

## RESEARCH ARTICLE

## Dynamics of EU Central and Eastern European donors' development cooperation

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### Abstract

The article deals with both qualitative and quantitative aspects of development assistance provided by the 11 Central and Eastern European (CEE) countries that are members of the European Union (EU). The aim is to answer the question of what are the major determinants of their involvement in development cooperation. It also aims to understand the controversy surrounding the development policies of these donors and to assess the impact of past determinants on the current situation. Our study employs a combination of data analysis (based on Organisation for Economic Cooperation and Development – OECD – statistics) and a literature review. In order to allow the examination of trends, constant prices have been applied throughout the study. Our research operates both on absolute (volumes of development aid given to and offered by the countries in mind) and relative data (bilateral to total ODA ratio and regional distribution of bilateral aid). The analysis reveals that the CEE EU donors' spending on development assistance grew 463% over the 2004–2021 period. In 2021, they accounted for 2.4% of global aid, which was not a significant share globally, though noteworthy at the level of EU development aid spending. We found a clear dominance of the multilateral channel in the distribution of CEE EU aid fluctuating between 65–90%, mainly through EU institutions. In terms of bilateral activities, CEE donors chose their poorer European neighbours as their main aid recipients, with the share ranging from 24% to 76%. There are two main types of factors that determine the aid activities of the actors analysed: interests, which set the course of bilateral flows, and institutional factors (i.e., EU development policy and countries' accession to the OECD Development Assistance Committee), which played an equally important role. The relative importance of the two determinants has varied with changing circumstances over time.

### Keywords

development cooperation, development aid, Official Development Assistance, ODA, foreign aid, Central and Eastern Europe

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## Introduction

The study focuses on the analysis of development assistance provided by the 11 Central and Eastern European (CEE) Member States that joined the European Union (EU) after 2004. These countries are the Czech Republic, Hungary, Poland, Lithuania, Slovakia, Slovenia, and Bulgaria, Croatia, Estonia, Latvia, Romania. The first six of them are also members of the Organisation for Economic Cooperation and Development (OECD)'s Development Assistance Committee (DAC), which is calling itself 'a unique international forum of many of the largest providers of aid'. For the sake of clarity and brevity, we will call these 11 countries under consideration as the CEE EU donors.<sup>1</sup>

The main focus of the paper is to examine the factors that contribute to development policies and their implementation by the CEE EU countries. It aims to understand the sources and determinants of CEE EU donor-countries' involvement in development assistance, both in terms of financial contributions and strategic approaches. The analysis considers three contextual factors: EU and OECD membership, internal circumstances related to economic and social performance, and the historical experience of aid delivery during the communist regime.

Based on this framework, two mutually exclusive hypotheses are formulated:

1.1. The changing external and internal factors suggested in the existing literature as the major determinants have had a significant impact on the quantity and quality of development cooperation provided by CEE EU donors since 2004.

1.2. Despite the changing external and internal factors suggested in the existing literature as the major determinants, the activity of CEE EU donors in terms of quantity and quality of development cooperation has not undergone significant changes, since 2004.

By examining these hypotheses and taking into account the contextual factors mentioned above, this study aims to provide insights into the dynamics of CEE EU countries' development policies and their engagement in development assistance.

The paper is organized as follows. After this introduction, the next section describes the basic theoretical framework. The third one comprises the methodology. The data analysis<sup>2</sup> is located in section 4 followed by and discussion in section 5. The last part contains the summary and main conclusions of the study. The paper's contribution to the literature is to extend the rather limited academic literature on development policy in Central and Eastern Europe and to present an approach to understanding the evolution of this policy in comparison to other EU donor countries. The idea, then, is to understand why and for what purposes CEE EU countries provide

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<sup>1</sup> OECD, "Development Assistance Committee (DAC)," 2022, accessed November 5, 2022, <https://www.oecd.org/dac/development-assistance-committee/>.

<sup>2</sup> The data analysis process was supported by Microsoft Excel (Microsoft Office Professional Plus, 2016) with the Analysis ToolPak installed.

aid, and how, if at all, it has changed over the past two decades. This article aims to answer these questions.

## Literature review: determinants of aid delivery by Central and Eastern European donors

Identifying determinants that influence CEE EU countries' aid decisions can help us to understand and explain their approach to this particular area of foreign policy. This section examines the factors that influence the design and objectives of development assistance, as well as the elements that characterise the engagement of these relatively new, emerging CEE donors.<sup>3</sup> The theoretical framework addresses the determinants that underpin aid provision as well as the sources of the formulation of aid objectives. The basic question is: what are the determinants of aid provision by donor-countries and what are the sources of their motivations?

In line with the international system perspective, neo-realist thinking is one of the dominant explanations for aid provision by CEE EU countries. In this view, strategic interests, including political and commercial considerations, are the main factors influencing donors' decisions on international aid.<sup>4</sup> Foreign aid is regarded as a foreign policy tool that can be used to achieve specific state objectives.<sup>5</sup> Even early proponents of realist thinking argued that foreign aid has always been and continues to be an instrument for strengthening political power and security.<sup>6</sup>

An opposing perspective to systemic explanations is the domestic politics approach, which attributes foreign policy decisions to domestic politics and domestic political factors. It considers the influence of domestic elements such as bureaucracies,

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<sup>3</sup> O. Horký and S. Lightfoot, "From Aid Recipients to Aid Donors? Development Policies of Central and Eastern European States," *Perspectives on European Politics and Society* 13, no. 1 (2012): 1–16, <https://doi.org/10.1080/15705854.2011.649169>; *Development Policies of Central and Eastern European States: From Aid Recipients to Aid Donors*, eds. O. Horký-Hlucháň and S. Lightfoot (London: Routledge, 2013); S. Lightfoot, "The Europeanisation of International Development Policies: The Case of Central and Eastern European States," *Europe-Asia Studies* 62, no. 2 (2010): 329–350; M. Smolaga, "Wschodzący donatorzy w globalnym systemie pomocy rozwojowej," (PhD diss., 2015), <https://depotuw.ceon.pl/bitstream/handle/item/1008/M.%20Smolaga%20C%20doktorat.pdf?sequence=1>.

<sup>4</sup> R.K. Fleck and C. Kilby, "Changing aid regimes? U.S. foreign aid from the Cold War to the War on Terror," *Journal of Development Economics* 91, no. 2 (2010): 185–197; G. Palmer, S.B. Wohlander and T.C. Morgan, "Give or Take: Foreign Aid and Foreign Policy Substitutability," *Journal of Peace Research* 39, no. 1 (2002): 5–26, <https://doi.org/10.1177/0022343302039001001>; P.J. Schraeder, S.W. Hook and B. Taylor, "Clarifying the Foreign Aid Puzzle: A Comparison of American, Japanese, French, and Swedish Aid Flows," *World Politics* 50, no. 2 (1998): 294–323.

<sup>5</sup> J. Degnbol-Martinussen and P. Engberg-Pedersen, *Aid: Understanding International Development Cooperation* (New York, 2005); H. Milner and D. Tingley, "Introduction to the Geopolitics of Foreign Aid," in *Geopolitics of Foreign Aid*, 2013, <http://www.tinyurl.com/y4gs3sce>.

<sup>6</sup> H. Morgenthau, "A Political Theory of Foreign Aid," *American Political Science Review* 56, no. 2 (1962): 301–309, <https://doi.org/10.2307/1952366>.

political institutions, interest groups, values and identities on foreign aid<sup>7</sup> and the influence of external or international factors on domestic politics.<sup>8</sup> Following James D. Fearon, we can ask whether the foreign policy is merely an extension of domestic policy and “what kind of policy exists beyond domestic policy?”<sup>9</sup> This assertion supports the thesis that domestic politics plays a key role in shaping the foreign policy of states. It provides insights into the forces that influence the overall level of aid flows, their geographical and sectoral orientation, and differences between countries. In this regard, the literature mainly emphasises the greater influence of domestic rather than international factors on the provision and targeting of aid.<sup>10</sup>

Among the domestic factors shaping aid policy, four ‘core elements’ can be identified: ideas, institutions, interests, and aid management by government agencies.<sup>11</sup> The first factor is ideas. According to constructivist scholars, national interests are constructed by ‘shared ideas’ rather than by material factors.<sup>12</sup> However, the problem lies in the fact that while ideas are always present in political discussions, their influence on policies ultimately depends on choice, interpretation, and their

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<sup>7</sup> *Debating the Democratic Peace*, eds. M. Brown, S. Lynn-Jones and S. Miller (Boston: MIT Press, 1996); *Double-Edged Diplomacy: International Bargaining and Domestic Politics*, eds. P. Evans, H. Jacobson and R. Putnam (Berkeley: University of California Press, 1993); *Ideas and Foreign Policy: Beliefs, Institutions and Political Change*, eds. J. Goldstein and R. Keohane (Ithaca, NY: Cornell University Press, 1993); V. Ruttan, *United States Development Assistance Policy: The Domestic Politics of Foreign Economic Aid* (Baltimore: Johns Hopkins University Press, 1996).

<sup>8</sup> P. Gourevitch, “The Second Image Reversed: International Sources of Domestic Politics,” *International Organization* 32 (1978): 881–912; W.H. Moore and D.J. Lanoue, “Domestic Politics and U.S. Foreign Policy: A Study of Cold War Conflict Behavior,” *The Journal of Politics* 65, no. 2 (2003): 376–396, <https://doi.org/10.1111/1468-2508.t01-2-00005>; A. Moravcsik, “Why the European Union Strengthens the State: Domestic Politics and International Cooperation,” CES Working Paper, no. 52, 1994.

<sup>9</sup> J.D. Fearon, “Bargaining, Enforcement, and International Cooperation,” *International Organization* 52, no. 2 (1998): 269–305, <https://doi.org/10.1162/002081898753162820>.

<sup>10</sup> A. Chong and M. Gradstein, “What determines foreign aid? The donors’ perspective,” *Journal of Development Economics* 87, no. 1 (2008): 1–13, <https://doi.org/10.1016/j.jdeveco.2007.08.001>; Z.D. Greene and A.A. Licht, “Domestic Politics and Changes in Foreign Aid Allocation: The Role of Party Preferences,” *Political Research Quarterly* 71, no. 2 (2018): 284–301, <https://doi.org/10.1177/1065912917735176>; D.H. Lumsdaine, *Moral Vision in International Politics: The Foreign Aid Regime, 1949–1989* (Princeton University Press, 1993), <https://doi.org/10.2307/j.ctv173f1hj>; E.V. McLean, “Multilateral Aid and Domestic Economic Interests,” *International Organization* 69, no. 1 (2014): 97–130; H.V. Milner, “Why multilateralism? Foreign aid and domestic principal-agent problems,” in *Delegation and Agency in International Organizations*, eds. D. Hawkins *et al.* (Cambridge: Cambridge University Press, 2006), 107–139, <https://doi.org/10.1017/CBO9780511491368.005>; H. Milner and D. Tingley, “The Political Economy of U.S. Foreign Aid: American Legislators and the Domestic Politics of Aid,” *Economics & Politics* 22, no. 2 (2010): 200–232; H.V. Milner and D.H. Tingley, “Who Supports Global Economic Engagement? The Sources of Preferences in American Foreign Economic Policy,” *International Organization* 65, no. 1 (2011): 37–68, <https://doi.org/10.1017/S0020818310000317>.

<sup>11</sup> C. Lancaster, *Foreign Aid: Diplomacy, Development, and Domestic Politics* (Chicago: The University of Chicago Press, 2007), 6.

<sup>12</sup> A. Wendt, “Collective Identity Formation and the International State,” *The American Political Science Review* 88, no. 2 (1994): 384–96, <https://doi.org/10.2307/2944711>; A. Wendt, *Social Theory of International Politics* (Cambridge: Cambridge University Press, 1999), 257–59.

causality.<sup>13</sup> From a systems perspective, ideas are often seen as a minor determinant of government policy in realism and liberal institutionalism, mainly used by politicians to promote and legitimize their interests.<sup>14</sup> However, welfare states provide an excellent example where ideas, norms, and values play a more significant role as they exhibit a greater propensity to provide aid due to the presence of social values inherent in a social democratic welfare state.<sup>15</sup>

The second element is about interests, which seems to be one of the most dynamic factors in aid provision. The approach of CEE EU countries towards development assistance reflects the idea that foreign aid can be used as a foreign policy instrument to achieve specific objectives. This means that these countries prioritize their own interests when allocating resources for development assistance, rather than focusing on poverty reduction.<sup>16</sup> Their development assistance priorities are determined based on their comparative advantage and include promoting democracy, human rights, and good governance. However, international analyses do not support the high self-assessment of CEE EU countries in the areas of transition and democracy-building in terms of their long-term development impact.<sup>17</sup> Consequently, the willingness to share transition experiences appears to be more of a rhetorical move to conceal the pursuit of national interests rather than a genuine development goal.<sup>18</sup>

The third factor is related to the organisation of the national aid system, which indicates how aid is delivered by national agencies. This issue is closely linked to the existence of a domestic constituency and public support for aid delivery.

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<sup>13</sup> *Ideas and Foreign Policy: Beliefs, Institutions*, 9.

<sup>14</sup> S.D. Krasner, *Defending the National Interest: Raw Materials Investments and U.S. Foreign Policy* (Princeton: Princeton University Press, 1978), 5, 6.

<sup>15</sup> L.M. Imbeau, *Donor Aid-The Determinants of Development Allocations to Third World Countries: A Comparative Analysis* (Peter Lang, 1989); A. Noël and J.P. Thérien, "From domestic to international justice: The welfare state and foreign aid," *International Organization* 49, no. 3 (1995): 523–554; O. Stokke, *Western Middle Powers and Global Poverty: Determinants of the Aid Policies of Canada, Denmark, the Netherlands, Norway and Sweden* (Nordic Africa Institute, 1989).

<sup>16</sup> *Development Policies of Central and Eastern European States: From Aid Recipients to Aid Donors*, eds. O. Horký-Hlucháň and S. Lightfoot; B. Szent-Iványi and A. Tétényi, "Transition and Foreign Aid Policies in the Visegrád Countries: A Path Dependant Approach," *Transition Studies Review* 15 (2008): 573–587; B. Szent-Iványi, "Aid allocation of the emerging Central and Eastern European donors," *Journal of International Relations and Development* 15 (2012): 65–89, <https://doi.org/10.1057/jird.2011.19>; B. Szent-Iványi, "Hungarian International Development Cooperation: Context, Stakeholders and Performance," in *Development Policies of Central and Eastern European States: From Aid Recipients to Aid Donors*, eds. O. Horký-Hlucháň and S. Lightfoot (London: Routledge, 2013).

<sup>17</sup> O. Horký, "The Transfer of the Central and Eastern European 'Transition Experience' to the South: Myth or Reality?," in *Development Policies of Central and Eastern European States: From Aid Recipients to Aid Donors*, eds. O. Horký-Hlucháň and S. Lightfoot (London: Routledge, 2013); B. Jankowski, *Udział Polski w międzynarodowej współpracy na rzecz rozwoju* (Warszawa: Wydawnictwo Uniwersytetu Kardynała Stefana Wyszyńskiego, 2015); P. Kugiel, "The development cooperation policies of Visegrad countries – An unrealised potential," *The Polish Quarterly of International Affairs* 21, no. 4 (2012).

<sup>18</sup> O. Horký, "The Transfer of the Central and Eastern European 'Transition Experience' to the South: Myth or Reality?," *Perspectives on European Politics and Society* 13, no. 1 (2012): 17–32.

Intermediary groups such as community associations, religious bodies and trade unions play an important role in shaping public opinion and raising awareness of global issues,<sup>19</sup> influencing public opinion in the process of fighting for their own position, influence and power. In the absence of free development of NGOs and national public agencies in the CEE EU countries under communism, it has been very difficult to create a national ‘constituency’ for aid. This resulted in a *de facto* lack of public debate on aid involving a variety of actors, both supportive and critical.<sup>20</sup> Consequently, development policy held little interest for CEE societies and did not attract significant public or political attention.<sup>21</sup>

In summary, the impact of internal and external conditions on the formulation and implementation of aid policies in the CEE EU countries varied according to events and periods. In general, two distinct phases can be identified. In the first phase, the prospect of EU integration and subsequent accession to Euro-Atlantic structures played a key role in driving changes in the CEE development policies (top-down effect).<sup>22</sup> International factors and the effects of Europeanisation processes<sup>23</sup> acted as catalysts for the transformation. It was a period of adaptation and learning, in which the CEE EU countries showed an unwavering willingness to align their national legislation with the EU *acquis*, including the ‘soft rules’ of development cooperation.<sup>24</sup> In the second phase, the importance of international factors began to decline, giving way to the growing importance of domestic factors. However, as institutional foundations strengthened and economic conditions improved, the influence of EU institutions, norms and regulations diminished and pressure from Brussels weakened.<sup>25</sup> As a result, national factors became more important and started to shape

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<sup>19</sup> D. Held, *Models of Democracy* (Cambridge: Polity Press, 2006), 199–231, [https://edisciplinas.usp.br/pluginfile.php/2280272/mod\\_resource/content/1/DHeld\\_Models\\_of\\_Democracy\\_2006.compressed.pdf](https://edisciplinas.usp.br/pluginfile.php/2280272/mod_resource/content/1/DHeld_Models_of_Democracy_2006.compressed.pdf).

<sup>20</sup> Szent-Iványi, “Aid allocation of the emerging Central.”; B. Szent-Iványi, “Hungarian International Development Cooperation: Context, Stakeholders and Performance,” in *Development Policies of Central and Eastern European States: From Aid Recipients to Aid Donors*, eds. O. Horký-Hlucháň and S. Lightfoot (London: Routledge, 2013).

<sup>21</sup> E. Andrespok and A. Ilmar Kasekamp, “Development Cooperation of the Baltic States: A Comparison of the Trajectories of Three New Donor Countries,” in *Development Policies of Central and Eastern European States: From Aid Recipients to Aid Donors*, eds. O. Horký-Hlucháň and S. Lightfoot (London: Routledge, 2013).

<sup>22</sup> V.A. Schmidt, “The EU and its Member States: From Bottom-Up to Top-Down,” in *Reflections on European Integration*, eds. D. Phinnemore and A. Warleigh-Lack (Palgrave Studies in European Union Politics, Palgrave Macmillan, 2009).

<sup>23</sup> *The European Union and Global Development: An ‘Enlightened’ Superpower in the Making?*, eds. S. Gänzle, S. Grimm and D. Makhan (Basingstoke: Palgrave Macmillan, 2012); J. Orbie and S. Lightfoot, “Development: Shallow Europeanisation?,” in *Foreign Policies of EU Member States: Continuity and Europeanisation*, eds. A. Hadfield, I. Manners and R. Whitman (Routledge, 2017), 201–17.

<sup>24</sup> M. Furness, “The European External Action Service: a new institutional framework for EU development cooperation,” Discussion Paper, No. 15/2010, Deutsches Institut für Entwicklungspolitik (DIE), Bonn, 2010; A. Hadfield and S. Lightfoot, “The Future of EU Development Policy Post-2020,” GLOBUS Research Paper 1/2020, January 8, 2020, <https://doi.org/10.2139/ssrn.3516070>.

<sup>25</sup> S. Lightfoot and B. Szent-Iványi, “Reluctant Donors? The Europeanization of International Development Policies in the New Member States,” *Journal of Common Market Studies* 52, no. 6 (2014): 1257–1272.



the form and objectives of aid policies of CEE EU countries. However, it should be noted that the bottom-up effect of the Europeanisation process, with the influence of interests, ideas, institutions, norms and practices from CEE EU countries at the supranational (community) level, has been questioned.<sup>26</sup>

## Methods

Our study uses a combination of data analysis and a synthetic literature review to identify overall trends of the CEE EU countries' aid activities from 2004 to 2021. The primary category used in the paper to measure and track aid flows from CEE EU donor countries is Official Development Assistance (ODA). It is defined<sup>27</sup> as 'government aid that promotes and specifically targets the economic development and welfare of developing countries'. Its main objective is to promote the economic growth and welfare of developing countries, and all official transfers must include a grant element, the size of which depends on the socio-economic development and income level of the recipient country. ODA excludes military aid and the promotion of donors' security interests, as well as transactions that have primarily commercial objectives. The OECD's DAC not only collects, verifies and publishes all ODA-related data, but also is a source for aid principles and standards.

The EU Member States are the most generous donors in this large assembly of aid donors in terms of membership and distribution of funds. Currently, 21 EU countries are members of the DAC donor club, including 7 CEE countries (Czech Republic, Estonia, Hungary, Lithuania, Poland, Slovakia, Slovenia). The remaining 4 CEE countries, such as Latvia, Bulgaria, Croatia and Romania, are not OECD DAC members, but Bulgaria and Romania have the status of DAC participants.

Our calculations are based on the following OECD databases: 'Total flows by donor (ODA+OOF+Private) [DAC1]'<sup>28</sup> for Figure 2 and Figure 3, and 'Aid (ODA) disbursements to countries and regions [DAC2a]'<sup>29</sup> for the raw data used to compute Figure 1 and Figure 4.<sup>30</sup> When graphs are presented, information on

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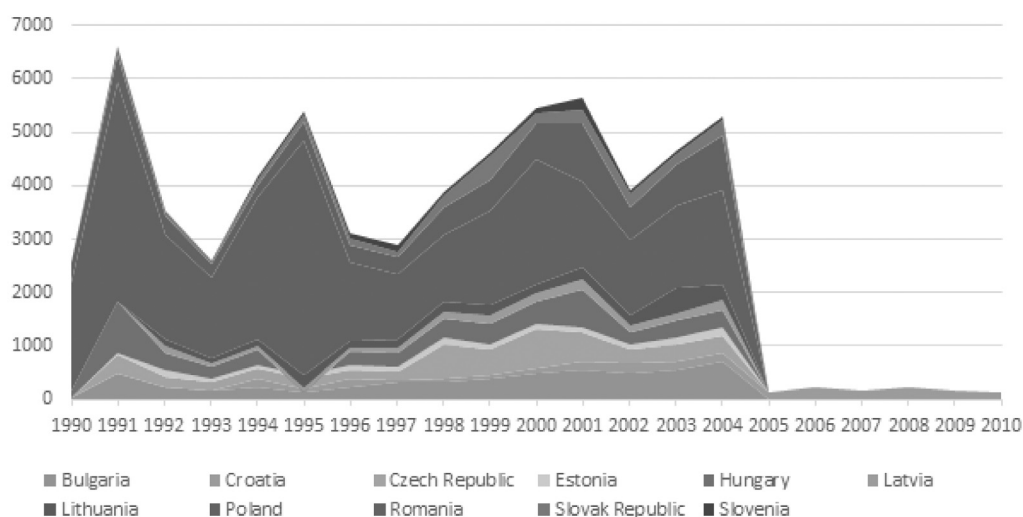
<sup>26</sup> C.M. Radaelli, "Europeanisation: Solution or Problem?," *European Integration online Papers (EIoP)* 8, no. 16 (2004).

<sup>27</sup> OECD, "Official Development Assistance (ODA)," 2021, accessed September 13, 2023, <https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/What-is-ODA.pdf>.

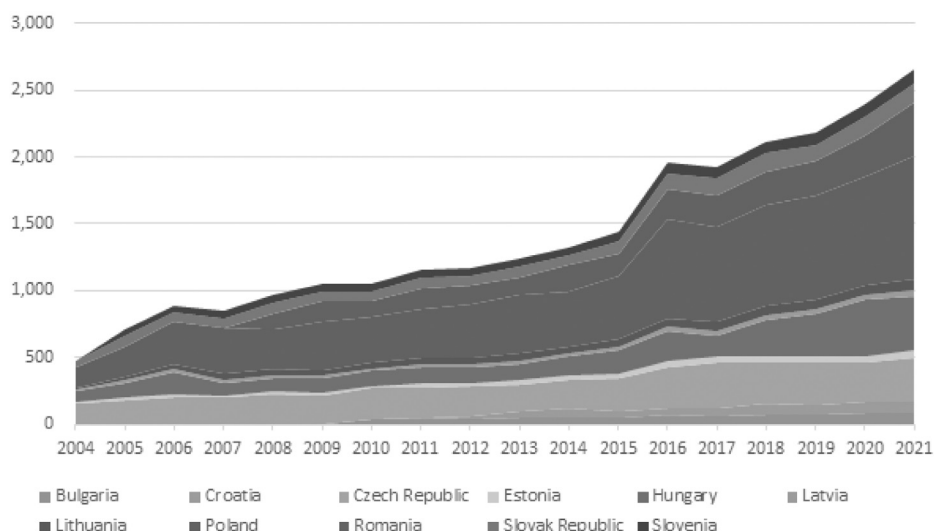
<sup>28</sup> OECD, "Total flows by donor (ODA+OOF+Private) [DAC1]," Organisation for Economic Cooperation and Development, 2023, data retrieved between February 15 and 19, 2023, <https://stats.oecd.org/Index.aspx?datasetcode=TABLE1>.

<sup>29</sup> OECD, "Aid (ODA) disbursements to countries and regions [DAC2a]," Organisation for Economic Cooperation and Development, 2023, data retrieved between February 15 and 19, 2023, <https://stats.oecd.org/Index.aspx?datasetcode=TABLE2A>.

<sup>30</sup> The data is reported by governments, typically the Ministry of Foreign Affairs or Ministry of Finance, and multilateral organizations following the OECD standards and procedures (check: OECD, "Data collection and resources for data reporters," 2023, accessed September 8, 2023, <https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/data-collection-and-resources-for-data-reporters.htm>).



**Figure 1. ODA to CEE countries before EU accession (USD millions, constant prices - 2020 US dollars).** Source: own calculations based on OECD.<sup>31</sup>

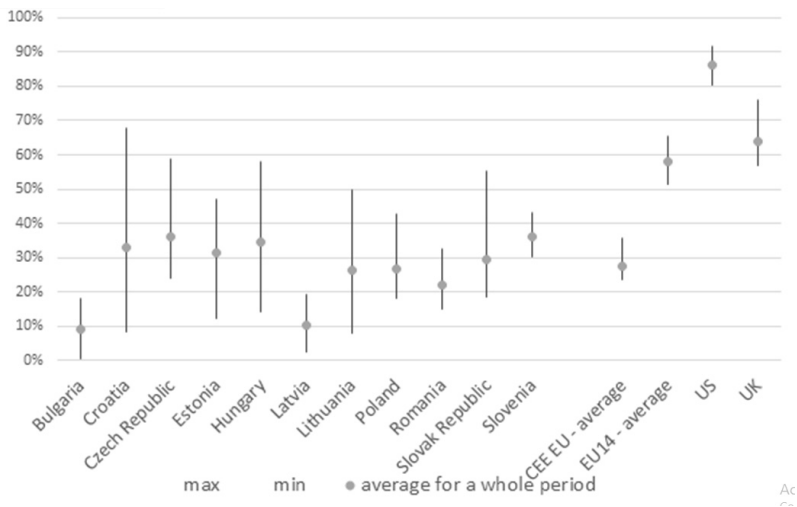


**Figure 2. ODA flows donated by the CEE EU countries (USD millions, constant prices - 2020 US dollars).** Source: own calculations based on OECD.<sup>32</sup> Note: Slovenia started providing ODA (or at least recorded its first activities in the statistics) in 2005, Romania in 2008, Bulgaria in 2010 and Croatia in 2012.

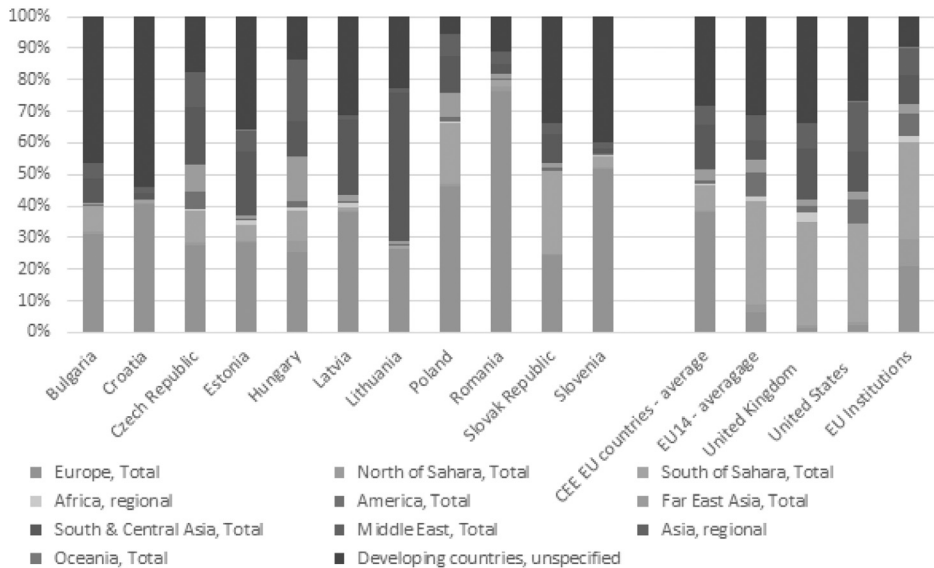
<sup>31</sup> OECD, "Aid (ODA) disbursements to countries and regions [DAC2a]," Organisation for Economic Cooperation and Development.

<sup>32</sup> OECD, "Total flows by donor (ODA+OOF+Private) [DAC1]," 2023, data retrieved between February 15 and 19, 2023, <https://stats.oecd.org/Index.aspx?datasetcode=TABLE1>.





**Figure 3. Bilateral to total ODA ratio (maximum, minimum, and average).** Source: own calculations based on OECD.<sup>33</sup> Note: Data for Slovenia covers the 2005–2021 period, for Romania 2008–2021, for Bulgaria 2010–2021 and Croatia 2012–2021.



**Figure 4. Regional distribution of bilateral ODA (based on 2004–2021 flows).** Source: own calculations based on OECD.<sup>34</sup> Note: Data for Slovenia covers the 2005–2021 period, for Romania 2008–2021, for Bulgaria 2010–2021 and Croatia 2012–2021.

<sup>33</sup> OECD, “Total flows by donor (ODA+OOF+Private) [DAC1],” 2023, <https://stats.oecd.org/Index.aspx?datasetcode=TABLE1>.

<sup>34</sup> OECD, “Aid (ODA) disbursements to countries.”

any problems related to data availability for a particular country and/or year is indicated. Throughout the study, constant prices (USD from 2020) are used to facilitate the examination of tendencies. While the first two of our charts (showing cumulated volumes of aid given to, and ODA offered by the CEE EU countries) utilise absolute data (USD millions), the other two charts are based on relative data (percentage). For both Figure 1 and Figure 2, we calculated the total aid flows of each group member for a given year and also the performance of individual countries over the entire period. This enabled us to determine the annual volume of aid attributed to CEE EU group, the changing activity levels of CEE donors and the individual countries' shares in the overall result. The adoption of a stacked area charts for displaying findings swiftly facilitated the identification of patterns in these areas. The first step in the construction of Figure 3 was the calculation of the ratio between the volume of bilateral aid and the volume of total ODA for each country and year under consideration. Then we established the maximum, minimum and average percentage values for each CEE EU country. The average annual values for the group as a whole were the basis for the calculation of its minimum, maximum and average results for the whole period under review. For visualization, a high-low chart was selected. Similarly, for Figure 4 we added amounts separately for each donor country, recipient region and year under analysis. Then the sums of individual regional flows made by particular donors within the whole 2004–2021 period were divided by their aggregate bilateral ODA within this period and presented as a percentage. The obtained percentage results of regional aid allocation for individual CEE EU donors formed the basis for calculating the average for the entire analysed group. This information is relevant and useful for readers seeking a comprehensive understanding of the general patterns of CEE EU donors. For Figure 2, Figure 3 and Figure 4 all procedures were repeated by analogy using the same databases for the leading donors of ODA (EU14 countries,<sup>35</sup> the United States, and the United Kingdom), which provided an important reference point for comparisons.

## Results

Over a period of 15 years (1990–2004), the CEE EU countries have benefited from various forms of external financing to support transformative processes in their social, economic and political systems. Figure 1. illustrates those flows that were classified as ODA.

In 1990 only six out of 11 today's CEE EU countries received any ODA funds. The remaining five states waited for their independence and recognition as sovereign

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<sup>35</sup> *I.e.* Countries who were members of the EU prior to 2004 (excluding the United Kingdom): Austria, Belgium, Denmark, Finland, France, Germany, Greece, Republic of Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain and Sweden.

entities (Estonia, Latvia and Lithuania in 1991, Croatia and Slovenia in 1993) to be included in the DAC List of ODA recipients.<sup>36</sup> ODA transfers ended for the vast majority of the CEE EU countries (Croatia was the only exception) in 2004 due to the enlargement of the EU and related reform of the DAC List of ODA recipients. From that year onwards, all aid to these countries could no longer be counted as ODA.

Over the period 1990–2004, the countries currently comprising the CEE EU group received USD 64.36 billion, with USD 5.29 billion transferred just in 2004. Additionally, from 2005 to 2010 Croatia was given USD 1.03 billion, bringing the total to USD 65.39 billion. Poland received 48% of this amount, Romania 12% and Bulgaria 8%. The biggest donor for the CEE EU countries was the EU (aid from members and the European Commission's institutions), delivering between 60% to 94% (83% on average) of ODA received by particular recipients (calculations based on OECD).<sup>37</sup>

With EU accession, the CEE EU countries have gained new opportunities to share their fresh development experience in the field of economic transformation and solving social problems. And indeed, as the data show (see Figure 2), their activity in supporting other countries has grown dynamically.

Between 2004 and 2021, the total ODA expenditures of the group under consideration increased from USD 472 million to USD 2.66 billion. Those figures translate into 463% growth. By comparison, over the same period, the EU14 increased from USD 39.81 billion to USD 76.21 billion (+91%). For the US, the increase was from \$26.40 billion to \$45.70 billion (up 73%), while the UK increased its ODA from \$7.95 billion to \$15.06 billion (up 89%) (calculations based on OECD).<sup>38</sup> We can observe that despite the extensive spending difference between the CEE EU donors and the leading ODA donors, this gap has gradually narrowed over time. Over the whole period considered, the CEE EU countries allocated USD 25.54 billion to development aid. 35% of this amount came from Poland, 17% from the Czech Republic, 13% from Hungary and 11% from Romania. The very high result of the correlation coefficient (+0.91) of the shares of the individual CEE EU countries in the aid received and offered suggests a close relationship between both variables and the size of the CEE EU economies (values of their Gross Domestic Product, GDP) (compare OECD<sup>39</sup> and World Bank).<sup>40</sup> This leads to a general

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<sup>36</sup> OECD, "History of DAC Lists of aid recipient countries," 2023, accessed March 1, 2023, <https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/historyofdaclistsofaid-recipientcountries.htm>.

<sup>37</sup> OECD, "Aid (ODA) disbursements."

<sup>38</sup> OECD, "Total flows by donor (ODA+OOF+Private) [DAC1]," <https://stats.oecd.org/Index.aspx?datasetcode=TABLE1>.

<sup>39</sup> OECD, "Total flows by donor (ODA+OOF+Private) [DAC1]."

<sup>40</sup> World Bank, "GDP (current US\$)," The World Bank Group, 2023, data retrieved March 3, 2023, <https://data.worldbank.org/indicator/NY.GDP.MKTP.CD>.

observation that larger economies tend to receive or offer more aid than smaller ones, which may convey their capabilities and importance in the international development cooperation system. Although CEE EU countries' total development aid in 2021 accounted for only 2.4% of global ODA, progress should be appreciated, as in 2004 it was a mere 0.5%. Nonetheless, despite their best efforts, the overall influence of the CEE EU countries on the global ODA landscape is minimal or even irrelevant (we should not forget that their combined share in the global Gross Domestic Product in 2021 stood just at 2%, a figure that may be compared with 17.8% for the whole EU (own calculations based on World Bank)).<sup>41</sup>

The dynamic growth of CEE EU countries' expenditure on ODA, visible in Figure 2 especially in 2016, was largely due to the increase in the level of payments to EU aid institutions (own calculations based on OECD<sup>42</sup> and OECD).<sup>43</sup> Both the donations to the European Development Fund (EDF)<sup>44</sup> and the annual payments to various development aid instruments of the European Union<sup>45</sup> (technically, part of national contributions to the EU budget) are reported as the member states' multi-lateral ODA, which means that each EU member automatically becomes a donor of development aid.<sup>46</sup> The values of the two financial flows mentioned above are based on the respective GDP of the EU member states and on decisions taken by the main EU institutions.<sup>47</sup> Therefore, it's important to establish what part of the CEE EU countries' ODA expenses is delivered through bilateral channels which depend entirely on the decision-makers in the respective donor countries. Figure 3 illustrates the range of bilateral aid shares in the total ODA of the CEE EU countries and leading ODA donors between 2004 and 2015. The range varies between maximal and minimal values.

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<sup>41</sup> World Bank, "GDP (current US\$)," <https://data.worldbank.org/indicator/NY.GDP.MKTP.CD>.

<sup>42</sup> OECD, "Total flows by donor (ODA+OOF+Private)."

<sup>43</sup> OECD, "Members' total use of the multilateral system," Organisation for Economic Cooperation and Development, 2023, data retrieved March 15, 2023, <https://stats.oecd.org/index.aspx?datasetcode=MultiSystem>.

<sup>44</sup> Eur-Lex, "European Development Fund (EDF)," 2014, <https://eur-lex.europa.eu/EN/legal-content/summary/european-development-fund-edf.html>.

<sup>45</sup> Eur-Lex, "Global Europe — the EU Neighbourhood, Development and International Cooperation Instrument," 2021, <https://eur-lex.europa.eu/EN/legal-content/summary/global-europe-the-eu-neighbourhood-development-and-international-cooperation-instrument.html>; European Commission, Directorate-General for International Partnerships, "2022 annual report on the implementation of the European Union's external action instruments in 2021," Publications Office of the European Union, 2022, 2, 5, 9, 28–51, <https://data.europa.eu/doi/10.2841/322581>; European Commission, "Funding instruments," 2023, accessed March 15, 2023, [https://international-partnerships.ec.europa.eu/funding-and-technical-assistance/funding-instruments\\_en](https://international-partnerships.ec.europa.eu/funding-and-technical-assistance/funding-instruments_en).

<sup>46</sup> OECD, "Annex 2 List of ODA-eligible international organisations," 2023, accessed March 20, 2023, <https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/annex2.htm>.

<sup>47</sup> European Union, "Revenue," 2023, accessed March 20, 2023, [https://european-union.europa.eu/institutions-law-budget/budget/revenue\\_en](https://european-union.europa.eu/institutions-law-budget/budget/revenue_en); Eur-Lex, "COUNCIL DECISION (EU) 2022/2062 of 25 October 2022 on the financial contributions to be paid by the parties to the European Development Fund to finance that Fund, as regards the third instalment for 2022," 2022, <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32022D2062&from=EN>.

The maximum results recorded show that only half (five out of 11) of the CEE EU countries ever managed -at least in a single year- to deliver at least half of their ODA through the bilateral channel. Minimal results indicate that there were cases where some of the CEE EU donors in certain years de facto limited their activity to payments to multilateral institutions. The averages for the CEE EU block as a whole and for individual countries indicate the clear dominance of the multilateral channel, which was the result of already mentioned contributions to the EU development aid institutions. The opposite trend is clearly visible for the EU14 group, the US and the UK. The CEE EU countries accounted for 5.6% of payments to the 11th EDF and their contributions made it possible to finance 6.8% of the aid offered by the European Commission's subordinate institutions in 2021 (calculations based on Eur-Lex,<sup>48</sup> OECD<sup>49</sup> and OECD).<sup>50</sup> Therefore, the impact of the CEE EU countries on the amount of EU ODA is slightly higher than in relation to the global aid system but still limited.

The comparison of data on the regional distribution of CEE EU countries' bilateral aid and that of leading ODA donors (see Figure 4) can help us identify some general patterns in the preferences of our group.

The first and most important feature we can notice is that Europe's share in the distribution of bilateral aid of the CEE EU countries was significantly higher than in the case of the leading donors. This share varied from 24% (Slovak ODA) to even 76% (Romanian ODA) with an average of 38%. Another clear difference between our analysed group and the leading donors is the generally lower focus of CEE EU donors on Sub-Saharan Africa (however, it is worth noting that the percentage of aid directed to that region seemed to be slowly growing for those of CEE EU countries that are DAC members). Although the maximum share recorded was 26% (Slovak aid), which was just seven percentage points lower than the performance of EU14 countries, the minimal share of 1% was recorded by three countries (Croatia, Latvia and Lithuania), and the average result for the CEE EU countries was just 8%. We recorded a relatively high percentage of South & Central Asia among some CEE EU donors' aid preferences (*e.g.*, Lithuania 47%, Latvia 23%, Estonia 20%, Czech Republic 18%), a consequence of their involvement in the Afghan armed conflict. Interestingly, in relative terms, it was similar to the results of the US and UK.

## Discussion

The instrumentalisation of aid was most evident during the Cold War when the determinants of development assistance in both Western and Eastern bloc countries were

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<sup>48</sup> Eur-Lex, "COUNCIL DECISION (EU) 2022/2062 of 25 October 2022," <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32022D2062&from=EN>.

<sup>49</sup> OECD, "Total flows by donor."

<sup>50</sup> OECD, "Members' total use of the multilateral system," <https://stats.oecd.org/index.aspx?datasetcode=MultiSystem#>.

subordinated to geostrategic and economic calculations.<sup>51</sup> Politics and ideology guided the design of aid programmes to achieve political and strategic gains for donors, limiting the possibility of achieving substantive development goals such as poverty reduction.<sup>52</sup> Just as in the case of the CEE EU countries, the rationale for providing aid lay in the alliance with the former Soviet Union, so in Western Europe, the logic was determined by colonial ties. The Eastern bloc countries provided aid mainly to countries in the South that had embarked on the “socialist path of development” and pursued policies in line with Soviet interests.<sup>53</sup> However, the achievements of this period in building mutual economic and trade relations with countries in Asia, Africa, Latin America and the Caribbean (especially in trade) cannot be ignored.<sup>54</sup> Some of the former interstate relations are being used in today’s CEE aid relations.

The instrumentalisation of development aid can also be seen in current CEE aid policies. The source lies in the goals and motivations that guide their decision-making processes. They are mainly influenced by broader foreign policies and are largely used to promote their own political and economic interests.<sup>55</sup> Following the accession of the CEE countries to the EU, their attention has focused on issues of regional security and stability, with a particular emphasis on neighbouring countries in Eastern and Southern Europe.<sup>56</sup> A fairly strong link has emerged between security and stability interests in the CEE region and the provision of aid.<sup>57</sup> As a result, some of the ‘old’ EU members perceived this shift as a turn away from Africa and a stronger commitment to the East at the

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<sup>51</sup> P. Deszczyński, *Koncepcyjne podstawy pomocy rozwojowej* (Wydawnictwo Uniwersytetu Ekonomicznego w Poznaniu, Poznań, 2011); K. Knorr, *The Power of Nations. The Political Economy of International Relations* (New York: Basic Books, 1975).

<sup>52</sup> Szent-Iványi, “Hungarian International Development Cooperation: Context, Stakeholders.”

<sup>53</sup> P. Baginski, “Poland,” in *EU Eastern enlargement and development cooperation*, ed. M. Dauderstädt (Bonn: Friedrich-Ebert-Stiftung, 2002); M. Carbone, “Development policy,” in *EU Enlargement*, ed. N. Nugent (Basingstoke, UK: Palgrave, 2004), 242–252; Szent-Iványi, “Aid allocation.”

<sup>54</sup> Baginski, “Poland.”

<sup>55</sup> CONCORD, “AidWatch 2022: Is the EU a payer, player... or just full of hot air?,” 2022, [https://aidwatch.concordeurope.org/2022-report/?utm\\_source=Website](https://aidwatch.concordeurope.org/2022-report/?utm_source=Website).

<sup>56</sup> J. Orbie and H. Versluys, “The European Union’s International Development Policy: Leading and Benevolent?,” in *Europe’s Global Role: External Policies of the European Union*, ed. J. Orbie (Burlington: Ashgate, 2008), 67–90.

<sup>57</sup> K. Del Biondo, S. Oltsch and J. Orbie, “Security and Development in EU External Relations,” in *Routledge Handbook of European Security*, eds. S. Biscop and R. Whitman (London: Routledge, 2012), 126–141; M. Furness and S. Gänzle, “The European Union’s Development Policy: A Balancing Act between ‘A More Comprehensive Approach’ and Creeping Securitisation,” University of Agder ISL Working Paper 2012:11, 2012, <https://ssrn.com/abstract=2184851>; D. Kopinski, “Visegrad Countries’ Development Aid to Africa: Beyond the Rhetoric,” in *Development Policies of Central and Eastern European States: From Aid Recipients to Aid Donors*, eds. O. Horký-Hlucháň and S. Lightfoot, 2013.



expense of non-European countries.<sup>58</sup> Therefore, Orbie and Lightfoot argued that instead of fully engaging in EU development policy, CEE countries used their access to EU policies and instruments to increase their influence in the Eastern neighbourhood (2017).

During the data analysis, we noticed the high dynamics of changes in CEE EU expenditures on ODA. As shown by the example of numerous of them, with the emergence of political will, it was possible to multiply not only contributions to international institutions but also the volume of bilateral aid. Undoubtedly, the analysed actors benefited from the “low base” effect, which, it seems, will continue to favour most of them for at least the next few years. Preliminary data for 2022 indicate that the occurrence of multidimensional threats in the immediate proximity of the CEE EU countries caused by the Russian-Ukrainian war led to another, unprecedented in terms of scale, increase in ODA expenditures. In 2022 the CEE EU donors spent USD 6.51 billion for their ODA. This can be compared with USD 2.66 billion given in 2021. The biggest growth of ODA volumes was recorded for:

- Poland – from USD 0.97 billion to USD 3.48 billion (an equivalent of 0.51% of GNI),
- Czechia – from USD 0.37 billion to USD 0.98 billion (0.36% of GNI),
- Bulgaria – from USD 0.09 billion to USD 0.24 billion (0.27% of GNI),
- Estonia – from USD 0.06 billion to USD 0.19 billion (0.54% of GNI),
- Lithuania – from USD 0.09 billion to USD 0.19 billion (0.29% of GNI).<sup>59</sup>

However, despite these recent short-term increases in aid spending, the pro-development activities of the EU countries in the CEE region are still of an ad hoc nature. This is illustrated by the data for recent years in Figure 3. While this approach sometimes allows for a quicker and better response to current events and needs, it does not allow for optimising the use of funds in the long term, which is a key feature of development assistance.

All CEE EU countries channel 65–90% of their ODA through multilateral organizations. This primarily includes contributions to the EU budget, as well as payments to the general budget of the UN and its agencies, the Council of Europe, the World Bank, and other international institutions. The EU, which covers the vast majority of multilateral aid commitments of CEE EU countries, is also the main reason why they seek to increase or at least maintain current levels of aid spending. As a result, development policy appears to be of secondary importance and is largely driven

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<sup>58</sup> S. Cibian, “Central and Eastern Europe and Sub-Saharan Africa: Prospects for Sustained Re-engagement,” Research Paper, Chatham House, the Royal Institute of International Affairs, 2017, <https://www.chathamhouse.org/sites/files/chathamhouse/publications/research/2017-05-24-cee-sub-saharan-africa-cibian.pdf>; O.J. Chmiel, “The engagement of Visegrad countries in EU-Africa relations,” Discussion Paper, No. 24/2018, Deutsches Institut für Entwicklungspolitik (DIE), Bonn, 2018.

<sup>59</sup> OECD, “Total flows.”

by meeting the minimum requirements adopted by these countries within the EU and OECD.<sup>60</sup>

A well-functioning aid system requires specialized national state institutions and numerous non-state actors. However, this condition is hardly fulfilled in Central and Eastern Europe due to the lack of experience, skills, and an effective institutional structure to deliver bilateral aid.<sup>61</sup> Consequently, the transfer of aid delivery to international institutions, mainly the EU, has partially addressed the problem of weak institutional structures, insufficient skills, and knowledge.

The dominant model for implementing development policy in CEE EU countries is based on the Ministry of Foreign Affairs (MFA), although there are some variations in the Czech Republic and Slovakia, where a mixed ministerial-agency formula is adopted.<sup>62</sup> The MFA model offers advantages such as utilizing existing institutional arrangements, avoiding the need to create new ones and incurring additional administrative costs, and benefiting from the availability and qualifications of officials.<sup>63</sup> However, in CEE this model also has several disadvantages and shortcomings: first, there is a lack of financial independence for the department or directorate within the MFA, leading to limited long-term action;<sup>64</sup> second, the department responsible for development issues is positioned at a lower administrative level, resulting in a lower priority and being perceived as less prestigious within the ministry;<sup>65</sup> third, there is weak policy coordination between ministries and other aid agencies, leading to a lack of coherence both internally and among CEE EU donors;<sup>66</sup> fourth, there are inadequate human resources in terms of professional aid officers, with high staff turnover,<sup>67</sup> and challenges in maintaining institutional memory;<sup>68</sup> fifth, there is a lack of

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<sup>60</sup> Lightfoot and Szent-Iványi, "Reluctant Donors? The Europeanization of International Development Policies."; M. Oprea, "Development Discourse in Romania: From Socialism to EU Membership," in *Development Policies of Central and Eastern European States: From Aid Recipients to Aid Donors*, eds. O. Horký-Hlucháň and S. Lightfoot (London: Routledge, 2013); Orbie and Lightfoot, "Development: Shallow Europeanisation?," 201–217.

<sup>61</sup> *Development Policies of Central and Eastern European States: From Aid Recipients to Aid Donors*.

<sup>62</sup> Andrespok and Kasekamp, "Development Cooperation of the Baltic States: A Comparison."; Z. Végh, "Visegrad Development Aid in the Eastern Partnership Region," in *OSW Report* (Warsaw: Centre for Eastern Studies, 2014), [https://www.files.ethz.ch/isn/177657/visegrad\\_development\\_aid.pdf\\_-\\_adobe\\_acrobat\\_pro.pdf](https://www.files.ethz.ch/isn/177657/visegrad_development_aid.pdf_-_adobe_acrobat_pro.pdf).

<sup>63</sup> Lightfoot and Szent-Iványi, "Reluctant Donors? The Europeanization."

<sup>64</sup> Grupa Zagranica, "Polska współpraca rozwojowa. Raport 2019," accessed March, 2021, [https://zagranica.org.pl/wp-content/uploads/2021/03/Polska\\_wspolpraca\\_rozwojowa\\_2019\\_Raport\\_Grupy\\_Zagranica.pdf](https://zagranica.org.pl/wp-content/uploads/2021/03/Polska_wspolpraca_rozwojowa_2019_Raport_Grupy_Zagranica.pdf).

<sup>65</sup> E. Drażkiewicz-Grodzicka, "From Recipient to Donor: The Case of Polish Developmental Cooperation," *Human Organization* 72, no. 1 (2013): 65–75, <https://doi.org/10.17730/humo.72.1.f115m11742314855>.

<sup>66</sup> O. Horký, "Development Cooperation in Czech Foreign Policy," in *Czech Foreign Policy in 2007–09: An Analysis*, ed. M. Kořan (Prague: Institute of International Relations, 2010), 347–361.

<sup>67</sup> Horký, "The Transfer of the Central and Eastern European," 17–32.

<sup>68</sup> S. Lightfoot, "Enlargement and the Challenge of EU Development Policy," *Perspectives on European Politics and Society* 9, no. 2 (2008): 128–142, <https://doi.org/10.1080/15705850801999602>; B. Szent-Iványi and A. Tétényi, "The East-Central European New Donors: Mapping Capacity Building and Remaining Challenges," *Journal of International Development* 25, no. 6 (2013): 819–831, <https://doi.org/10.1002/jid.2922>.

in-depth knowledge and competence among development officials. Furthermore, the lack of broader public debate and political will to address development issues is an important factor that contributes to the limited interest among politicians and decision-makers.<sup>69</sup>

Our analysis supports the notion that CEE EU countries prioritize aiding the social and economic development of their Eastern European neighbours. However, we also observed that most CEE EU donor nations strive for balance in their European engagement by setting additional geographical priorities outside of Europe. This strategy would work effectively if there were more resources allocated to bilateral ODA. As a result, our group of donors has been criticized on numerous occasions for ignoring the existing needs of developing countries, especially the Least Developed Countries (*e.g.*, 70). The violent events of 2022 meant that directing development aid to the societies of Eastern Europe (not only Ukraine) and the Caucasus in need of support is met with greater understanding than a few years before. However, for about the last two decades, the CEE EU countries have been reminding that the problems of countries in transition cannot be ignored by the international aid system, including European development cooperation. They also have a formal basis for the intensification of relations in the form of the European Neighbourhood Policy, which sets 'Economic development for stabilization' as one of the priorities and directly states that 'Greater involvement of EU Member States and shared responsibility are also among the key principles of the ENP'.<sup>71</sup>

Overall, understanding the dynamics and trends of CEE EU countries' development assistance within the EU context is crucial for fostering collaboration, optimizing resource allocation, and promoting sustainable development on a global scale.

## Conclusion

The analysis of development assistance from CEE EU donors provides several key insights. First, it is important to recognise that their development policies are highly politicised and depend on the political will to maintain or increase ODA spending. In order to increase the effectiveness of their development assistance, CEE EU countries should strive to strike a balance between reactive decision-making and long-term planning, while aligning themselves with EU development norms and objectives.

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<sup>69</sup> *Development Policies of Central and Eastern European States*; R.F. Hopkins, "Political Economy Of Foreign Aid," in *Foreign Aid Development: Lessons Learnt And Directions For The Future*, 2000, 423–449, <https://works.swarthmore.edu/fac-poli-sci/249>.

<sup>70</sup> CONCORD, "AidWatch 2022: Is the EU a payer," 50, 89, 98, 102, [https://aidwatch.concordeurope.org/2022-report/?utm\\_source=Website](https://aidwatch.concordeurope.org/2022-report/?utm_source=Website); OECD, *Development Co-operation Report 2016: The Sustainable Development Goals as Business Opportunities* (Paris: OECD Publishing, 2016), 180, 244, 252, 256, <https://doi.org/10.1787/dcr-2016-en>; OECD, *OECD Development Co-operation Peer Reviews: Poland 2017* (Paris: OECD Development Co-operation Peer Reviews, OECD Publishing, 2017), 19, <https://doi.org/10.1787/9789264268869-en>.

<sup>71</sup> European External Action Service, "Regional policy: European Neighbourhood Policy," 2021, accessed April 15, 2023, [https://www.eeas.europa.eu/eeas/european-neighbourhood-policy\\_en](https://www.eeas.europa.eu/eeas/european-neighbourhood-policy_en).

The results of the study highlight several important points. First, CEE EU countries focus their bilateral ODA mainly on neighbouring European recipients but pay limited attention to recipients in sub-Saharan Africa. Second, CEE EU donors show a strong reliance on multilateral channels, directing a significant share of their aid to EU development agencies. This preference for multilateral channels stems from concerns about institutional structures and a perceived lack of experience with bilateral aid. Third, the development activities of CEE EU donors are often reactive in nature, characterised by ad hoc aid decisions that allow for quick adaptation to current events and needs. While this approach offers advantages in terms of alignment with EU development priorities, it also poses challenges for the long-term optimisation of funds and the implementation of the ownership principle.

In addition, the European Neighbourhood Policy has played a crucial role in shaping the development policies of CEE EU countries, facilitating their alignment with EU standards and enabling them to acquire the necessary skills and knowledge for effective development assistance. Finally, while the global impact of development assistance from the CEE EU countries remains relatively small, their collective impact on the overall volume of EU ODA at the EU level is noticeable. This underlines the importance of their contributions in the EU development cooperation.

Understanding the dynamics and trends of development assistance from CEE EU countries is crucial to promote further cooperation, optimise resource allocation and supporting sustainable development primarily at the EU level. By addressing the identified challenges and building on their strengths, CEE EU donors have the potential to develop their aid policies based on their own developed patterns. As they have already demonstrated, they are more able to follow their own slowly developed path than to copy patterns from Western European member states.

The analysis conducted shows that the factors previously identified in the literature have a mixed impact on the behaviour of the CEE EU countries as ODA donors. Therefore, hypothesis 1.2. is rejected and hypothesis 1.1. is confirmed, implying that the changing external and internal factors identified in our analysis as the main determinants have had a significant impact on the quantity and quality of CEE EU donors' aid. However, this assumption comes with the caveat that the catalogue of determinants has changed somewhat over time in terms of the importance of individual factors.

In shaping the aid activities of the analysed actors, two types of factors come to the fore. First and foremost, there are the interests that determine the directions in which the bilateral financial flows are to be deployed. The best example of this would be the rapid engagement of the analysed countries in development cooperation in 2022, resulting from the threat to their own interests posed by the Russian-Ukrainian war. However, we should not forget the institutions that facilitate, and sometimes even force, increases in aid spending in the long run. These institutional factors are first and foremost EU development policy and the accession of

individual CEE EU countries to the DAC OECD. The multilateral channels created by the EU offer the CEE EU countries the possibility to carry out aid activities in spite of the limitations of their own national institutions. The high dynamics of ODA disbursements combined with the relatively low share of bilateral channels clearly indicate that it was the EU's minimum requirements (political pressure in the creation of new EDF editions and development expenditure financed by contributions to the EU itself) that drove the CEE EU donors to deepen their engagement in aid. The acquisition of OECD DAC membership by about half of the countries surveyed has not automatically brought them into line with leading ODA donors but is the basis for a slow transfer of standards and codes of conduct. Last but not least, we must not forget that the capacity of a given donor country is largely determined by the size of its economy. Institutions, ideas that motivate action or the management of institutions can influence a country's commitment to development cooperation (we will measure this by ODA per capita or ODA/GDP ratio). However, having a real impact on the socio-economic problems of developing regions requires a solid material base, which the CEE EU countries are only gradually building.

### **Data availability statement**

The authors confirm that the data underlying this study are publicly available in the article and references in the bibliography. The raw data supporting the results of the study were downloaded from the OECD database and are publicly available at: <https://stats.oecd.org/Index.aspx>.