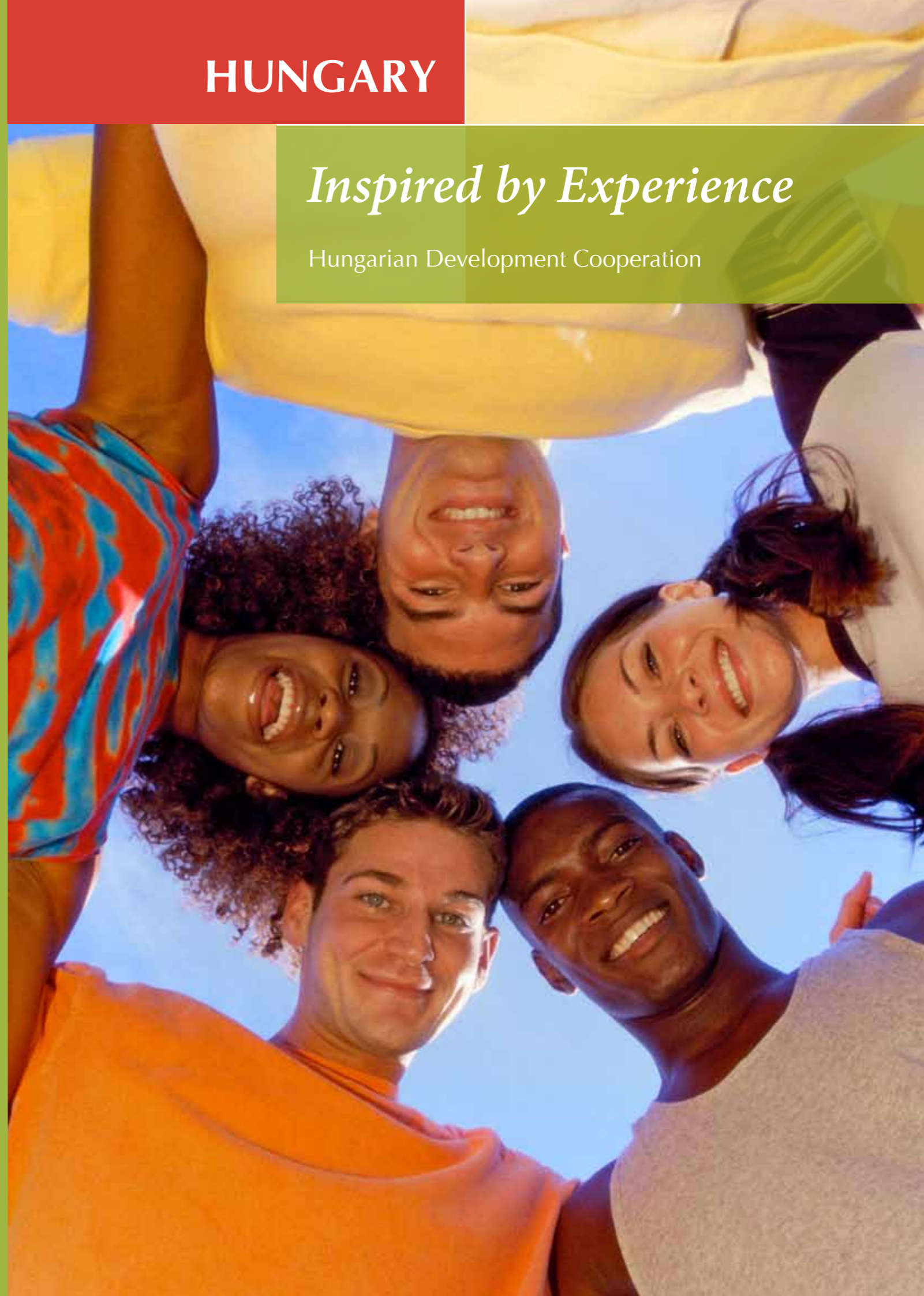


HUNGARY

*Inspired by Experience*

Hungarian Development Cooperation



HUNGARY

*Inspired by  
experience*

Hungarian Development Cooperation



MINISTRY OF FOREIGN AFFAIRS  
REPUBLIC OF HUNGARY

## Foreword by Mr. László Várkonyi, State Secretary for International Development Cooperation



Dear Friends,

It is my pleasure to introduce this brochure on the latest achievements of Hungarian international development cooperation which has become an integral part of Hungary's foreign relations.

Being a young donor, it has certainly been a great challenge for Hungary to pursue an efficient development cooperation policy. Nevertheless, we have already made considerable efforts to become an active member of the international donor community. Our most urgent common objective is to fulfill the MDG commitments and to reduce poverty in the least developed countries, especially on the African continent. However, we also believe there is much to be done in other areas as well.

Experienced donor countries concentrate their efforts on a relatively small number of countries and projects. As Hungary is a new actor in development cooperation, initially we decided to become active in a large number of countries and work with a large number of partners to gain as much experience as possible. Since then, we have revised the circle of our partner coun-

tries with the desire to respond to the principles of aid effectiveness and donor coordination. We are concentrating our capacities on regions where our most considerable added value – knowledge transfer in good governance, institution building, education, agriculture and rural development – can be optimized. Also, in line with the objectives of decentralization, some of our embassies in partner countries have been more directly involved in development cooperation through micro-projects managed by specialized diplomats.

In our bilateral relations, Afghanistan got a special attention after Hungary took over the leadership of the Provincial Reconstruction Team (PRT) in Baghlan in autumn 2006. Since 2007 Hungarian bilateral ODA has highly concentrated in Afghanistan.

As for the near future, our most important task is the preparation for the 2011 Hungarian Presidency of the European Union. We intend to focus on aid effectiveness and knowledge transfer with the aim of further strengthening the integration of new donor member states into the community's international development cooperation and humanitarian aid mechanisms. We are working hard to fulfill the expectations and are looking forward to the important task of coordinating and leading the EU 27 in this domain.

With all this in mind, I hope you will find our brochure interesting and useful.

László Várkonyi  
State Secretary

# Table of contents

1. General overview	4
2. Structure and institutions of the Hungarian IDC	5
3. Hungarian ODA, new IDC instruments <ul style="list-style-type: none"><li>• Growth of the Hungarian ODA</li><li>• Hungarian official development assistance in 2008</li></ul>	6
5. Humanitarian aid	10
6. Activity oriented at the promotion of democratic transition	12
7. Bilateral IDC activities, Priority Countries <ul style="list-style-type: none"><li>• Serbia</li><li>• Bosnia and Herzegovina</li><li>• Kosovo</li><li>• Republic of Moldova</li><li>• Afghanistan</li><li>• Cambodia and Laos</li><li>• Vietnam</li><li>• Sub-Saharan Africa</li></ul>	13

# General overview

Hungary's External Relations Strategy, approved by the Government in Spring 2008, determines the principles, the goals and the means of our international activity. For the first time, the document identifies international development cooperation as an area representing the basic values of Hungarian foreign policy. We take efforts in our bilateral and multilateral relations in order to:

- play an active role in international institutions dealing with global problems,
- support democratic governance,
- reduce poverty,
- contribute to the efforts of the international community to slow down the deterioration of the environment and climate change, and to fight against risks (e.g. mass migration, organised crime, terrorism) threatening the security of the Euro-Atlantic region.

Hungary supports the efforts of the international donor community in order to achieve the UN Millennium Development Goals, aimed at responding to global challenges, first and foremost to alleviate poverty, to support backward regions, to reduce hunger, epidemics and infectious diseases, to secure schooling, gender equality and sustainable development. Through reducing differences in the level of development we also take part in reinforcing security as well as economic ties.

Hungary agrees that the most urgent task is to reduce poverty in Africa and ease deprivation. At the same time, we urge the international donor community to shape a geographically balanced development policy. We maintain a close international development cooperation partnership with Eastern and Southern Europe as well as several Far-Eastern countries in need.

We take part in easing the problems of supply and in reconstruction work in settlements and areas suffering from the consequences of natural disasters.

In order to reach those goals, Hungary makes efforts to spend an appropriate share of its national income on development cooperation.

The Hungarian international development cooperation activities under the auspices of the OECD are based on Hungary's observer status in the Development Assistance Committee (DAC). In order to enhance aid effectiveness, Hungary endorsed the Paris Declaration on Aid Effectiveness in 2007.

# Structure and institutions of the Hungarian IDC

The Ministry of Foreign Affairs of the Republic of Hungary is responsible for planning and coordinating the Hungarian international development cooperation and humanitarian aid activities via the International Development Cooperation Department. In 2008, a Tendering Unit was formed to deal with the management of all the legal and financial issues related to project implementation.

The main decision-making body related to the development cooperation policy and strategy is the Development Cooperation Governmental Committee, which is an inter-ministerial forum, chaired by the Minister for Foreign Affairs. The work of the Committee is supported by an inter-ministerial Working Group of Experts.

The Ministry of Foreign Affairs is also responsible for coordinating the work of the Inter-ministerial Working Group for the Coordination of Humanitarian Aid. The expert-level working group coordinates humanitarian aid issues between the relevant line ministries and the National Directorate for Disaster Management and is chaired by the state secretary of the Ministry of Foreign Affairs.

Furthermore, the committees related to development cooperation are assisted by a Civil Advisory Board, which consists of representatives of political parties, trade unions, employers' associations, academic communities, civil organisations and individual experts. It is also a duty of the Board to increase awareness in the Hungarian society on issues related to international development cooperation and humanitarian aid.

HUN-IDA, a non-profit company contracted by the Ministry of Foreign Affairs is the implementing agency of the Hungarian development cooperation activities. It is mainly responsible for organizing and implementing technical assistance programs with our partner countries and for preparing, monitoring the calls for tender, providing advice and taking part in the capacity building activities.



*The Department for International Development Cooperation of MFA*

# Hungarian ODA

The level of the Hungarian ODA in 2008 reached 0.075% of the GNI.

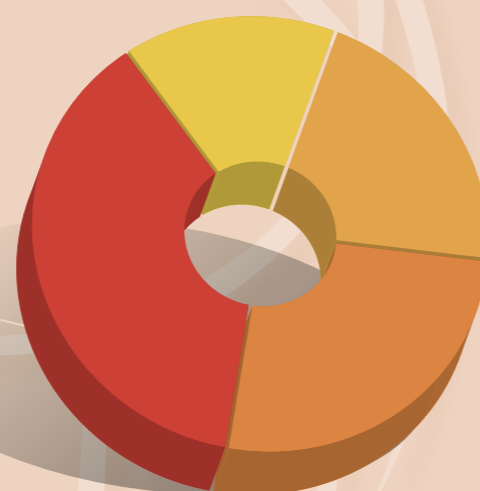
## Bilateral projects are implemented in the following partner countries

- partner countries based on medium-term Country Strategy Papers (CSPs): Bosnia and Herzegovina, Republic of Moldova, Palestinian Authority, Serbia, Vietnam;
- project-based partner countries: Africa (Sub-Saharan), Cambodia, Kosovo, Kyrgyzstan, Laos, FYROM, Mongolia, Montenegro, Ukraine, Yemen;
- partner countries based on international commitments: Afghanistan, Iraq.

## Hungarian official development assistance in 2008

Bilateral official development assistance:	2,240,272,913 HUF <sup>1</sup>
Multilateral payments:	16,212,178,253 HUF
<b>Total:</b>	<b>18,452,451,166 HUF</b>

Ministry of Foreign Affairs  
bilateral IDC breakdown



- Other 15%
- Priority partner countries: 21%
- Project-based partner countries: 26%
- Based international commitment: 37%

<sup>1</sup> 1 USD = 171.8 HUF

## Micro-projects

In line with the objectives of decentralization in international development cooperation, a decision has been made to involve more directly some of our embassies in partner countries. Taking into consideration the Hungarian international development priorities and capacities, the management of micro-projects has been launched now through the following six embassies:

- Belgrade,
- Sarajevo,
- Hanoi (with a target area of Cambodia, Laos and Vietnam),
- Chisinau,
- Nairobi,
- Pretoria.

In 2008, the implementation of 19 projects of EUR 210,112 has been started at the six embassies concerned. The projects have focused particularly on the strengthening of the civil societies, on the assistance to disadvantaged groups and on the sector of agriculture.

## Development of trade capacities – Aid for Trade

The European Union and its Member States – in line with the ongoing WTO talks – have agreed to increase their support to developing countries in the area of trade related reforms and trade infrastructure in order to facilitate developing partner countries' – particularly LDCs – participation in world trade.

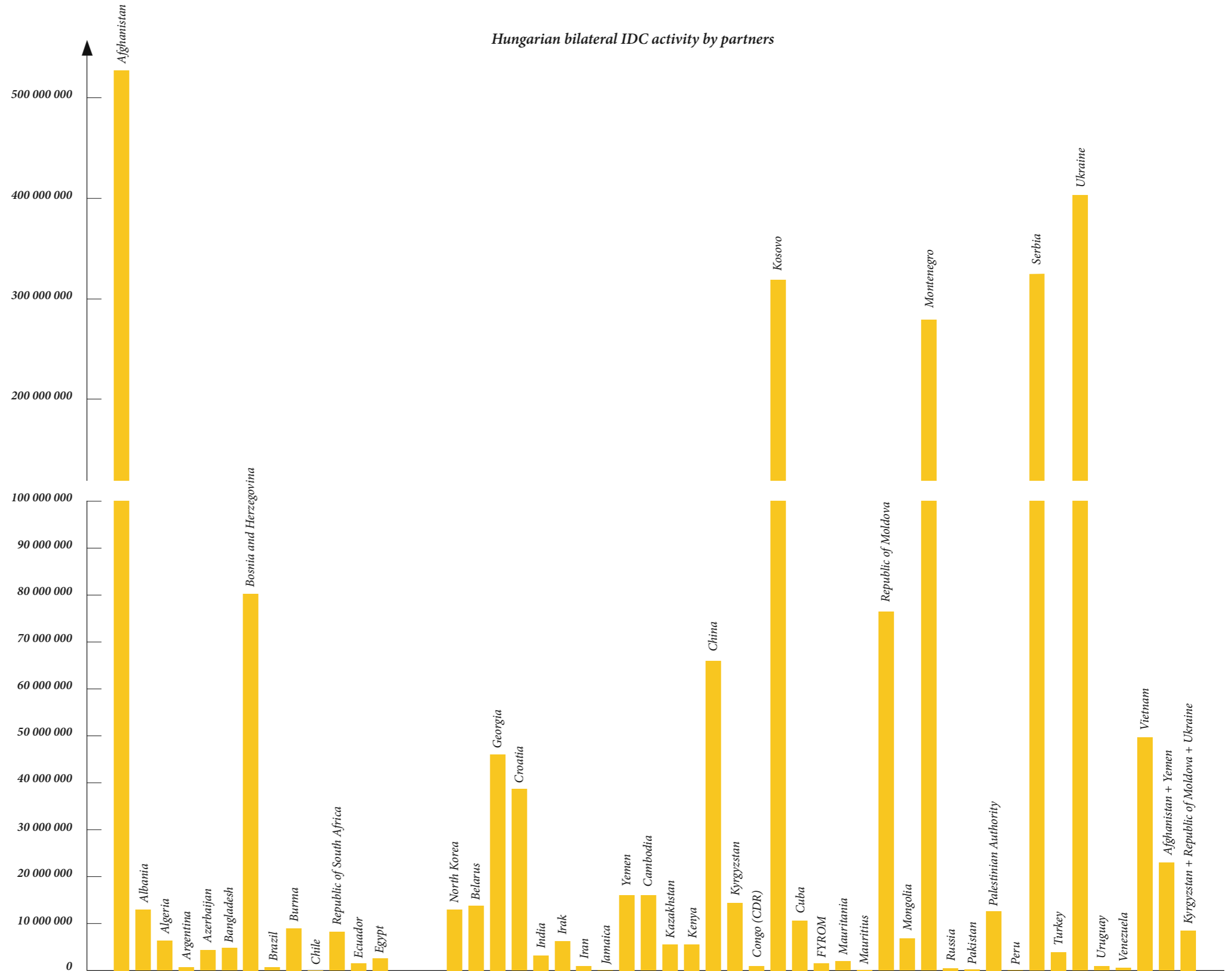
Hungary has allocated additional resources for this purpose for the first time in 2008 to the amount of HUF 125.5 million. The funds have been channelled to the recipients through the following initiatives:

1. Through the Enhanced Integrated Framework (EIF) – managed by UNOPS, Hungary supports trade related reforms and the development of trade capacities of least developed countries to the amount of HUF 62 million.
2. In the region of Southeast Europe, Hungary has allocated HUF 63,5 million for a two-year aid for trade project implemented by the OECD. The objective of the project is the identification of non-tariff barriers of trade in the CEFTA countries of South East Europe and in the Republic of Moldova. The project will also design specific recommendations for each of the beneficiary countries on how to eliminate the identified obstacles – in line with the principles of WTO and the EU.

**Hungarian bilateral IDC activity in numbers – commitments assumed for 2008 (HUF)**

Country	Total
Afghanistan	698 673 655
Albania	12 964 137
Algeria	6 337 248
Argentina	760 399
Azerbaijan	4 331 432
Bangladesh	4 828 643
Bosnia and Herzegovina	80 281 267
Brazil	648 053
Burma	9 000 000
Chile	52 164
Republic of South Africa	8 242 000
Ecuador	1 565 855
Egypt	2 598 891
North Korea	13 000 000
Belarus	13 860 076
Georgia	46 039 997
Croatia	38 664 908
India	3 203 000
Irak	6 300 000
Iran	990 120
Jamaica	91 820
Yemen	16 061 979
Cambodia	16 000 000
Kazakhstan	5 553 497
Kenya	5 600 000
China	66 035 386
Kyrgyzstan	14 449 652
Congo (CDR)	978 777
Kosovo	320 227 601
Cuba	10 659 940
FYROM	1 568 000
Mauritania	1 965 998
Mauritius	142 178
Republic of Moldova	76 434 619
Mongolia	6 785 120
Montenegro	286 106 671
Russia	500 000
Pakistan	283 220
Palestinian Authority	12 660 698
Peru	75 840
Serbia	325 420 905
Turkey	3 924 396
Ukraine	403 867 885
Uruguay	896 000
Venezuela	540 155
Vietnam	49 726 612
Afghanistan + Yemen	23 000 000
Kyrgyzstan + Republic of Moldova + Ukraine	8 500 000
<b>Total</b>	<b>2 610 398 794</b>

**Hungarian bilateral IDC activity by partners**



# Humanitarian aid

*Humanitarian aid to people in need in consequence of natural or man-made disasters is an important part of Hungary's activity. In line with our policy, humanitarian assistance provided by Hungary addresses not only the acute humanitarian situation, giving the victims of conflicts and disasters speedy assistance, but also focuses on rehabilitation and reconstruction.*

Hungary fully subscribes to the basic humanitarian principles and we are working hard to be able to contribute more substantially and in a more predictable manner to the humanitarian cause. The Resolution of the Development Cooperation Governmental Committee states that the further and widest possible application of the Good Humanitarian Donorship principles is among our most important tasks.

In 2008 Hungary's bilateral humanitarian aid assistance helped to ease the suffering of the people of Ukraine, China and Georgia with an amount of HUF 210 million. Furthermore, as announced at the December 2007 donor conference we contributed with HUF 50 million to the PEGASE<sup>2</sup> system of the EU. In 2008, the Ministry of Foreign Affairs participated in the monitoring of the humanitarian programs in Sri Lanka, which were financed by Hungarian private donations.

<sup>2</sup> Mécanisme Palestino-Européen de Gestion de l'Aide Socio-Economique – PEGASE

The major part of Hungary's humanitarian aid contributions are our voluntary contributions to UN humanitarian agencies, the ICRC<sup>3</sup> and the IOM<sup>4</sup>. In 2008 our voluntary contribution to UNHCR<sup>5</sup> Annual Program Budget and to ICRC Headquarter and Field Operations were 130.000 EUR each, essentially unclassified. We also contributed to IFRC<sup>6</sup>, IOM, UNICEF<sup>7</sup>, UNFPA<sup>8</sup>, UNDP<sup>9</sup>, OHCHR<sup>10</sup> and CERF<sup>11</sup> annual budget.

At present, Budapest hosts the regional offices of IFRC, UNHCR and IOM, the most relevant in the humanitarian field. Of these, the Government provides the premises for the UNHCR's Regional Representation and contributed to the establishment of IOM's regional office.

Hungary is proud to contribute to UNHCR's structural and management reform by providing office facilities and the coverage of maintenance costs for 10 years to the Global Service Centre in Budapest. In 2008, the Hungarian Government's total expenditure was 1.3 million EUR for the Centre. Beside UNHCR Global Service Centre, Budapest hosts also the FAO<sup>12</sup> Regional Office and Shared Service Centre and the IFRC Zone for Europe.

<sup>3</sup> ICRC – International Committee of the Red Cross

<sup>4</sup> IOM – International Organization for Migration

<sup>5</sup> UNHCR – United Nations High Commissioner for Refugees

<sup>6</sup> IFRC – International Federation of Red Cross and Red Crescent Societies

<sup>7</sup> UNICEF – United Nations Children's Fund

<sup>8</sup> UNFPA – United Nations Population Fund

<sup>9</sup> UNDP – United Nations Development Program

<sup>10</sup> OHCHR – United Nations Office of the High Commissioner for Human Rights

<sup>11</sup> CERF – Central Emergency Response Fund

<sup>12</sup> FAO – UN Food and Agriculture Organization

## Activity oriented at the promotion of democratic transition

For historical and geographical reasons, Hungary attaches great importance to human rights and to the strengthening of democratic institutions.

The vast majority of our democracy building projects implemented in bilateral relations were educational or training projects. Their primary aim was to transfer to the partner country the experience gained in the course of democratic transition.

On the basis of the goals of our external relations strategy, we devoted special attention to the following countries:

- in the context of our neighbourhood and regional policy: Serbia, Belarus, Republic of Moldova, Albania, Kosovo, Bosnia and Herzegovina;
- taking into consideration the international priorities related to supporting democracies: Cuba, Palestinian Authority, North Korea, Kazakhstan, Burma.

## Bilateral development cooperation

### Partner countries

#### Partner countries based on medium-term Country Strategy Papers (CSPs):

Bosnia and Herzegovina  
 Republic of Moldova  
 Palestinian Authority  
 Serbia  
 Vietnam

#### Project-based partner countries and regions:

Africa (Sub-Saharan)  
 Cambodia  
 Kosovo  
 Kyrgyzstan  
 Laos  
 FYROM  
 Mongolia  
 Montenegro  
 Ukraine  
 Yemen

#### Partner countries based on international commitments:

Afghanistan  
 Iraq

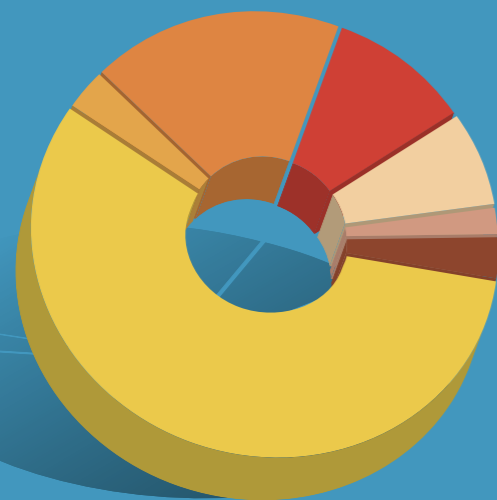




# Serbia



Sectoral distribution of Hungarian ODA to Serbia in 2008



- Education 57%
- Good governance: 3%
- Public services: 18%
- Civil society: 10%
- Economic development: 7%
- Social sector: 2%
- Health: 3%



Agricultural study tour in Hungary

After the wars of the 1990s, since 2000 Serbia had made a great progress on the way of development, with its around 5% annual GDP growth (6.55% in 2007<sup>13</sup>) became an upper – middle income country. In line with the democratic and economic reforms started in 2001, the government determined in the Poverty Reduction Strategy Paper (PRSP - approved in 2003) the goals to achieve by 2010. As a result of fulfilment of PRSP's goals poverty decreased 7.4%<sup>14</sup> in the period of 2002-2007.

<sup>13</sup> Source: World Bank  
<sup>14</sup> Source: World Bank

However as an overall outcome of the progress done, Serbia as a potential candidate to membership is on the way of European integration and further development, still needs international supports in that process, especially to avoid major backwards in the period of international financial and economic crisis.

As Serbia is one of the priority countries of Hungary we support Serbia's integration process also through our development cooperation projects. The majority of the projects implemented in 2008 focus on the strengthening of civil society, capacity building of public administration and supporting of economic development. Besides, in the frame of a long run program Hungary contributed to the education of young professionals through scholarships at Hungarian universities.



Busenje Educational Centre before the reconstruction



Busenje Educational Centre after the reconstruction



Stimulation of goat breeding in Sandzak, Serbia

Through the two reconstruction projects implemented in 2008 - the reconstructions of schools in Dobricevo and Konak, and the re-building of the educational and cultural centre and the reconstruction of the water network in Busenje – we contributed to the raising of the quality of education and to the improvement of sanitary conditions.

In 2008 our embassy in Belgrade coordinated the launch of five micro projects supporting local NGOs' activities, as the project provided assistance to Roma inclusion.

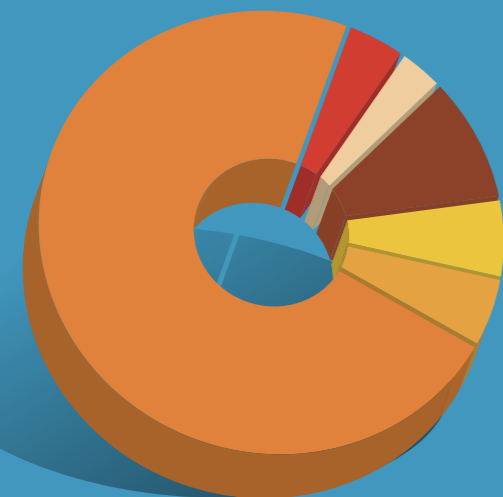
In the area of public administration we contributed to a capacity building project that provided training to civil servants of local governments in Southern-Serbia, Voivodina, and in Belgrade.

# Bosnia and Herzegovina



*Demining of Boderiste, Brčko district in Bosnia and Herzegovina*

*Sectoral distribution of Hungarian ODA to Bosnia and Herzegovina in 2008*



- Civil society: 6%
- Education: 5%
- Water: 72%
- Recovery: 4%
- Social sector: 3%
- Good governance: 10%

The long process of recovery and state building of Bosnia and Herzegovina - started with the Dayton Peace Accord signed in 1995 - has been supported by funds and strong presence of the international community. The lower middle income country with its 6.84 per cent GDP growth in 2007<sup>15</sup> still faces challenges in constitutional and governance system, administration, social sector and ethnic tolerance and cooperation.

<sup>15</sup> Source: World Bank

Bosnia and Herzegovina is one of the priority countries of Hungary. In 2008 the representatives of the governments of Bosnia and Herzegovina and Hungary signed the Action Plan on the Hungarian assistance of Bosnia and Herzegovina's EU-integration, in which development cooperation is a mean of implementation. On the way of achieving its long run aim of being a full member of the European Union, in line with the national development strategy's main elements, Hungary provides assistance to the reform of the administration and the civil sector, the stabilisation of the economy, the development of the business environment and the social system, moreover the creation of a stable civil society based on the respect of human rights and tolerance.

The main instrument of our contribution to that process is technical assistance using the experiences gained during our own transition and EU integration process, and supporting the evolution of a strong, open and tolerant civil society through dialogue programs on European integration and society. In the frame of a program started in 2006, Hungary supported the reconstruction of a water purification plant in 2008.

In the area of the development of public administration, Hungary contributed to the border police reform of Bosnia and Herzegovina. Hungarian experts worked on two institution building projects financed from the former CARDS program.

In 2008 two micro-projects aimed to inform the civil society about the EU integration processes, the enhancement of tolerance, and social dialogue among different religious denominations. A third one aimed the demining of rural areas and awareness raising regarding the danger posed by mines.

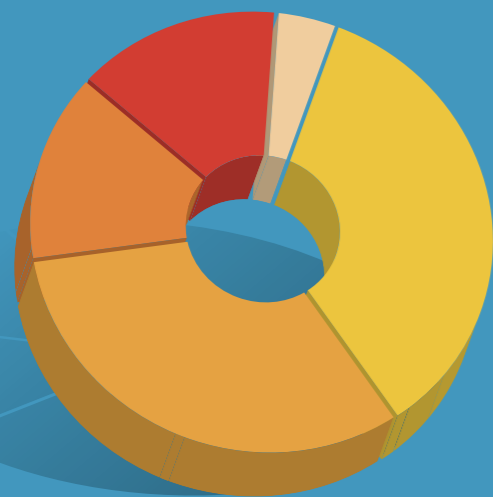


*Reconstruction of Vijećnica, town hall of Sarajevo, Bosnia and Herzegovina*

# Kosovo



Sectoral distribution of Hungarian ODA program 2008-2010 in Kosovo



- Good governance: 35%
- Public services: 32%
- Agriculture and water management: 14%
- Cultural heritage: 15%
- CIMIC: 4%

Kosovo became a partner country of the Hungarian development cooperation in April 2008.

At the international donors conference organised by the European Commission in Brussels in July 2008 to assist the development of Kosovo, Hungary announced its 300 million HUF contribution for the years 2008-2010 in support of Kosovo's national development program.

**The Hungarian contribution focuses on the following areas:**

1. Contribution to the setting up of Kosovo's new system of personal documents.

The project, which supplied 1,6 million pieces of 9 different blank personal documents or certificates (such as birth certificates, marriage certificates, certificates of citizenship, certificates of residence, certificates on declaration of joint household, etc.) with the application of high international document security standards has been fully implemented in 2008-2009.

2. Capacity building and training programs for local governments and state administration.

Our training programs mainly focus on knowledge transfer related to Hungary's transition and EU accession experience. Implementation of training programs for the following beneficiaries has been launched:

- Senior officials of local municipalities and the Ministry of Local Government Administration of Kosovo;
- Officials of the National Assembly of Kosovo;
- Officials of the Ministry of Foreign Affairs of Kosovo.

3. Agricultural, water management projects and projects aiming to restore the cultural heritage.

These projects are currently under preparation aiming at the preservation of cultural heritage in Kosovo, as well as supporting research activities in the field of agriculture.



International Donors Conference



Assistance to Kosovo's new system of personal documents



Training of local governments' staff

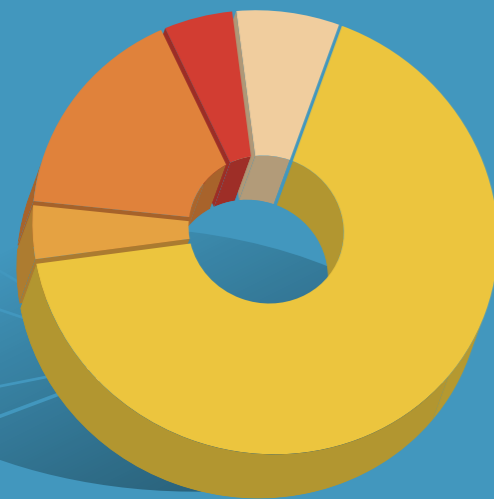
4. In addition to three main areas of the program outlined above, Hungary supports the International Civilian Office (ICO) in Kosovo with HUF 8 million. The Ministry of Defence implemented CIMIC<sup>16</sup> development projects to the amount of 12.2 million HUF.

<sup>16</sup> Civil-Military Cooperation

## Republic of Moldova



Sectoral distribution of Hungarian ODA to Moldova in 2008



- Good governance: 67%
- Education: 4%
- Agriculture: 17%
- Civil society: 5%
- Humanitarian Aid: 7%



Establishment of the Library of Civil Organizations



Trainig of young politicians

Being one of our most important partners in Europe, our development cooperation with the Republic of Moldova is based on a medium-term country strategy. The elaboration of the strategy for the 2009-2011 period was completed in 2008.

Our projects implemented in the Republic of Moldova in 2008 were mainly directed towards the assistance to the implementation of reforms set out in the context of democratic transformation and approximation to EU-norms, as well as knowledge transfer related to institutional transformation.

Projects facilitating legal harmonisation and providing training: the organisation of the justice system, criminal law, penal administration, legislation, crime prevention, reintegration, migration and refugee affairs, freedom of electronic information, equal treatment, and border police.

The harmonisation with the European Union's migration policy has been in progress since 2007 in the EU's eastern neighbourhood. Through extending the activities of the Common Visa Application Centre<sup>17</sup> operating at the Hungarian Embassy in Cishinau Hungary is contributing to the implementation of the EU-Moldova Mobility Partnership Program launched in the summer of 2008. The Centre provides information on migration, and contributes to the development of immigration control and refugee handling capacity of the state administration and justice system in the Republic of Moldova.



The training of young diplomats at the Ministry of Foreign Affairs

Our activities to facilitate the process of democratic transformation included the training of young politicians, supporting the reform and capacity building of the Constitutional Court and the Office of the Ombudsman. The Office of the Hungarian Parliament – with French partners and with the assistance of the European Commission – provided assistance in a two-year twinning program with a budget of 1 million EUR to the development of the operation of the Parliament of the Republic of Moldova in compliance with the European norms.

<sup>17</sup> Common Visa Application Centre - CAC



Establishment of the Library of Civil Organizations

In the fight against economic crime we had two projects contributing to the capacity building of the public administration involving anti-corruption experts of the Centre for Combating Economic Crimes and Corruption and experts of the Customs Service of the Republic of Moldova.

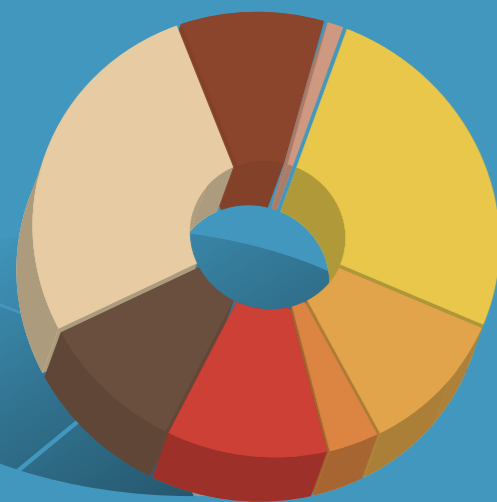
To assist the agricultural export and the EU-Moldovan trade relationships, a training project relating to plant protection and food safety capacities was implemented in 2008. The project facilitates the use of the favourable trade conditions (ATP) given to the Republic of Moldova by the EU and the access of export products into the European market.

Serving the development of the Gagauz Autonomous Region, a project supplying IT equipment for the IT laboratory of the State University of Comrat was implemented in 2008. Furthermore, the diagnostic centre of the Vulcanesti Hospital will be donated new medical equipments. The project is expected to be concluded in the second half of 2009.

# Afghanistan



Sectoral distribution of Hungarian ODA to Afghanistan in 2008



- Education 57%
- Good governance: 3%
- Public services: 18%
- Civil society: 10%
- Economic development: 7%
- Social sector: 2%
- Health: 3%
- Health: 3%

After more than two decades of conflict, enormous political, economic, and social transformation begun in Afghanistan but the country still faces challenges.

Afghanistan is considered as one of Hungary's main partner countries. In 2008, the vast majority of Hungarian bilateral development assistance was directed to Afghanistan. Hungary is focusing solely on Baghlan Province where we took over the lead of the Provincial Reconstruction Team (PRT) in the autumn of 2006.



*Hungarian project implemented in the field of agriculture offer new work opportunities for the locals*



*The inauguration of the Hungarian brick factory in Etehad*



*Education is essential in Afghanistan's development*

Our commitments to contributing to the stabilization process and to the international efforts both in the military and civilian development field remain strong, our mandate has been extended till October 2010.

At the international conference organised in June 2008 in Paris for the initiation of the official implementation of the Afghanistan National Development Strategy, Hungary confirmed its long term commitment to the reconstruction in Afghanistan. We see a large potential in combining Hungarian know-how, local experience and foreign financial assistance. By serving as a catalyst in order to ensure social consolidation in Baghlan and by implementing projects based on our experience, we can set a positive example for the partners and thus can contribute to the increase of aid effectiveness. So far our projects have been funded by Japan, Greece and the EU. The fruitful and well-functioning cooperation reinforced that joint actions are beneficial and contribute to the development of Afghanistan.

## Development Guidelines of the Hungarian Development Cooperation for Afghanistan (2008-2009)

summarise the principles, the goals and the means of our development cooperation activity, in line with the Afghanistan National Development Strategy (ANDS), the Provincial Development Plan of Baghlan and the needs of the Afghan people, as well as the requirements of the international donor community.

Our civil representative (CIVREP) and an Afghan development advisor (DEVAD) facilitate our work locally in Pol-e-Khomri.

### Our main goals

- reducing poverty and unemployment,
- achieving growth,
- strengthening democracy and good governance,
- promoting human rights and granting a stronger position for women in society.

The Hungarian focus lies on pre-defined sectors such as agriculture, education, health and a large part of the cooperation consists of technical assistance as well as technology transfer.



*Training of diplomats at the Corvinus University of Hungary*

### Strategic and priority sectors

#### I. Agriculture and rural development

- Water management: establishment of irrigation and canal systems, erecting flood protection systems (dykes, river-bed regulation)
- Plant and livestock husbandry: specialized training and provision of equipment

#### II. Education

- Establishment (building) and equipping of schools and other educational facilities
- Specialized training and education

#### III. Health care

- Midwife training
- Establishment (building) and equipping of clinics
- Organizing an ambulance service



Training of diplomats



Photo exhibition aiming at awareness raising in Hungary

#### Photo exhibit – “Rebuilding Afghanistan”

With the aim of awareness raising we have successfully cooperated with Canada in opening a joint showcase in Budapest, highlighting the importance of donor cooperation and joint actions. The exhibit demonstrates Hungary’s contribution to the rebuilding and stabilization of Afghanistan. The photos depict images of success and achievements in the inter-related areas of security, development and governance. The material also highlights the complexity and challenges we all face.

## Cambodia and Laos



Cambodia and Laos are Hungary’s project based partner countries – where we have implemented international development cooperation projects since 2004. As both of the countries being Least Developed Countries our activities gain special importance. Our projects focus mainly on good governance, education and health.

#### Main fields of cooperation

- Good governance
- Agriculture, forestry, fishery
- Healthcare

## Cambodia

Cambodia has achieved significant growth over the past few years, yet it still remains one of the least developed countries in the region. For many people, education and health services are still out of reach, especially in the rural areas, not to mention the lack of basic infrastructure. Also the careful planning of development projects is needed since the country is still littered with land mines.

#### Hungarian assistance to Cambodia

##### Orphanage and supporting handicapped children

One of our successful and ongoing projects is dealing with the support and development of the Khmer-Hungarian-French Friendship Orphanage in Cambodia. The orphanage was founded in Kandal province in Cambodia in the settlement of Baku in 1984, and Hungarian workers erected the building.



Training of FLAME therapists

In the framework of the development projects Hungary contributed in the past few years to the building's infrastructure development, ensured the acquisition of a water filtration system for the orphanage, in addition to building two kitchens and transporting medical equipment and medicine, and a medical book was also translated into Khmer. Vocational training, such as sawing and language courses, was organized in order to make future employment easier. The project also aimed at the strengthening of the Cambodian rehabilitation system and the development of handicapped children. By using and teaching FLAME (Function Language and Movement Education), a special program based on the famous Hungarian Pető method, the newly trained experts are able to offer a complex education thus facilitating social integration.

#### Micro project

The preparation of a feasibility study on building further fish food manufacturing plants in Cambodia and Vietnam – with the aim of stimulating rural economic development – was implemented in 2008.

#### Debt settlement and Development Cooperation Agreement

The intergovernmental agreement on debt settlement and development cooperation was signed in 2009. In line with the agreed construction, Cambodia will pay back 50% of its debt, whereas the other half of the debt will be written off by Hungary and a development cooperation project will be implemented in Cambodia.



*FLAME program trainer and therapist with one of the Cambodian children*



*FLAME therapist and the locally trained staff during in work*

## Laos

Although facing many development challenges, Laos People's Democratic Republic is on the right track towards the achievement of the Millennium Development Goals (MDGs). Poverty reduction and stepping out of the Low Income Country status is a clear goal, with a special focus on strengthening agriculture and infrastructure.



*Training of the staff of the National Agricultural and Forestry Research Institute of Laos*

#### Micro project

The Hungarian Fishery and Irrigation Research Institute and the Animal Husbandry and Fodder Research Institute provided trainings to the staff of the National Agricultural and Forestry Research Institute of Laos in the field of animal husbandry and Research and Development.

#### Scholarships

With the joint financing of the Ministry of Foreign Affairs and Ministry of Education and Culture the assistance for grant-holding students continued. In 2005, two students had the chance to start their university studies in Hungary.

#### Tied Aid

Granting tied aid credit has played an important role in our development activity, and this is what we are planning to continue in the future as well. The preparation of a tied aid credit line is under process, focusing on the modernization and the expansion of three agricultural farms and the establishment of a fish food manufacturing plant.

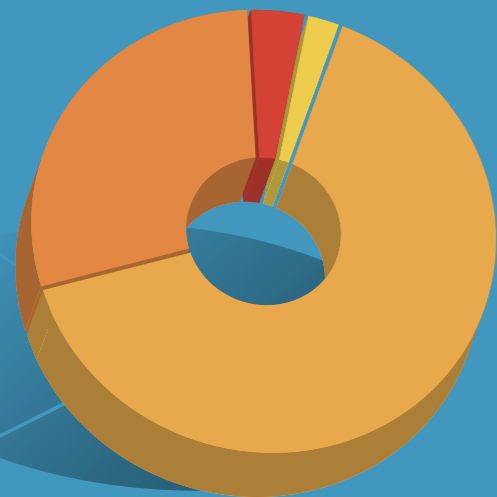


*Training of the staff of the National Agricultural and Forestry Research Institute of Laos*

# Vietnam



Sectoral distribution of Hungarian ODA to Vietnam in 2008



- Education 2%
- Good governance: 65%
- Agriculture, forestry, fishery: 29%
- Healthcare: 4%

Due to the impressive economic growth in the past few years, Vietnam has made significant process towards achieving the Millennium Development Goals (MDGs) and to become a Middle Income Country. A permanent goal in the country's socio-economic development is poverty reduction and the eradication of hunger, also integrated into the Comprehensive Poverty Reduction and Hunger Elimination Strategy (CPRGS) approved in 2001. Goal results have been reached in the field of poverty reduction, the universalising of primary education and promoting gender equality.

### The basis of our cooperation

Vietnam is one of Hungary's priority partner countries. Our activity is based on the following core documents:

- Bilateral Agreement on Development Cooperation Between the Government of the Republic of Hungary and the Government of the Socialist Republic of Vietnam signed in 2005,
- the Memorandum of Understanding on Development Cooperation (2008-2010) signed in 2008,
- the Country Strategy Paper (2008-2010) adopted in April 2008.

### Main fields of cooperation

- the transfer of the Hungarian experience of political and economic modernisation,
- training of experts,
- agriculture and water management, fresh-water fish breeding,
- healthcare – herbs production.

### Twinning program with Vietnamese Institutions

In 2008, in the context of the handling of public money, the reform of the statistical, banking and financial sector, targeted study tours and trainings took place in Hungary and Vietnam. The successful program received a support from the European Commission. The cooperating institutions were the following:

- Central Statistical Office,
- State Audit Office,
- The State Bank of Vietnam.

In the second half of 2008 a trilateral, Hungarian-Vietnamese-Singaporean joint economic-financial training program was implemented for the first time.



Study tours and trainings of experts



Study tours and trainings of experts

### Scholarships

With the joint financing of the Ministry of Foreign Affairs and Ministry of Education and Culture the assistance for grant-holding students continued in 2008. Since 2004, 4 Vietnamese students have studied at Hungarian Universities.

### Micro projects

- preparation of a feasibility study on building further fish food manufacturing plants,
- building of a playground for handicapped children.

### Tied Aid

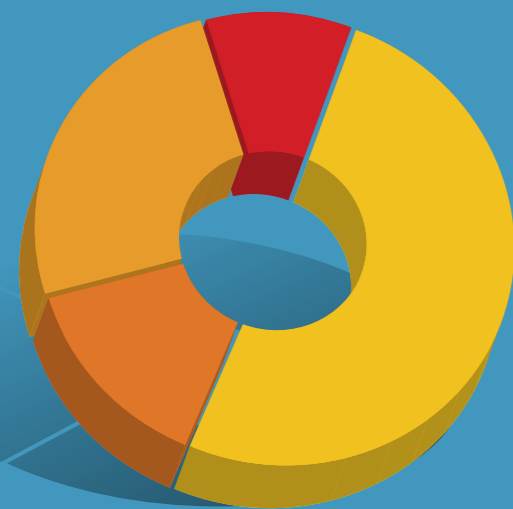
Granting tied aid credit has played an important role in our development activity, and this is what we are planning to continue in the future as well. A framework agreement was signed in 2008, thus facilitating the implementation of several projects (water supply projects and a population registry). We are currently working on a new framework agreement in order to grant tied aid credit in the field of health infrastructure development.



## Sub-Saharan Africa



Sectoral distribution of Hungarian ODA to Africa in 2008



- Education 51%
- Social Sector: 25%
- Health: 14%
- Water and hygiene: 10%

The majority of Sub – Saharan African states is in the group of Least Developed or Low Income Countries. Besides some more developed countries this region faces challenges in all fields covered by the eight Millennium Development Goals. More than half of its population lives in deep poverty, and poverty gap ratio is the highest in the world. More than half of the population is undernourished and do not have an access to drinking water<sup>18</sup>. The lack of basic health care services especially connected to birth and epidemics are still the major risk for African population. However in education enrolment the region has made a significant progress, drop out and gender inequality level is still high.



Daycare Center for disabled children in Sizanani, Republic of South Africa

<sup>18</sup> Source: UNDP



Daycare Center for disabled children in Sizanani, Republic of South Africa

### Hungarian assistance

On project based cooperation all countries of the region is eligible of assistance in the frames of Hungarian development cooperation policy. Through scholarship programs a great part of Hungarian assistance contributes to the higher education of young professionals in Hungarian universities. Besides, with the cooperation of two Hungarian embassies accredited to African countries our assistance focuses on the local needs of population by contributing to local NGOs' projects.

### Projects managed by our embassies in 2008

- Water management and hygiene project at St. Joseph Children's Home
- Providing educational technology equipment for the Imre Loeffler Educational Centre
- Internet access in Mukuru slum, Nairobi
- Day-care centre for physically disabled children
- Assistance to children living in the streets



Daycare Center for disabled children in Sizanani, Republic of South Africa

# Imprint

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