.e.* there is no carry-over of unspent funds from year 1 to year 2.

13. The **Development Co-operation Policy Council** is a newly established entity pursuant to the Development Co-operation Act and serves as a consultative and advisory body to the Minister of Foreign Affairs. It is charged with fostering inter-ministerial co-ordination of development co-operation activities. The Act spells out the Council's responsibilities which include: deliberating geographical and thematic priorities for development co-operation; assessing draft multi-annual development co-operation programmes and annual development co-operation plans; evaluating annual reports of government administration bodies on fulfilling development co-operation tasks; and issuing opinions on development co-operation documents drafted by the government. The Council consists of 21 members: the National Co-ordinator for International Development Co-operation (the Under-Secretary of State in the MFA who chairs the meetings), representatives of 10 lead ministries, 3 Members of Parliament (the Sejm), 1 senator, 4 representatives of non-governmental organisations, 1 representative of employer organisations, and 1 representative of academia. It has met four times in two years. While it is still evolving, the Council offers the potential to become an effective high-level co-ordinating body not only for development policy and programming but for evaluating the development impact of Polish aid activities and for reviewing the development implications of other policies.

### ***Bilateral co-operation***

14. Polish bilateral aid for 2012, representing 25% of the total ODA budget (see Figure 1), can be directed at 10 priority countries and two priority regions<sup>3</sup>. According to the Multi-annual Programme, Poland's bilateral aid is to be delivered mostly to two groups of countries:

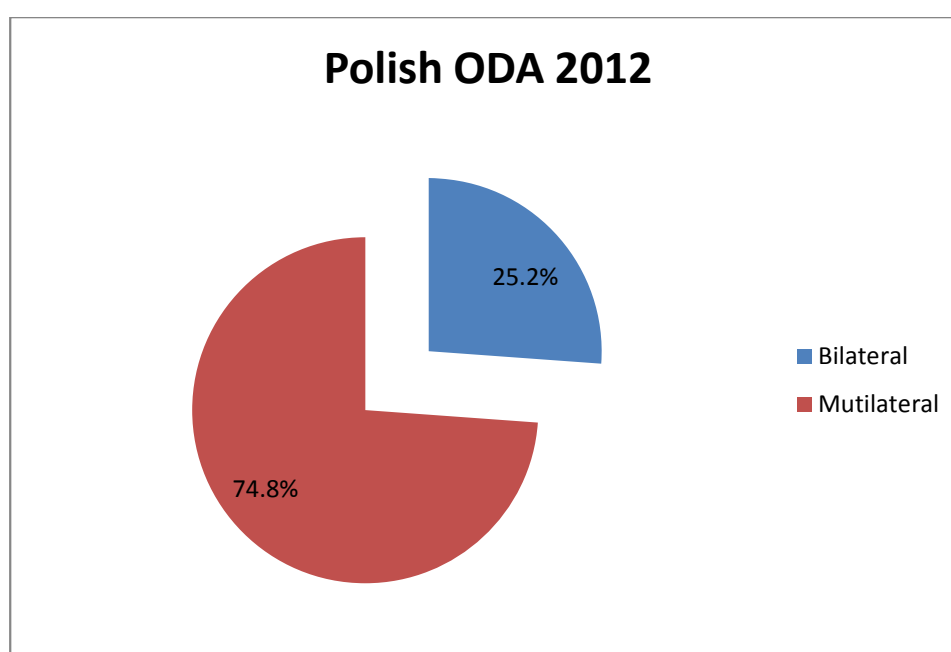
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<sup>2</sup>*Multiannual Development Co-operation Programme 2012-2015. Solidarity, democracy, development: [www.polishaid.gov.pl/files/dokumenty\\_publikacje/PW\\_EN-po\\_reas.pdf](http://www.polishaid.gov.pl/files/dokumenty_publikacje/PW_EN-po_reas.pdf)*

- The highest priority group consists of six countries: Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine (the Eastern Partnership countries) where Poland aims to foster democratisation, human rights and political transformation to bring these countries closer to the European Union. These countries are to receive at least 60 % of MFA's bilateral aid funds.
- The second group comprises eight ODA-eligible countries from Eastern Africa (Burundi, Ethiopia, Kenya, Rwanda, Somalia, South Sudan, Tanzania and Uganda), two from North Africa (Libya and Tunisia), as well as Afghanistan, Kyrgyzstan, Tajikistan and the West Bank and Gaza Strip. Poland intends to support these countries particularly in the areas of education, environment, development of small and medium-size enterprises (SMEs) and professionalisation of public administration<sup>4</sup>.

15. The choice of countries was purposeful and based on strategic criteria and consultation with stakeholders. For example, democracy and transition support is primarily aimed at the Eastern Partnerships countries, while more social and environmental development activities are concentrated in East African countries. Consideration is being given to introducing country strategy papers, starting with Moldova. The MFA recognises that such strategies would facilitate a more strategic approach and better co-ordination among programmes and with the partner country.

**Figure 1. Poland's Multilateral and Bilateral ODA in 2012**



Source: Development Cooperation Department, Ministry of Foreign Affairs of the Poland

<sup>3</sup> Small grant scheme can finance small-scale development projects in all developing countries where Polish diplomatic missions are accredited

<sup>4</sup> *Multi-annual Development Co-operation Programme 2012-2015. Solidarity, democracy, development.* [www.polishaid.gov.pl/files/dokumenty\\_publicacje/PW\\_EN-po\\_reas.pdf](http://www.polishaid.gov.pl/files/dokumenty_publicacje/PW_EN-po_reas.pdf)

***Multilateral co-operation***

16. Polish multilateral aid consists mainly of mandatory assessed contributions to the European Union and other international organisations. In 2012, Poland channelled 74.8% of its total ODA through the EU, the United Nations (UN) and other multilateral organisations. Poland also makes some voluntary contributions, mostly to the UN system. The Polish government does not have a multilateral development co-operation strategy but it does apply certain guidelines to its contributions to the UN and other international agencies. For example, the guidelines seek to limit the number of agencies to which Poland contributes by selecting organisations that pursue priority development themes for Poland and smaller agencies where Poland's contribution is more visible and influential. Thus, the MFA contributes to: the UN Programme on HIV/AIDS (UNAIDS), the UN Population Fund (UNFPA), the UN Children's Fund (UNICEF), the Office of the High Commissioner for Human Rights (OHCHR), the UN Womens Fund, the UN Peace Building Fund and the UN Democracy Fund.

17. **The Ministry of Finance** along with the National Bank of Poland (Poland's central bank) is responsible for Poland's engagement in international financial institutions [European Bank for Reconstruction and Development (EBRD), European Investment Bank (EIB), World Bank Group (WB)], as well as relevant committees of the OECD and the European Union. The MOF is responsible for contributions to the International Development Association (IDA) and to the EU's budget, while MFA is responsible for contributions to the European Development Fund (EDF). The MOF has granted some debt relief in the past which was included in Poland's ODA. Further debt relief operations may be considered in the future. Poland is committed to the OECD principles of sustainable lending and internationally recognised standards of responsible lending between States.

18. **Polish humanitarian aid** is delivered in accordance with the Multi-annual Development Co-operation Programme 2012–15, which stipulates that Polish humanitarian action be implemented mainly through:

- Partnerships, including in the form of voluntary contributions, with international humanitarian organisations, especially the UN Office for the Co-ordination of Humanitarian Affairs (OCHA) [mainly in the framework of the OCHA Donor Support Group, Central Emergency Response Fund (CERF) and the UN Disaster and Assessment Co-ordination (UNDAC)], the International Committee of the Red Cross (ICRC), the UN High Commission for Refugees (UNHCR), the World Food Programme (WFP), UNICEF and the UN Relief and Works Agency (UNRWA).
- Co-financing of humanitarian assistance projects of Polish NGOs, through grants awarded based on specific calls for proposals.

19. In 2012, Poland spent USD 4.29 million on humanitarian assistance. The Ministry of Foreign Affairs is responsible for managing Poland's humanitarian assistance, which follows the principles of Good Humanitarian Donorship (GHD) and is in line with the *European Consensus on Humanitarian Aid*. Poland has been a member of the GHD group since 2007 and of the Office for the Co-ordination of Humanitarian Affairs (OCHA) Donor Support Group since 2012. The Ministry of Interior and the State Fire Services are important partners of the MFA in the field of humanitarian action. Poland participates in the European Civil Protection Mechanism. The Polish Urban Search and Rescue (USAR) team of the State Fire Service is included in the International Search and Rescue Advisory Group (INSARAG) directory of USAR teams. Poland is a member of UNDAC and will be chairing it in 2014. Poland supports and promotes the co-ordinating role of the UN in the humanitarian area. It also includes disaster preparedness and risk reduction in its development co-operation projects. Poland follows a whole of government approach to humanitarian assistance, applies available tools and resources strategically, and provides guidelines to NGOs engaged in delivering disaster relief.



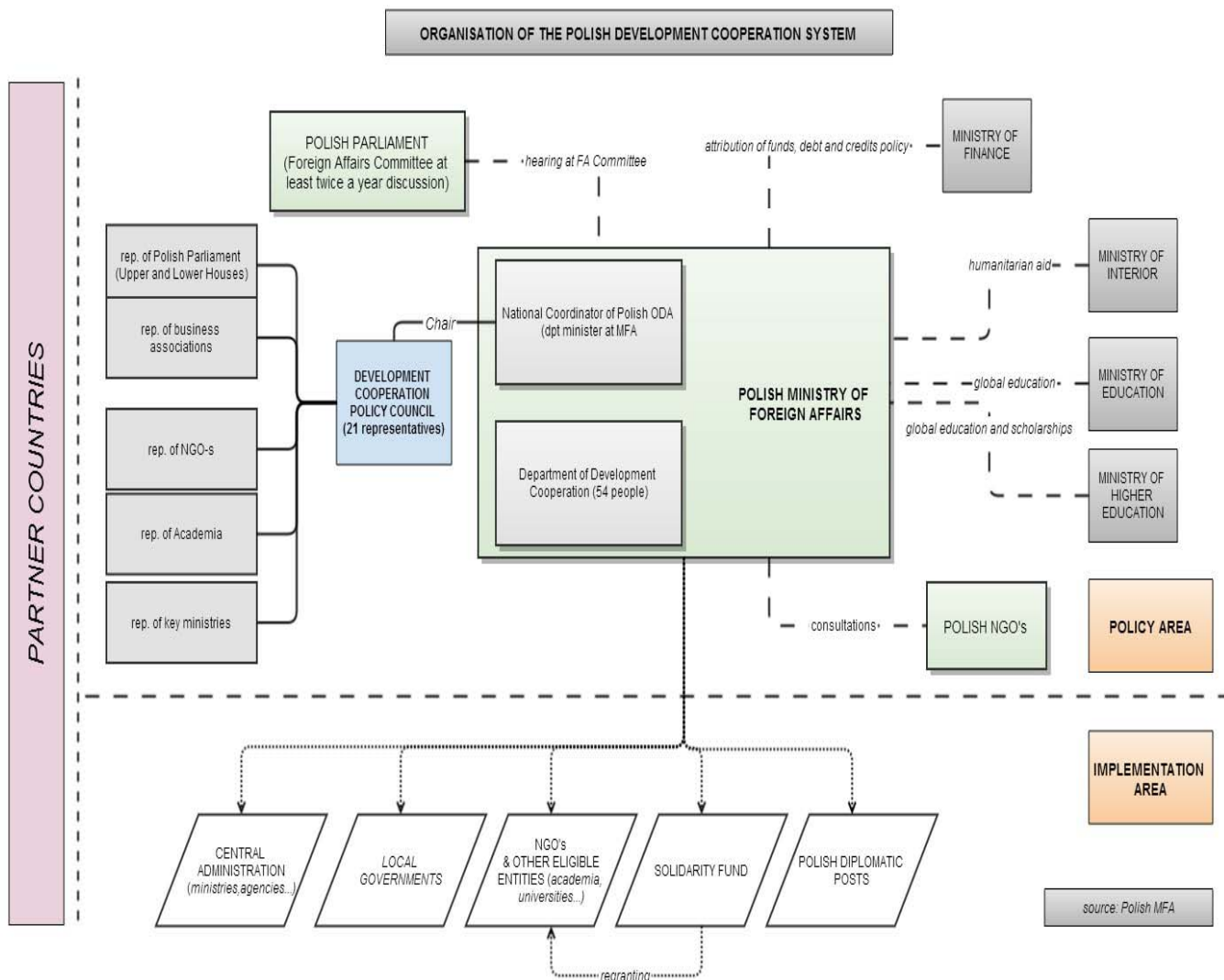
## *Organisation*

20. The Polish development co-operation system is co-ordinated by the Ministry of Foreign Affairs which conducts calls for proposals, awards grants to NGOs, local government entities, public and private higher education institutions and other eligible entities, and provides funding for technical assistance projects carried out by line ministries. The delivery of Polish bilateral or multilateral aid involves several key ministries and institutions:

- The Ministry of Finance provides financial assistance (concessional loans, debt relief, payments to the international financial institutions).
- The Ministry of Interior which helps to implement humanitarian assistance.
- The Ministry of Science and Higher Education, supported by a student exchange agency - Bureau for Academic Recognition and International Exchange (BARIE), which is responsible for scholarships.
- The Ministry of Defence which, until 2013, handles certain tasks linked to the reconstruction of Afghanistan.
- The Solidarity Fund PL which focuses its activities on support to democratisation process and human rights promotion.

21. **The Ministry of Foreign Affairs**, as the lead institution in the Polish Aid system, co-ordinates aid activities through the National Co-ordinator for International Development Co-operation (at the rank of the Under-Secretary of State). In 2012, two separate departments: one responsible for policy planning and the other tasked with the implementation of development projects merged into one single unit: **the Development Co-operation Department (DCD)**. Figure 2 shows how the DCD is organised. The department is the main focal point responsible for development co-operation with a staff of 54 officials. It ensures the implementation of the Ministry's development co-operation responsibilities and supervises the entire aid policy and programming cycle from development policy formulation, through managing calls for proposals, to awarding grants and financing for implementing projects and programmes, and concluding with monitoring, evaluation and reporting. The MFA implements four types of bilateral programmes: NGOs' development activities, Global Education, Small Grants to Embassies and the Polish Aid Volunteering Programme. The MFA also implements a few technical assistance activities of its own, sharing its transformation experience through the Eastern Partnership Academy, in close co-operation with the National School of Public Administration.

Figure 2. Organogram: Development Co-operation Directorate of the Polish Ministry of Foreign Affairs



22. **Calls for proposals** are the main instrument for delivering bilateral aid. The MFA issues on average 3-4 calls for proposals a year: one major call for development projects in priority countries, one for Global Education, one for aid volunteers, and one for humanitarian aid. An *ad hoc* call can be opened for other entities eligible to receive public grants or for humanitarian assistance projects, if the need arises. Every year the MFA announces the call for proposals for development projects in the fourth quarter of the year before funding is to be allocated for the coming year. It is addressed to NGOs, local government entities, public and private higher education institutions, research institutes and the Polish Academy of Sciences and its constitutive units. The call for development projects generates every year about 350 proposals of which on average 100 are awarded grants averaging between USD 35 000 and USD 200 000. The committee responsible for conducting the assessment of proposals is appointed each year by the MFA's Director General for Diplomatic Service and includes broad representation from all stakeholders. All proposals are rated according to defined criteria specific to the particular call or programme. The committee takes into consideration the advice of Polish diplomatic posts in the target

countries. It makes its recommendations for grant awards to the Under-Secretary of State responsible for development co-operation, who is responsible for their final approval. The MFA is aware that these small grant award mechanisms are very staff-intensive and has begun to review its procedures, looking for ways to streamline the process. As first steps, the MFA has introduced “modular” projects, that can run for up to two years in two phases, and has allowed public administration entities to submit proposals directly to the MFA without having to go through the call for proposals procedure.

23. Polish embassies implement a **Small Grants** scheme not only in the priority countries but in other developing countries (in Asia, Sub-Saharan Africa, Middle East, Latin America and Western Balkans). The resulting small projects (*e.g.* USD 20 000 on average) aim to improve the living standards of the local populations and, thus, contribute to achieving the Millennium Development Goals (MDGs). Project proposals are submitted by the Polish embassies to the DCD for approval. Selected projects are carried out by Polish diplomatic missions or by their local partners, such as local NGOs, public institutions or local authorities.

24. **Grants for Global Education** are awarded for projects aimed at raising public awareness and incorporating development issues into school curricula in Poland. The list of eligible entities and the award procedure are similar to the modalities established in the call for proposals for development projects. In 2013, around 120 proposals were received, of which 14 were awarded grants.

25. Since 2012, the MFA has also been involved in promoting the **Global Education Week (GEW)** which provides an opportunity to engage the wider public in development co-operation related events. In its global education call for proposals, the MFA invites winners to organise additional activities in the framework of the GEW. In 2013 the MFA strengthened its co-operation with the International Debate Centre <http://www.odm.gov.pl/pl/> – a unit of the MFA specialising in outreach and information campaigns. Development co-operation and global education topics were included in all the Centre’s information programmes and workshops. MFA experts give lectures and participate in workshops. The Centre runs 16 regional meeting points. The employees of those regional centres were enrolled in 2013 in specialised training organised for Polish teachers on global education issues. This will result in boosting their competence and activity in animating the debate on global issues.

26. The programme of **Grants for Aid Volunteers** is designed to provide support for volunteers sent by NGOs to work in the field. The average value of the programme is USD 500 000 a year. Projects can be implemented in every ODA eligible country excluding countries affected by an unstable security situation. The entities eligible to submit proposals are foundations (established under Polish law, as well as offices of foreign foundations registered in Poland), associations, non-profit companies, local government associations, church organisations and social co-operatives. The volunteers proposed in the projects that received the highest scores are obliged to take a training course and pass an exam to ensure their suitability for the assigned task.

27. **The Solidarity Fund PL** is a state treasury foundation and a successor to the Polish Know-How Foundation set up in 2001. The Fund is registered under the law governing foundations and operates according to Article 2 of the Development Co-operation Act. It provides support to democratisation process and human rights promotion in countries of Eastern Europe, North Africa’s new democracies and a few other countries transitioning from dictatorship to democracy or facing political problems. The Fund is supervised by a Board of Directors and is managed by a three-person Executive Board and a staff of 10, plus three field officers in Moldova. It runs an open grant competition for NGO initiatives and a flexible, quick response grant line for more targeted proposals. Through co-financed projects, it facilitates NGO co-operation with pro-democratic and grass-roots forces and supports decentralisation and local governance reform. It also directly implements activities of its own. In 2012, the Fund financed around 70 grants in support of seven programmes in nine countries for a total value of around USD 3 million.

28. **Scholarships** are a significant component of Polish development co-operation. The Ministry of Science and Higher Education currently implements six different programmes. They are offered mainly to the citizens of the Eastern Partnership countries but also to citizens from countries in Central Asia and other ODA recipients. In 2012/2013, 13 589 students from these countries were enrolled at Polish universities and 3 040 of them received scholarships. The MFA provided ODA funds for scholarships granted through the MSHE for 388 of these students. In addition, 2 768 of the students attending university were exempt from any fees by the university authorities. The scholarships are offered for MSc and PhD students in Polish and European law, PhD students in technical sciences and MSc students in economics, law, European integration, technical and natural sciences. Scholarships are offered at Polish public universities (*e.g.* in Warsaw, Krakow).

29. **The Ministry of Science and Higher Education** implements multiple scholarship programmes. These include:

- "*Konstanty Kalinowski*" Poland's government scholarship programme for Belarusian youths who, for specified political reasons, may have restricted access to higher education at home.
- Scholarship programme for students of Specialised Eastern Studies at Warsaw University.
- Scholarship programme for citizens of Eastern Partnership countries taking up PhD programmes in the humanities and social sciences.
- Scholarship programme for alumni of Polish and European Law Schools in Ukraine organised by the Jagiellonian University.
- Scholarships for PhD students in technological fields for citizens of developing countries funded by the Polish Academy of Science.

30. In 2013, the MFA initiated the "Stefan Banach Scholarship Programme" implemented in co-operation with the Ministry of Science and Higher Education. Its aim is to support economic and social development of Eastern Partnership countries by funding scholarships for their citizens enrolling in Master courses particularly in science, economy, law, European integration, natural or technical-applied sciences. The MFA also co-finances post-graduate courses for Ukrainian citizens at the College of Europe in Natolin in the framework of co-operation with the College of Europe Foundation.

31. Government administration bodies may carry out **technical assistance projects** supporting transformation goals of partner countries. Such projects follow the priorities of the Multi-annual Development Programme and need to be approved by the MFA before financing is granted. The annual Development Co-operation Plans contain precise information on these projects and their financial allocations. Under certain circumstances, the MFA may decide to implement projects by itself. Funding for such activities is planned in the annual Development Co-operation Plans. In some cases, the MFA may commission the implementation of some elements of its projects to the National School of Public Administration.

31. The Polish aid system appears adequately staffed with 67 officials in the MFA and Solidarity Fund PL, as well as officials in other line ministries who are partially dedicated to various development programmes, as reflected in Table 1.

**Table 1. Development Co-operation Staff in Headquarters in 2013**

INSTITUTION	DEPARTMENT	NUMBER OF STAFF
Ministry of Foreign Affairs	Development Co-operation Department	54
Solidarity Fund PL		13
<b>Total core staff</b>		<b>67</b>
		<b>Staff working partially on development co-operation</b>
Ministry of Finance	International Department	4
	Guarantees/Loans Department	1
	European Union Department	1
Ministry of Science and Higher Education	Bureau for Academic Recognition and International Exchange Strategy Department	2
		4
Ministry of Interior	International Department	3
	State Fire Service	4
<b>Total part-time staff</b>		<b>19</b>

Source: Interviews with Ministries and the Solidarity Fund PL

32. Poland strives to apply the internationally accepted principles on more effective aid in its development co-operation. Poland has endorsed the Paris Declaration, Accra Agenda for Action and Busan Partnership document and adopted the European Consensus on Development. Poland also takes part in DAC/OECD and EU activities related to fulfilment of aid effectiveness commitments. Poland is working to improve the quality and transparency of information on its development co-operation. To this end, it plans to revise its internal data management system to enable reporting in line with DAC and International Aid Transparency Initiative (IATI) standards. However, aid predictability remains a challenging issue as Poland is unable to provide spending forecasts for the forthcoming three years since the Multi-annual Development Co-operation Programme does not specify financial allocations and aid financing is based on annual budgets. As mentioned earlier, Poland is considering preparation of country strategy papers, starting with Moldova. It has collaborated with the United States Agency for International Development (USAID) on a project aiming to support local authorities in Moldova. It has participated in joint programming with the EU in Ethiopia.

### *An accepted measure of effort*

**This criterion is met. Aid volume stands at USD 438 million.**

33. The Aide Memoire states that the candidate country may join the DAC if it has an accepted measure of effort in terms of the volume of its development co-operation [e.g. annual ODA exceeding USD 100 million or 0.20% of the country's Gross National Income (GNI)]. "An accepted measure of effort", as reflected in the ODA budget, is considered by the Committee in each country context, and reference figures that have been used for this are indicative, not absolute.

34. Poland's total ODA exceeds the guideline of ODA volume in dollar terms. In 2012, Poland's ODA volume totalled USD 437.7 million, representing 0.09% of GNI. This is a significant increase in real terms (in constant prices) compared to 2011, building on steady increases since 2006, as seen in Table 2 and Figure 3.

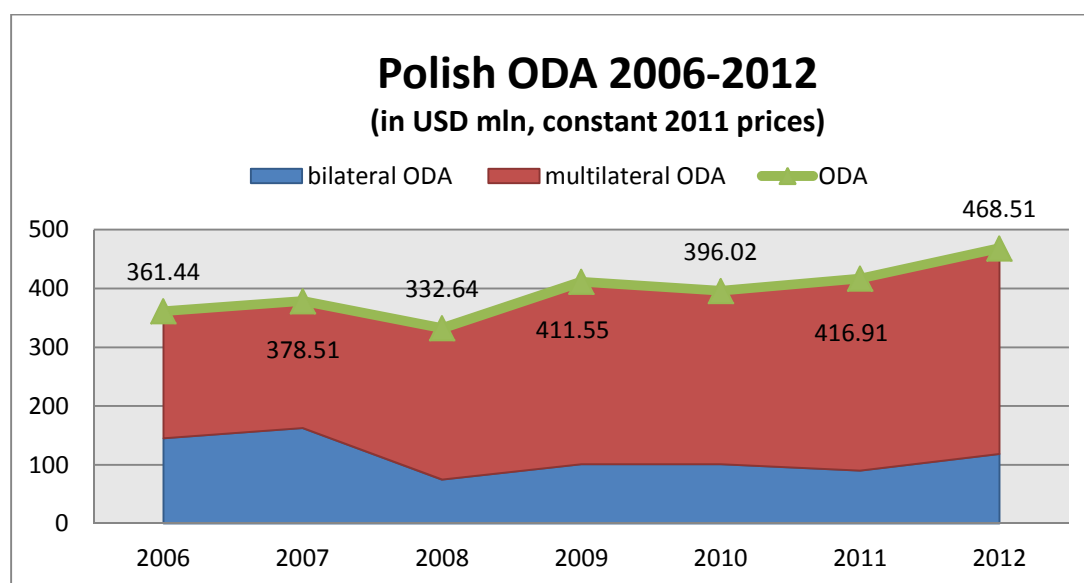
**Table 2. Poland's Total Official Development Assistance 2006-2012**

	2006	2007	2008	2009	2010	2011	2012
Bilateral ODA (constant 2011 prices)	144.90	162.47	74.86	100.86	100.68	90.12	118.13
Multilateral ODA (constant 2011 prices)	216.55	216.04	257.78	310.69	295.33	326.79	350.38
<b>Total ODA (constant 2011 prices)</b>	<b>361.44</b>	<b>378.51</b>	<b>332.64</b>	<b>411.55</b>	<b>396.02</b>	<b>416.91</b>	<b>468.51</b>
Total ODA (current prices)	296.82	362.85	372.34	374.65	377.75	416.91	437.70
<b>ODA/GNI ratio</b>	<b>0.09</b>	<b>0.10</b>	<b>0.08</b>	<b>0.09</b>	<b>0.08</b>	<b>0.08</b>	<b>0.09</b>

Source: OECD/DAC Statistics

35. The MFA considers the EU target of 0.33% of GNI unattainable in the short-term given the current economic difficulties and budget restrictions. The Minister of Foreign Affairs is aware of its commitments and desires to fulfil its commitment when economic and financial conditions permit.

**Figure 3.**



Source: OECD/DAC statistics

### ***Performance monitoring and evaluation***

**This criterion is met. A monitoring system is in place, annual evaluation plans are being prepared, and selected evaluations are being conducted on development co-operation projects.**

36. The Aide Memoire states that prospective members should have a system of performance monitoring and evaluation for their development co-operation. The Secretariat looked at whether Poland has an appropriate performance-based management system in place, an independent evaluation system reflecting agreed DAC evaluation principles and a degree of transparency and accountability.

37. The Multi-annual Programme spells out the objectives of monitoring and evaluating. The goal of monitoring is to ensure that projects are implemented in line with the guidelines and goals set forth in the annual plans and the Programme. Monitoring supports the decision process and is a primary source of information necessary to conduct the evaluation of a project or group of projects. Evaluation covers development co-operation programmes in both annual and multi-annual perspectives, as well as projects and groups of projects. Evaluation covers selected topics, horizontal areas and/or sector-specific actions of the Multi-annual Development Programme for 2012-15 as well as selected projects/groups of projects of the annual development co-operation plans. Commissioned by the MFA, evaluations are conducted by external institutions following public procurement procedures. Moreover, the MFA may conduct its own internal evaluations, which will be complementary to external evaluations.

38. In 2012, the MFA conducted monitoring visits to 60 projects (which covered 65% of all projects). According to internal procedures, every year around 50% of projects should be monitored. In an effort to facilitate results-based management, the MFA requires the use of the logical framework in its calls for proposals. The MFA has begun to prepare annual evaluation plans. In 2012, Poland conducted pilot evaluations of two types of activities (the SENSE project, which trains government officials and a project aiming to support social reform in Georgia). These evaluations were conducted by a private company selected through a tendering process. The findings and recommendations resulted in one project being closed. The evaluation report has been shared with the Development Co-operation Council and the summary of the report has been made public. The MFA is aware that the evaluation system needs further improvements and looks forward to learning from DAC experience in developing an evaluation policy and guidelines to further institutionalise its evaluation system, and on building a culture of results-based management in its development co-operation.

### **DAC Member Obligations**

39. Upon joining the DAC, new members pledge to fulfil the obligations of DAC membership as set out in the Aide Memoire:

- Implement forthwith the Recommendations adopted by the DAC since its inception, notably on aid untying and on the terms and conditions of their aid, and to commit to use DAC guidelines and reference documents in formulating national development co-operation policies.
- Provide aid statistics.
- Engage actively in the DAC.

**Poland has the will and the capacity to fulfil these obligations as discussed in the following sections.**

### ***The DAC Recommendation on Untying Aid***

40. The Aide Memoire emphasises adherence to the 2001 DAC Recommendation on Untying Aid. Under this recommendation, all DAC members are committed to untie their ODA to Least Developed Countries (LDCs) and other Highly Indebted Poor Countries (HIPC)s. The 2010 DAC average for untied aid covered by the Recommendation was 89%. The DAC Recommendation does not cover technical co-operation or food aid though untying all aid is encouraged and some DAC members have also untied these categories or signalled their plans to do so. Signatories to the Accra Agenda for Action reiterated their commitment to untying and agreed to “pursue and accelerate” their efforts to untie aid by (i) extending coverage of the 2001 DAC Recommendation on Untying Aid to non-LDC HIPC)s; (ii) improving their reporting on the 2001 DAC Recommendation; (iii) elaborating individual plans on how to untie their aid to the maximum extent; and (iv) promoting the use of local and regional procurement. Individual members’ plans to untie remaining tied aid are currently under discussion in the DAC. In the

2011 Busan Partnership for Effective Development Co-operation, participants agreed to accelerate efforts to untie aid. Participants also agreed to improve the quality, consistency and transparency of reporting on the tying status of aid.

41. Poland does not report on the tying status of its ODA and accepts that it will need to begin doing so once a DAC member. The initial effort should be to establish a baseline measuring the degree of tied/untied aid against which future performance can be assessed. Poland's grants awarded on the basis of calls for proposal go mainly to Polish entities which co-operate with local partners. Poland is aware of its obligations to untie its aid, and understands progress on meeting the obligations will be monitored through the DAC peer reviews.

42. Poland is expected to move progressively and speedily towards complete untying of the aid covered by the untying Recommendation and to reporting on plans to meet the Busan commitments in respect of accelerating efforts to untie aid more generally and to improve the quality, consistency and transparency on reporting the tying status of aid. The first DAC peer review of Poland will be an opportunity to assess progress in these areas.

### ***The DAC Recommendation on the Terms and Conditions of Aid***

43. The DAC Recommendation on the Terms and Conditions of Aid sets out minimum levels of concessionality or "grant element" for ODA. The recommendation states that:

- the average grant element of all ODA should be at least 86%; and
- either, (i) for each individual LDC the grant element should be at least 86% over a three year period; or (ii) for LDCs as a group the average grant element should be at least 90% in each year.

44. All existing DAC donors meet these requirements.

45. Poland, as a member of the European Union, is a Participant to the Arrangement on Officially Supported Export Credits which includes provisions on tied aid credits, and participates in the common notification procedures for export credits and trade-related aid. According to the MOF, Poland fulfils the concessionality requirements in its credits and follows the tied aid discipline. The Export Credits Division of the OECD Trade and Agriculture Directorate advises that there are no issues in regard to Poland's participation in this group. Poland has active credits in three countries: in Vietnam, Bosnia-Herzegovina, where the credits are closing out, and in Angola where a tied aid credit for EUR 60 million for education is on-going. So far, Poland has had eight credit lines in seven countries.

### ***Statistics***

46. Members of the DAC pledge to "provide the annual submission of required ODA statistics which meet DAC requirements".

47. Poland, as an observer to the DAC, reports its ODA statistics to the OECD on a regular basis. The data are collected and reported in an aggregated manner in compliance with DAC statistical methodology set out in the DAC Statistical Reporting Directives. Provisional data are reported through the DAC Advance Questionnaire in February or March each year. Final data with geographical allocations of bilateral aid (Table DAC2a) and main aggregates (Table DAC1) are provided in July together with a short (200-300 words) factual account of the aid programme, which highlights major developments and sectoral trends during the reporting year. Poland submitted data to the Forward Spending Survey (FSS) for the first time in February 2013, which presents a four-year perspective of planned ODA flows (Country



Programmable Aid). Poland's FSS is limited to a one-year projection given its annual budgeting requirements.

48. In order to make information on projects more transparent, the MFA is currently preparing a dedicated tool – a repository of projects – which will be ready in 2014. This tool will facilitate on-line access to information on projects, including funding data (commitments and spending). Poland has engaged in a European Commission-led exercise which should enable the Polish MFA to publish development co-operation data in the DAC/OECD Creditor Reporting System (CRS) and IATI-compatible standards.

49. Looking ahead, Poland should aim to report in a converged manner. This implies submitting coherent data in the Table “disbursements and commitments of official and private flows” (also referred to as DAC1) and the validation table in addition to CRS++ data before 15<sup>th</sup> July each year. DAC members not reporting in this converged manner need to report using the full main DAC Questionnaire in addition to CRS++ data. Reporting on Poland's Other Official Flows is also very much encouraged, if this is relevant.

### ***Engagement with the DAC***

50. The DAC Aide Memoire emphasises that members should be committed to participate in the meetings of the DAC and its subsidiary bodies, and to submit to regular peer reviews.

51. Since 2010, Poland has participated in all formal DAC meetings, including its High-Level and Senior-Level Meetings. Poland has also participated in: the Working Party on Aid Statistics, the Working Party on Aid Effectiveness, the DAC Network on Governance and the DAC Network on Development Evaluation. An Aid Management seminar was organised by the OECD in Warsaw in May 2010.

### ***Submitting to a regular Peer Review of its aid and participating as an examiner in reviewing other DAC members***

52. Poland has experience with the DAC peer review process. In 2009, Poland participated as an observer in the DAC Peer Review of Switzerland. In 2010, at the request of Poland, the DAC conducted a Special Review of its development co-operation. Poland has stated its willingness to submit its development co-operation to regular Peer Reviews and to participate as an examiner in reviewing other DAC members.

## **Conclusion and Recommendation**

### **53. Poland meets all criteria for DAC accession:**

- The development co-operation system is legislatively and institutionally structured to be effective and geographically and sectorally focused.
- Poland's ODA has attained a level of USD 438 million in 2012 and is projected to continue to grow.
- The monitoring and evaluation system is established and is being strengthened.

54. On the basis of its assessment of Poland's development co-operation system, the Secretariat finds that Poland meets the agreed benchmarks for DAC membership. The Secretariat, therefore, recommends that Poland's application for membership be considered favourably by the Committee.