

Pursuant to Article 6 of the Law on Development Cooperation and Humanitarian Aid Abroad (Official Gazette of the Republic of Croatia, 146/08), the Croatian Parliament, in its session on 27 October 2017 adopted the

**NATIONAL STRATEGY FOR DEVELOPMENT COOPERATION OF THE  
REPUBLIC OF CROATIA FOR THE PERIOD 2017-2021**

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## 1 INTRODUCTION

National Strategy for Development Cooperation of the Republic of Croatia for the Period 2017-2021 (hereinafter the National Strategy) was adopted in accordance with the Act on Development Cooperation and Humanitarian Aid Abroad<sup>1</sup>. By upgrading the previous, first National Strategy, the Republic of Croatia continues to define the national policy of international development cooperation and humanitarian aid as one of the key components and important foreign policy instruments.

The core objective of the international development policy is to use financial and non-financial capacities to overcome the global poverty and avoid creating long-term and permanent dependence on aid, and to help individuals, communities, states and regions to assume responsibility for their own progress. Humanitarian aid is short-term and urgent support to the population affected by natural disasters, technical/technological crises or man-made crises, whose main goal is to save people's health and lives.

Poverty, armed conflicts, totalitarian ideologies, extremism, social exclusion, human rights violations, political persecution, migratory pressures, and the consequences of climate change are directly inter-linked with the degree of development of societies. Poverty is primarily a key universal development policy challenge that needs to be viewed from a perspective broader than aggregated statistics, and it is necessary to address it in a comprehensive, coordinated and targeted manner, respecting the context and taking into account the expressed needs of the beneficiaries. Moreover, many of the challenges encountered by developing countries are difficult to grasp in developed societies that have already been generations away from such things as war, hunger or epidemics.

In just two decades since its independence, the Republic of Croatia went through a path from a country facing aggression, Homeland War, humanitarian crisis and receiving development aid, post-war reconstruction and recovery, a democratic transition from a totalitarian to a democratic system, from planned to market economy. By joining NATO and the European Union (EU), we have joined the group of the most developed countries and at the same time the largest and most influential donor in the world that provides more than half of the total global development aid.

The position of the Republic of Croatia in the global development policy framework is determined by the size, capacities and challenges of the new donor country but also by the experience of post-war transition which is recognized by the Republic of Croatia as its added value in development policy, which will continue to be upgraded and with which it will have the opportunity to contribute to the global development community rather more than states of a similar foreign policy reach and economic capacity. During the war and post-war democratic transition, the Republic of Croatia acquired unique experience and knowledge that give Croatia's development policy a comparative advantage within the global community of development cooperation donors.

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<sup>1</sup> *Official Gazette of the Republic of Croatia 146/2008*

With this National Strategy, the Republic of Croatia will continue integrating its own transitional experiences into the development tool-box of the European Union, whereas on the global level it will be selflessly transferring experience of its own development to the countries that are going through similar transition challenges. In this way, it will offer a concrete contribution to the development of humanity, but also strengthen its foreign policy position, foster its own economic development and improve its own security.

## 2 STRATEGIC FRAMEWORK

### 2.1 *International framework*

The policy of development cooperation and humanitarian aid is increasingly becoming a prominent instrument for the establishment and development of foreign as well as overall economic and social relations. Regardless of the political, economic or ideological interests of both the donor and the beneficiary, development and humanitarian policy reflect above all the primary aspiration of a human to foster the development of all mankind in a peaceful and sustainable way, as confirmed in the UN Agenda 2030 and the Sustainable Development Goals.

One of the goals of the National Strategy is to provide answers to current circumstances, to find the appropriate position, added value and benefits to Croatia, and to establish, in line with international agreements and Croatian foreign policy priorities, a strategic framework for improving Croatia's development cooperation and humanitarian aid policy in the period ahead.

#### 2.1.1 *Changes in the development paradigm*

The global policy of development cooperation, especially in the last decade, has undergone significant changes. First and foremost, there is a growing awareness that development cooperation is a more effective instrument than development aid. Specifically, the transformation from the relationship between the donor and the beneficiary into the partner-partner relationship achieves greater effect and strengthens the vision of a global partnership. Collaboration and partnership increase the responsibility of the beneficiary and provides clear guidelines to the donor on the specific needs of the community to which it intends to direct the assistance. In addition, bearing in mind the fact that development cooperation is often the foreign policy predecessor of wider political and economic cooperation, such partnerships already in the initial phase create sound preconditions for establishing more extensive cooperation between equal partners.

Furthermore, traditional forms of support, which relied on inter-institutional official development assistance (ODA)<sup>2</sup>, have given way to more dynamic forms of cooperation that, firstly, abandon the prevailingly unilateral relationship between the two countries, and secondly, financial assistance is often replaced by more technical and other non-financial forms of support that encourage knowledge sharing and experience as well as mutual learning. Additionally, there is a growing need for comprehensive recording of various forms of development cooperation, such as external investment or international security and peace activities. The revision of the definition of official development assistance, as well as debates on new models of overall official support for sustainable development, currently under way

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<sup>2</sup> According to the definition of the Development Assistance Committee of the Organisation for Economic Cooperation and Development (*OECD DAC*) the official development assistance includes contributions to international institutions and activities and measures funded from the budgets of national and local governments with a view to encourage development and progress in the developing countries listed as development assistance beneficiaries. The list of beneficiaries is published on the website of the Development Assistance Committee (<http://www.oecd.org/dac/stats/daclist.htm>).

within the Organization for Economic Cooperation and Development (OECD), should also reflect these new tendencies in the final outcome and include a broader spectrum of allocations for global development.

Finally, there is a growing awareness of the global community that development is a multi-dimensional process that will only be effective if the ownership of developing countries over the process is respected and encouraged, if cooperation is based on sustainability of the outcomes, if a broad spectrum of stakeholders in a global partnership is involved, and if transparency and mutual responsibility in the implementation of development cooperation are ensured. All these principles are covered by the Partnership for Effective Development Cooperation established in Busan in 2011<sup>3</sup>, as well as its predecessors from Paris<sup>4</sup> and Accra<sup>5</sup>.

### ***2.1.2 New stakeholders in development policy***

Non-traditional donors, both institutional and non-institutional, are increasingly and more extensively joining the development cooperation. First and foremost, the traditional bilateral relationship between the developed and the developing countries is being increasingly joined by the countries that have experienced significant economic growth in the last decade. These emerging economies are aware of the benefits of international development policy and are increasingly involved in it and are becoming important and influential stakeholders, bringing in their own principles and priorities. Furthermore, in addition to civil society, religious and scientific communities as non-institutional stakeholders, private sector and private donors are playing more and more prominent role in the global development policy, targeting donations, often in particular development niches, to greatly affect the global development landscape. Their contribution is unavoidable in a number of global processes, such as the Doha Development Agenda<sup>6</sup>, negotiations to mitigate the consequences of climate change<sup>7</sup>, especially during the 2015 UN Climate Change Conference in Paris<sup>8</sup>, or the Agenda 2030 negotiations and the Sustainable Development Goals<sup>9</sup>, as well as in the discussions within the World Conference on Disaster Risk Reduction<sup>10</sup> and the World Humanitarian Summit<sup>11</sup>.

### ***2.1.3 New global challenges***

Changes in the development landscape mutually complement a number of other global political, economic and social trends, among which we also note complex, often dynamic changes. Natural disasters are more and more common, increasingly widespread and lethal. Man-made crises are no longer just an occurrence in traditionally fragile and unstable states and regions, but are also emerging in our closest neighbourhood. Conflicts, security and

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<sup>3</sup> *Busan Declaration on Partnership for Effective Development Cooperation, Busan, 2011.*

<sup>4</sup> *Paris Declaration on Aid Effectiveness, Paris, 2005.*

<sup>5</sup> *Accra Agenda for Action, Accra, 2008.*

<sup>6</sup> 2001 Doha Ministerial Declaration started the process of negotiations on the Doha Development Agenda within the World Trade Organization.

<sup>7</sup> Negotiations within the 2002 United Nations Framework Convention on Climate Changes.

<sup>8</sup> 2015 United Nations Conference on Climate Changes, Paris.

<sup>9</sup> Negotiations in the follow-up to Rio+20, the 2012 United Nations Conference on Sustainable Development.

<sup>10</sup> The Third UN World Conference on Disaster Risk Reduction, Sendai, 2015.

<sup>11</sup> The World Humanitarian Summit, Istanbul, 2016.

terrorist threats, migrations and pandemics are less and less likely to be stopped and contained within the borders of a state; on the contrary, their spillover to the countries of stable democracy is significant. Increasing wealth gap and social inequality, social exclusion and lack of freedom have led to poverty, hunger and disease living in the neighbourhood with luxury and wasting of resources, while within the national boundaries of some countries there is a clear gap between the richest and the poorest in the world. The consequence of this and the political crises are the mass migrations of people who seek protection and quality life for themselves and their families in other countries of the world, for the time being very much in the EU. For the EU's development policy, and thus the Republic of Croatia, the task is more than ever to fight against inequality, social exclusion and lack of freedom, and to globally unify and harmonize both policies and stakeholders that will effectively respond to the issues of sustainable and balanced development, peace and stability of mankind.

#### ***2.1.4 New global framework for development policy***

In 2015, the International Community completed the fifteen-year cycle launched in 2000 with the UN Millennium Declaration<sup>12</sup> laying down eight Millennium Development Goals. The basic idea of the Millennium Development Goals was to eradicate poverty, improve education, promote gender equality, reduce child mortality, improve maternal health, fight HIV/AIDS, ensure environmental sustainability, and develop global partnership for development. While the progress in some of the goals might be impressive, other goals were far from fulfilment. Likewise, numerous data confirm the geographic gap in the fulfilment of the goals, with the least developed regions of sub-Saharan Africa and South Asia still lagging behind. Furthermore, the obligations of donors and beneficiaries were clearly defined, in terms of funding, implementation and supervision. In regard to funding, the 2002 Monterrey Consensus<sup>13</sup> reinforced the implementation of the Millennium Development Goals (MDGs) with the specific obligation of developed countries to allocate 0.7% of their gross national product (GNP) to the Official Development Assistance. Nevertheless, the global financial crisis negatively affected the ODA in developed countries and few of the countries managed to meet this commitment by 2015.

Drawing a lesson from the Millennium Process, in 2015, the global community came up with the new Agenda 2030<sup>14</sup>, in which 17 new Sustainable Development Goals were adopted, as well as the new framework for financing development<sup>15</sup>. The goal of the new process is to create a plan for the true transformation of the society, to create foundations for greater inclusiveness, and to widen the scope of participants in the Agenda 2030. The new development framework is a unique opportunity for the international community to overcome the traditional divisions, focusing on addressing global poverty and inequalities through the process of harmonizing the social, economic and environmental dimensions of sustainable

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<sup>12</sup> *UN Millennium Declaration, New York, 2000.*

<sup>13</sup> *The Monterrey Consensus on Financing for Development, Monterrey, 2002.*

<sup>14</sup> *Outcome Document of the World Summit on Sustainable Development – Transforming Our World: Agenda 2030 for Sustainable Development, New York, 2015.*

<sup>15</sup> *Outcome Document of the Third International Conference on Financing for Development – Addis Ababa Action Plan, Addis Ababa, 2015.*

development and focusing on a universal approach, which will include everyone in terms of the obligations and leave no one behind in terms of aid. The goals of sustainable development are therefore more numerous, more complex and more extensive than the Millennium Development Goals, and their implementation is the task of the entire global community, developed and developing countries, the state and the society as a whole. For example, the Sustainable Development Goals cover the economic dimension of development to a greater extent, as well as the concept of peaceful societies that has not been envisaged in the Millennium Development Goals, which includes prevention of violence, strengthening of institutions and prevention of conflict and crisis. By the same token, the Sustainable Development Goals, with 169 targets and associated indicators, cover the qualitative dimension of measurement to a greater extent, as opposed to the Millennium Development Goals that essentially relied on quantitative analytics.

Generally, the Sustainable Development Goals include eradicating poverty and hunger, ensuring healthy lives and prosperity, quality education, gender equality, clean water and health conditions, energy availability, decent work and economic growth, industry, infrastructure innovation, reducing inequality, achieving sustainable cities and communities, responsible consumption and production, action in respect of climate change, preservation of life below water and life on land, peace, justice and strong institutions, and ultimately strong partnerships in the implementation of these goals. Financing the new development framework, in addition to the repeated commitment of the developed world to continue to raise the level of allocations for ODA up to 0.7% of the GNI<sup>16</sup>, is based on new global inclusion trends and takes into account new stakeholders, relying on sources wider than the domain of the Official Development Assistance (ODA), such as the contribution of private donors, foreign investment and the mobilisation of domestic resources.

## ***2.2 The role of the European Union in global development and humanitarian policy***

Despite global changes, the European Union remains the largest global provider of development cooperation and humanitarian aid, with more than half the total amount of international development cooperation. In 2012, the European Union responded to the new reality in global development policy by adopting the strategic guidelines called the *Agenda for Change*<sup>17</sup>, aimed at strengthening the impact and improving the effectiveness of the EU's development policy. This new direction is aligned with the international commitments from the aforementioned Busan Declaration and includes principles such as directing development aid to the most in need or least developed countries, transferring ownership of development cooperation to the beneficiary countries in order to achieve mutual accountability, focusing on development cooperation in a limited number of sectors in the beneficiary country, flexibility in the implementation through the reduction of administrative barriers and openness to new and innovative sources of funding. Specifically, the effectiveness of the development cooperation on the EU level has been reinforced with the concept of coherence for

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<sup>16</sup> *Addis Ababa Action Agenda, Addis Ababa, 2015.*

<sup>17</sup> *Council Conclusions on Agenda for Change, Brussels, 2012.*

development<sup>18</sup>, development modalities such as joint programming, delegated cooperation and blending loans and grants.

With the Agenda for Change, the EU outlined the implementation guidelines and the principles of its development action. However, new global challenges and outcomes of international events have imposed the need for the renewal of the content of strategic guidelines for the EU development policy in the form of a new *European Consensus on Development*<sup>19</sup>. This new EU strategic document provides a long-term shared vision of its development policy, in line with other foreign policy strategic documents, in particular the Global Strategy for Foreign and Security Policy of the European Union<sup>20</sup>. With the Consensus on Development the EU will offer, in a strengthened and effective way, answers to complex global security issues as well as to addressing the root causes of instability. The main priorities identified by the European Consensus on Development are the people (human development and dignity), the planet (environmental protection and natural resources), progress (including sustainable growth and employment) and peace (peaceful and inclusive societies, human rights and the rule of law). These priorities will be pursued in a strong partnership both within the EU and with global partners.

The above-mentioned implementation principles form an integral part of the European Union's financial perspective for 2014-2020<sup>21</sup>. For development cooperation and humanitarian aid, the key is the foreign policy budget, *Heading 4. EU as a Global Player*, which includes financial instruments<sup>22</sup>, such as the Development Cooperation Instrument (DCI)<sup>23</sup> or the Instrument for Stability (IfS)<sup>24</sup>, 80% of whose amount is registered as official development assistance. In addition, the non-budgetary European Development Fund (EDF)<sup>25</sup>, as an implementing instrument of the Cotonou Agreement<sup>26</sup>, which the European Union has signed with 78 developing countries from Africa, the Caribbean and the Pacific, is also important for development cooperation. As of 2017, the Republic of Croatia has the obligation to contribute to the EDF. The Cotonou Agreement expires in 2020 and negotiations are already underway

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<sup>18</sup> Council Conclusions on Coherence for Development, Brussels, 2005, 2009 and 2013.

<sup>19</sup> Joint Statement on the adoption of the new European Consensus on Development – *Our world, our dignity, our future*, Brussels, 2017.

<sup>20</sup> *Shared Vision, Common Action: Stronger Europe – A Global Strategy for the European Union's Foreign and Security Policy*, Brussels, 2016.

<sup>21</sup> Council Regulation No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020.

<sup>22</sup> Heading 4 of the EU budget includes seven instruments for external EU action that to a greater or lesser extent have a development character.

<sup>23</sup> Regulation (EU) No 230/2014 of the European Parliament and of the Council of 11 March 2014 establishing an instrument contributing to stability and peace.

<sup>24</sup> Regulation (EU) No 233/2014 of the European Parliament and of the Council of 11 March 2014 establishing a financing instrument for development cooperation for the period 2014-2020.

<sup>25</sup> Internal Agreement between the Representatives of the Governments of the Member States, meeting within the Council, on the financing of European Union aid under the multi-annual financial framework for the period 2014 to 2020, in accordance with the ACP-EU Partnership Agreement, and on the allocation of the financial assistance for the Overseas Countries and Territories to which Part Four of the Treaty on the Functioning of the EU applies, 6 August 2013.

<sup>26</sup> Partnership Agreement between the members of the African, Caribbean and Pacific Group of States of the one part, and the European Community and its Member States, of the other part, signed in Cotonou on 23 June 2000.

within the European Union on the future, the form and the framework of cooperation with the countries concerned.

As regards the humanitarian dimension, there is also a tendency to qualitatively and quantitatively improve the response to crises and natural disasters, i.e. reach the greatest possible aid effectiveness level. Coordination between the EU and Member States approaches is encouraged, as well as among other leading global humanitarian actors, in particular the UN. The donor community focuses on the activities to minimize the risk of crises and disasters, improve preparedness and resilience of states to crises<sup>27</sup>, build and strengthen local capacity to reduce the risk of crises, prevent crises, and link together humanitarian aid, reconstruction and development. The border between humanitarian and development assistance is becoming less visible, more precisely, the success of development cooperation is increasingly associated with complementing humanitarian activities<sup>28</sup>. Consequently, a new approach to the implementation of humanitarian policies includes inevitable political dialogue.

By joining the European Union in 2013, the Republic of Croatia took over the entire strategic and legislative framework of the EU in the field of development cooperation and humanitarian aid policy, as well as its international obligations. The Republic of Croatia will continue to contribute to the negotiations on the EU strategic framework by presenting its national positions and promoting its own priorities, knowledge and experience. With its contributions to the EU budget and to the extra-budgetary European Development Fund, the Republic of Croatia financially contributes to the financial instruments, and one of the tasks of the national development policy is to encourage the institutional and non-institutional sectors (especially civil society and the private sector) to make use of them.

### ***2.3 Republic of Croatia – strategic, institutional and legislative framework***

In the new millennium, the Republic of Croatia continued the process of post-war reconstruction, reinstating peace, building the state, democratic transition and taking over a more prominent role in the global international relations. In 2008/2009, the Republic of Croatia was a non-permanent member of the UN Security Council, and on several occasions of the Economic and Social Council (*ECOSOC*) and the Peacebuilding Commission, and it is currently a member of the UN Human Rights Council for the years 2017-2019. In 2009, it joined NATO, and in 2013 it became the 28th EU Member State. From 2008, as a beneficiary of international development assistance, the Republic of Croatia began to integrate development policy into its foreign policy instruments. With the 2008 Act on Development Cooperation and Humanitarian Aid Abroad, the Republic of Croatia for the first time legally regulated the area of international development cooperation and humanitarian aid and established the principles for the implementation, determining the goals, inter-institutional cooperation and financing of the development cooperation. Within the implementation of the reforms required to join the EU towards the end of 2008, the first organizational unit for

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<sup>27</sup> *Council conclusions on EU approach to resilience, Brussels, 2013*

<sup>28</sup> *European Consensus on Humanitarian Aid, Brussels, 2008.*

development cooperation and humanitarian aid was established within the Ministry of Foreign and European Affairs (MFEA) that prepared the first National Strategy for Development Cooperation of the Republic of Croatia for the years 2009-2014.

Having joined the European Union, the Republic of Croatia asserted its position in the international community and, by increasing its economic potential, it changed the status from the beneficiary to the donor of development cooperation and humanitarian aid<sup>29</sup>. The mentioned strategic and legislative documents created a quality and comprehensive basis for establishing, developing and promoting international development policy, as well as positioning itself internationally as a relatively small but specialised and focused donor-partner.

Institutionally, the Government of the Republic of Croatia, as the main political body for the area of international development cooperation, adopted – at the proposal of MFEA – the Implementation Programmes of the National Strategy, in which all development projects on the national level were gathered, which state administrative bodies plan to implement for a specific period. The account of the implementation of the planned development projects is provided in the annual Reports on the Implementation of the National Strategy that are adopted by the Croatian Parliament. As the coordinator of international development cooperation and humanitarian aid on national level, MFEA is in charge of the coordination of the Implementation Programmes and Implementation Reports. MFEA also coordinates the operation of the Inter-Institutional Working Group for Development Cooperation and Humanitarian Aid Abroad, chaired by the Minister of Foreign and European Affairs, its members being the officials from relevant state administrative bodies, representatives of the public sector, civil society, private sector and academic community. The purpose of the Inter-Institutional Working Group is to establish the framework for the development policy in accordance with international trends, secure the coordination of the development policy on the national level and propose guidelines for strengthening the effectiveness of development cooperation projects.

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<sup>29</sup> In 2011, the Republic of Croatia has been removed from the list of ODA recipients defined by the Development Assistance Committee of the Organization for Economic Cooperation and Development.

### **3 ADVANTAGES OF CROATIAN DEVELOPMENT COOPERATION AND HUMANITARIAN AID POLICY**

#### ***3.1 Experience of war and post-war democratic transition***

In the global development community the Republic of Croatia is a relatively small donor that cannot measure up to the official development assistance figures of the big global donors. However, Croatia's own experience of the war-to-peace transition is unique in the global development community and certainly a comparative advantage in this niche, for which there is a constant need among the countries dealing with conflict, its causes and consequences.

This experience not only gives the Republic of Croatia advantage in its practical application but also in a different reflection on development and humanitarian policy from the perspective of the beneficiary. During the Homeland War, Croatia dealt with war destruction, humanitarian crisis, refugees and displaced persons. After the war, it successfully completed the process of peaceful reintegration, reconstructed the destroyed homes and buildings and experienced post-war transition challenges. In these circumstances, the Republic of Croatia had the opportunity to understand, on its own example, the significance and importance of conflict prevention, as well as of respecting the local context, the beneficiary's development priorities, transferring the ownership to the beneficiary and focusing on dialogue and mutual accountability in development programming. The Republic of Croatia uses its experience in its projects of international development cooperation as well as in civilian and military missions around the world. This policy will be continued with the commitment to affirmative, credible and lasting support to societies initiating the process of transformation.

#### ***3.2 Experience of accession to the European Union***

One further comparative advantage of Croatia's development policy is its experience of accession to the European Union as the result of comprehensive political, economic and social transformation that in administrative and technical terms implied the establishment of a very complex institutional infrastructure. This experience is conveyed to all candidate countries and potential candidates for EU membership, and the fact that most of these countries are located in the immediate neighbourhood of Croatia, more precisely at the external borders of the EU, and that in many cases the linguistic and social barriers are easy to overcome, additionally speak for establishing more intensive cooperation with these countries and conveying to them our own experience to help them join the EU. Since it is a strategic foreign policy interest of the Republic of Croatia, we will continue to share our experience of the EU accession and promote the importance of the European prospects to ensuring security, development and economic progress among the candidate countries and potential candidates. Within the EU, the Republic of Croatia will continue to promote further development, guidance and use of financial instruments and other development tools for the countries with prospects of EU accession and for the countries that show interest in this unique experience.

#### ***3.3 Tradition of partnership relations with developing countries***

The Republic of Croatia can use the opportunity to establish relationship with developing countries that is untypical of the current relations between developed and developing

countries, which can contribute to the global concepts of the South-South and Triangular Cooperation, and thus make it possible to approach developing countries more directly and cooperate unburdened with the traditional divisions between the global North and South. The fact that in the period of the Cold War students from the countries of the Non-aligned movement came to study in the Republic of Croatia, as well as that other relations were developed with such countries during that time, are the experience that should be used today, placing focus on the foreign-policy goals of the state of Croatia that include the promotion of the values of peace, freedom and democracy.

## **4 CHALLENGES TO CROATIA'S DEVELOPMENT COOPERATION AND HUMANITARIAN AID POLICY**

### ***4.1 International relations***

As is the case in all new donor countries, the important challenge to Croatia's development cooperation and humanitarian aid policy is by all means its own positioning on the global development map, which will be endorsed by continuously promoting our comparative advantages in international forums, primarily the UN, as well as by promoting interdependence of peace, security, state building and development, and the importance of conflict prevention and peace-building diplomacy when drafting global strategic documents in the area of development and humanitarian policy.

Due to great enlargement starting in 2004, the European Union of large donors with their longstanding political and economic relations with developing countries and their traditional representation in such countries and significant funds invested to encourage their development, also got new and smaller donors that cannot match the amount of the official development assistance but who, on the other hand, do not carry with them a burden of historical relations and, crucially, who have the experience of their own development and their own transition.

For that reason, as a Member State of the European Union, the Republic of Croatia will further step up its work in the institutions and EU working bodies with targeted secondment of its experts in order to leverage their unique experience, knowledge and capacities to improve the EU development and humanitarian policy. In particular, through active participation in the development of strategic documents and guidelines, the Republic of Croatia will promote the relevance of its own experience and incorporate it into EU common development policy.

Furthermore, as a small and proportionately new donor, the Republic of Croatia will actively encourage bringing closer together EU Member States and other international partners with similar experiences and capacities to create a coalition of small donors that can foster a reduction in traditional global divisions between the North and the South and serve as a bridge between the two groups of states whose divisions continue to significantly affect negotiations on important global issues. This framework will also be used to promote the importance of small donors, as well as addressing challenges such as disparities in opportunities to contribute to strategic planning and implementation of development policy.

In the international context, the Republic of Croatia will also encourage cooperation in the South-South direction, which implies cooperation among the developing countries as well as the Triangular Cooperation that brings developed countries to the South-South relations as the third partner. The aforesaid forms of cooperation will diversify the global development paradigm and open up a new space for exchanging our own experiences, which in many ways go back to back with the transposition of the transitional experience of EU Member States. In this way, less developed countries will be able to benefit from the development lessons collected by the transition countries and emerging economies, on whose example and

experience they will be able to base their own development. By promoting this type of cooperation, the Republic of Croatia can strengthen its relations with the developing countries and exchange with them the experience gained in the process of transformation.

Finally, at the multilateral level, the Republic of Croatia will continue to support international institutions and multilateral development banks, such as the World Bank Group, the European Investment Bank, the European Bank for Reconstruction and Development, the Development Bank of the Council of Europe and the Inter-American Development Bank, covering the areas of development cooperation and humanitarian action, both politically and financially, and will, depending on the needs, consider further channelling resources to organizations whose priorities and actions are aligned with the development and humanitarian priorities of the Republic of Croatia. In this context, and in accordance with our foreign policy interests, we will consider the opportunities for greater political rapprochement or accession to relevant international organizations such as UNIDO<sup>30</sup> and will continue preparations for accession to the Organization for Economic Cooperation and Development<sup>31</sup>, in particular its Development Assistance Committee<sup>32</sup> that brings together the most prominent and the most developed donor countries.

The Republic of Croatia will also endeavour to support and enrich the activities of the EU and international institutions, by promoting Croatian interests through the involvement of our national experts in their work and focusing on the systematic inclusion of our national experts in international missions and developmental and humanitarian projects, to strengthen our international visibility.

#### **4.2 National framework for cooperation**

For the planning and implementation of development and humanitarian policy, fulfilment of priorities and achievement of goals and commitments, it is important to cooperate with all institutional and non-institutional stakeholders at the national level. Furthermore, raising public awareness of the development and humanitarian policy is also a key task, on the success of which addressing numerous other challenges will depend. Through a comprehensive communication strategy, transparent planning and implementation of development and humanitarian projects, public outreach, information work, convergence and awareness of the international development and humanitarian policy, the local public will gain a more comprehensive picture of the development and humanitarian policy and its benefits, thereby providing public support for a policy that has a direct impact on global but also on the national development and security.

In order to strengthen the capacities of the national stakeholders in the development and humanitarian policy, the Republic of Croatia will systematically inform and train interested

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<sup>30</sup> UNIDO – UN Industrial Development Organization.

<sup>31</sup> In April 2014, an Inter-agency working group was set up to strengthen cooperation between the Republic of Croatia and the Organization for Economic Cooperation and Development with the aim to gradually strengthen and develop partner cooperation with a view to ultimately joining the organization.

<sup>32</sup> In April 2014, Croatia filed its application for joining the Development Assistance Committee of the Organization for Economic Cooperation and Development.

stakeholders to make them aware of the possibilities of using the EU's external financial instruments and encourage them to cooperate and exchange experiences with partners within the EU. Furthermore, Croatia's diplomatic network and the diplomatic network of the European Union will be further informed and trained on the Croatian policy of international development cooperation with the aim of providing quality support in defining, planning, implementing and monitoring the development cooperation programmes in third countries in terms of logistics, finance and advice.

#### ***4.2.1 Inter-institutional cooperation***

In accordance with the principle of policy coherence for development, the Republic of Croatia will further promote inter-institutional cooperation between the MFEA as the national coordinator of international development and humanitarian policy, and relevant institutions that influence development and humanitarian policy in terms of planning, implementation and reporting. The Inter-Institutional Working Group on Development Cooperation and Humanitarian Aid Abroad will continue to work as the national co-ordination platform and serve to exchange views, align policies and make strategic decisions and guidelines. Other possibilities for strengthening inter-institutional cooperation will also be discussed as needed.

The national policies such as trade, migration, agriculture, industry, energy, finance, environment, or security policy have a significant impact on the development policy, and changes in these policies can, to a lesser or greater extent, positively and negatively influence the progress of developing countries. Likewise, many authorities in charge, such as the Ministries of the Interior, Health or Education, have the capacity, knowledge and experience that they directly convey to the interested developing countries through their own development projects and decentralized financial management. In the implementation of the development cooperation and humanitarian aid projects, especially in open conflict areas, cooperation between the civil and military sectors is often unavoidable, with key respect for international principles of neutrality, impartiality and independence of assistance. In this regard, MFEA will, in accordance with the Act on Development Cooperation and Humanitarian Aid Abroad, use its role as the national coordinator of international development and humanitarian policy to align these policies and focus relevant international development projects on sectorial and geographical areas, harmonize the foreign policy dimension and the developmental impact of the institutions in charge to achieve synergies and reduce the risk of project overlapping.

At the national level, MFEA will continue to strengthen cooperation with other institutional stakeholders, such as the Croatian Parliament, state administrative bodies, regional and local self-government and the relevant public institutions.

#### ***4.2.2 Cooperation with non-institutional partners***

For the comprehensiveness of the national development and humanitarian policy, it is key to cooperate with non-institutional partners as well, such as civil society, private sector, academic community and religious communities. Their volunteer, corporate-social, humanitarian and research work, due to their direct impact on development, is of special

importance and will serve as the basis for establishing a platform for cooperation. As regards volunteering in particular, and in accordance with EU principles<sup>33</sup>, we will encourage coordination of action to achieve synergies and prevent loss of financial and human resources on the ground.

As direct participants in democratic processes, the supervisors of good governance, respect for human rights and the rule of law, in particular of the protection of the most vulnerable social groups, and also as important stakeholders in activities protecting cultural diversity and promote intercultural dialogue, civil society organizations are among the key partners in development policy. The Republic of Croatia will continue to work actively with international civil society organizations and to cooperate with national organizations within the civil society platform for international development cooperation through which we will exchange experience, knowledge and advice for strengthening the national policy of development cooperation and humanitarian aid. We will support strengthening the capacities, scope and extension of membership of the civil society platform, especially to include veterans' associations and co-operatives that offer concrete experiences in the area of post-war transition through their projects in the Republic of Croatia and abroad. Through public calls and competitions, the Republic of Croatia will encourage networking and capacity building of both Croatian and partner local civil society organizations, support their engagement on the global scene, facilitate their participation in international development cooperation projects and thus encourage the transfer of experience.

Furthermore, through umbrella organizations and business associations, as well as through direct communication, the Republic of Croatia will endeavour to establish regular cooperation with interested private sector representatives with whom it will – modelled on the civil society platform – share experience and knowledge about investment opportunities in developing countries, consider new opportunities for cooperation in development projects and the possibilities for cooperation with the banking sector as regards financing such activities. Bearing in mind the importance of balanced and inclusive economic development, cooperation with the private sector will be based on respect for ethical, labour, environmental and social values and principles.

Collaboration with the academic community will be focused on developing and enriching curricula in the field of international development cooperation and humanitarian aid, which will improve the understanding of and interest in this policy among the national scientific community. Strengthened cooperation will boost the involvement of the scientific community in international scientific cooperation and will open up new opportunities to Croatian scientists for transferring and exchanging knowledge.

The role of religious communities in the area of development cooperation and humanitarian aid is of special value because they promote peace, solidarity and justice. Collaboration with

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33 Regulation (EU) No 375/2014 of the European Parliament and of the Council of 3 April 2014 establishing the European Voluntary Humanitarian Aid Corps ('EU Aid Volunteers initiative')

the Catholic Church contributes to the realization of the common interests because Catholic missionaries have a long tradition of presence and positive results achieved in the least developed countries, in which the Republic of Croatia has no institutional presence. The Republic of Croatia will also strengthen its cooperation with other religious communities and will work with them internationally so as to promote the values and positive effects of solidarity, peace, inter-confessional dialogue and tolerance.

### **4.3 Financial requirements**

Since its independence, the Republic of Croatia has been providing certain forms of official development assistance (ODA). In the 1990s, hundreds of thousands of refugees from Bosnia and Herzegovina were accommodated<sup>34</sup>. Development cooperation with BiH and neighbouring countries has continued with numerous projects that enable social, economic and political activities of Croatians in these areas. Over time, development cooperation has advanced and now encompasses the overall social development in those countries. Since 2009, when the Republic of Croatia began to officially record allocations for ODA, great efforts have been invested in raising awareness of national institutions that the projects implemented need to be recorded and reported as international development projects.

In 2011, the Republic of Croatia became a donor in its own right and as such it assumed, together with the rest of the developed world, and in particular as an EU Member State<sup>35</sup>, the international obligation from the Addis Ababa Action Agenda<sup>36</sup> concerning the allocation of official development assistance for developing countries. Although it will, in this period of budgetary constraints and unpredictable macroeconomic environment, pose a significant challenge to Croatia's development policy, the Republic of Croatia will, in accordance with its international obligations, strive to continue to gradually increase ODA to reach the target allocation level of 0.33% of GNI by 2030.

Likewise, in the context of EU membership and associated mandatory contributions to external EU instruments, the Republic of Croatia will endeavour to maintain the bilateral component of its development cooperation at an appropriate financial level and a ratio of 20% of overall ODA with which it will be able to continue to implement its specific development programmes with a view to meeting the national priorities and ensuring the recognition of Croatia's development policy in the international environment.

At the same time, the Republic of Croatia will promote innovative ways of funding, such as blending loans and grants, but also using cooperation tools such as joint programming and delegated cooperation. This way, we will support the integration of financial and non-financial forms of cooperation as well as stronger involvement of other domestic and international stakeholders and ultimately more efficient mobilisation of domestic resources

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<sup>34</sup> In 1992 alone, more than 400,000 refugees from BiH were accommodated. Source: *Report of the Government of the Republic of Croatia on the Return and Accommodation of Displaced Persons and Refugees, Zagreb, 1998.*

<sup>35</sup> *Council Conclusions on New Global Partnership for Poverty Eradication and Sustainable Development after 2015, Brussels, 2015.*

<sup>36</sup> *The Outcome document of the Third International Conference on Financing for Development: Addis Ababa Action Agenda, Addis Ababa, 2015.*

and better governance of partner countries' finances in order to stimulate their own development.

At this point, the financial resources of international development and humanitarian policies are decentralized to the competent authorities. Bearing in mind further evolving of the national policy of development cooperation and humanitarian aid, the Republic of Croatia will, considering the best practices within the European Union, consider facilitating administrative and technical procedures in the implementation of international development and humanitarian policy. The possibility of pooling the implementing activities of the bodies and the financial centralization in a national implementing body responsible for the implementation of the national policy for development cooperation and humanitarian aid will also be considered, if it proves necessary, effective and feasible.

#### ***4.4 Administrative requirements***

In order for the policy of development cooperation and humanitarian aid to gain more impact, pragmatism, flexibility and transparency and more effectively respond to the new challenges of the global development policy, the Republic of Croatia will consider improving and strengthening the legislative and institutional framework, enable optimum action in both development and humanitarian policy, for the beneficiaries and for the Republic of Croatia as a donor. In addition, increased awareness of the relevant state institutions, or policies – e.g. trade, migration, environmental, industrial, energy or agriculture - and their interdependence with development and humanitarian policy, will encourage policy coherence for development at the national level. Strengthened cooperation and exchange at the national level will actively involve institutions in recording projects, training, assistance in capacity building or other forms of support to peer institutions of the beneficiary states, as official development assistance.

During the implementation of development projects, special emphasis will be placed on monitoring, reporting and evaluation, with predetermined indicators for the measurement of results. During planning and during monitoring and evaluation, an important element will be direct cooperation with the recipient on the ground. Based on the lessons learned, the Republic of Croatia will continue to work on improving the planning and implementation of development policy, thus strengthening the effectiveness and impact of its international development policy. In addition, with a view to achieving the flexibility of implementation of development cooperation, especially in cases of global humanitarian disasters, the Republic of Croatia will consider facilitating and speeding up administrative and technical procedures in order to respond to humanitarian crises in a timely manner.

During the planning and implementation of development and humanitarian projects, the Republic of Croatia will use its own diplomatic network and the diplomatic network of the EU, and its representatives in international institutions, to collect information, regular reporting and concrete administrative support, as well as for establishing direct cooperation and support in the field, in which we will place emphasis on additional training and regular reporting to the diplomatic network about Croatia's development projects in beneficiary states.

In this respect, steps will be taken for further engagement with the diplomatic network of the EU.

## 5 SECTOR AND GEOGRAPHIC PRIORITIES

Sector and geographic priorities are interlinked and selected depending on the political, economic and security interests of the Republic of Croatia, driven by specific knowledge and experience in the area of peace and security, post-war transition/reconstruction, recovery, state building and comprehensive reforms prior to the accession to the EU and related promotion of human rights, empowerment of women and promotion of the responsible economy. The priorities of Croatia's foreign policy, security policy and economic policy are mutually compatible with development priorities. With clear commitment to a limited number of sector and geographic priorities, the Republic of Croatia will continue to reduce the fragmentation and the amount of projects, thus enabling more effective implementation of development cooperation and consequently greater visibility and recognition both nationally and internationally. With the same goal, the Republic of Croatia will also seek to strengthen cooperation and coordination with donor countries that have matching sector and geographic priorities.

Bearing in mind constant changes in the global development landscape as well as new developments on the international scene, the Republic of Croatia will, depending on its situation, needs and interests, include in its development policy areas that are beyond the above-mentioned sector or geographic priorities in order to provide answers to new global challenges and to offer the interested international stakeholders, especially those in need, its knowledge and experience.

### 5.1 *Sector priorities*

Sector priorities have been selected according to the criteria for the utilization of our own knowledge and experience in the global context, our current experience in the implementation and the existing capacities, our focus on the main prerequisites to development and our compliance with the fundamental national priorities. Accordingly, the Republic of Croatia will focus its development policy on the following sectors:

- 1. Dignity of every human person.** Croatia's development cooperation and humanitarian aid policy will be guided by the focus on human development, human dignity, rights and well-being as well as human capacity development and full potential, regardless of sex, status, affiliation, belief or place of residence. Consequently, the promotion of fundamental human rights and inclusion will permeate all segments of this policy. Aware of the fact that poverty is universal, as it knows no geographic, social or age boundaries, and knowing that social exclusion based on prejudice is one of the main causes of social inequality, the Republic of Croatia will, in addition to fighting poverty, guide its development policy towards the ultimate goal of strengthening dignity and the political, economic and social inclusion of individuals who should be satisfied with their lives and roles in society and thus contribute positively to the development of their environment.

Special attention will be given to the following areas of human development:

- a. Education** (Agenda 2030 - Sustainable Development Goal 4) is one of the most important tools for promoting personal and professional development as well as mutual respect. The Republic of Croatia will continue to encourage the development of education systems in beneficiary countries and will further develop the system of international exchange in the field of education. Within the international community we will promote knowledge as a fundamental and universal human value that is free and has a multiplying effect when exchanged. In this regard, the initiatives for global education and promotion of innovation will be promoted, as well as exchange of scientific and technological achievements and the establishment and development of international platforms for free exchange of knowledge and discoveries in all areas of science and technology and for cultural cooperation and exchange. By the same token, interdisciplinary observation and measurement of development will be promoted, which, in addition to the usual economic and statistical sciences, will include a wide range of sciences such as ethnology, sociology, psychology, linguistics, anthropology, culture, historiography, comparative religion or axiology. Since culture is an important sector for the social development and development of people who promote reconciliation, participation of individuals in socio-cultural life and strengthening self-respect, we will encourage cultural diversity, intercultural dialogue and the development of cultural and creative industries as well as the preservation and restoration of cultural heritage. The Republic of Croatia will also advocate intergenerational solidarity and exchange of knowledge that will encourage inclusiveness and prevent the loss of knowledge. Lastly, the Republic of Croatia will seek to encourage exchange of university students from developing countries, aligning the country's specific needs with Croatia's priorities, particularly in terms of economic cooperation. In that light, we will pay special attention to sustainability of such projects by enabling return and self-employment in the partner country.
- b. Health** (Agenda 2030 - Sustainable Development Goal 3) will be at the centre of Croatia's development policy as a prerequisite to personal development, especially of women, children and youth. In this respect, Croatia will continue to contribute to the strengthening of the partner states' health systems, while the most vulnerable groups affected by the conflict will be provided psychological assistance, health care and rehabilitation, sharing knowledge of the performance of medical teams in conflicts. Strengthening public health systems will be supported, especially in the fight against pandemics, stimulating the reduction in the mortality of women, mothers and infants. Measures will be taken to encourage psychological and physical health, sport, healthy and safe nutrition and, generally, to eliminate hunger (Agenda 2030 - Sustainable Development Goal 2), as key components to reach a satisfied and happy individual.
- c. Protection and empowerment of women, children and youth.** (Agenda 2030 - Sustainable Development Goal 5) In its presentations, promotion, planning and implementation of development and humanitarian policies, the Republic of Croatia

will actively promote women's empowerment as well as active protection and education of children. Women and children are the most vulnerable groups during conflict. In addition to being the most common civilian victims, women have a significant effect on multi-sector development. Women are also indispensable in the process of reconciliation and post-war reconstruction, prevention of violence, especially sexual violence, self-employment and post-war reconstruction, and in support for the family during the crisis. The work on human resources development will contribute to creating a favourable entrepreneurial climate and the empowerment of women, especially entrepreneurs, as a significant economic and social factor. Children and youth will be imparted the opportunity to gain basic knowledge and skills, they will be provided with education to be able to contribute to the community in the best possible way.

- 2. Peace and security and the development of democratic institutions.** (Agenda 2030 – Sustainable Development Goal 16) Aware of the far-reaching and long-term consequences of conflicts, and with a view to reducing the risk of outbreaks, spillover or renewal of conflicts, the Republic of Croatia will point to the importance of timely recognition and action on the root-causes of the conflict. Additionally, we will focus on exploring the root-causes of conflict and finding appropriate programmes for their suppression. Through scientific research and promoting the truth about our Homeland War, we will share knowledge and lessons learned in dealing with the war and post-war challenges with the countries facing similar experiences.

In this respect, as a country with an immigration and emigration tradition, and especially as a country facing refugees and internally displaced persons during the Homeland War, and as a Member State on the external borders of the EU, the Republic of Croatia will continue to emphasize the importance of finding quality programmes to combat the causes of migration at their source. We will emphasize the importance of effectively suppressing all forms of radicalism through education on humanistic values, such as respect for human life, equality of all people irrespective of religion, national or other affiliation, equality of men and women, education for peace, pluralism and tolerance. We will emphasize the influence of the diaspora on the development of not only the country of origin but also of the host country.

Respecting the local context, we will endeavour to provide experience and knowledge in the area of state building aimed at strengthening the inclusive political and economic institutions that will promote the rule of law, proper governance and fundamental human rights. In parallel with the strengthening of the institutions, emphasis will be placed on strengthening the economic capacity, in particular the strengthening of small and medium-sized entrepreneurship.

Specifically, special attention will be given to the following two areas:

- a. Post-war transition.** In order to establish the prerequisites for sustainable development in post-war societies, the Republic of Croatia will focus its

development cooperation on sharing knowledge and experience in areas of peace building, including inter-ethnic and inter-religious reconciliation; disarmament; demobilization and resocialisation of war veterans; security sector reform; fight against impunity and prosecution of war crimes; cooperation with international courts; peaceful reintegration of the territory; the comprehensive model of tracing missing persons and identifying the mortal remains of those killed in the war; and sustainable resolution of the issue of refugees and internally displaced persons.

We will promote the establishment of national mine action systems, provision of psychosocial assistance to war victims, development of a legislative and institutional framework for the reconstruction and revitalization of the economy, with particular emphasis on tourism, recording war damage and cultural heritage restoration and the development of a social protection system.

- b. Accession to the EU.** The comprehensive process of transforming institutions and the society as a whole before accession to the EU, established national negotiating infrastructure and knowledge of the new methodology, rules and procedures of negotiations for accession are also a unique and very important experience that we will continue to transmit to the candidate and potential candidate countries for EU membership, and within the framework of the European Neighbourhood Policy.

Bearing this in mind, the Republic of Croatia will continue to collect and systematize its experience of the processes it underwent in its recent history, enabling the creation, institutionalization, preservation and transfer of the national memory to be enhanced by the experiences gained in the reports on implemented projects in partner countries. This way, the Republic of Croatia will in a visible and concrete way incorporate its national development component into the EU's and global instruments of international development cooperation and humanitarian aid.

- 3. Responsible economic development.** (Agenda 2030 - Sustainable Development Goal 8) Building sound foundations for the development of society depends on establishing smart, sustainable and inclusive economic environment that will be based on corporate, social and environmental responsibility free from corruption and respecting the local context. The Republic of Croatia will strive for economic empowerment of partner countries, as an important contributor to the permanent and sustainable progress of a society resilient to crises and natural disasters. In this respect, the Republic of Croatia will contribute to the construction and modernization of infrastructure and industrial capacities, largely through networking organizations such as UNIDO, which has a well-developed logistics network around the world, especially in our priority geographic areas.

As a country whose own development is based on the responsible use of resources, nature and biodiversity conservation, the Republic of Croatia will incorporate the

environmental protection component into development programmes, in particular with regard to responsible economy, tourism, agriculture and fisheries, sustainable production and consumption, and protection of marine ecosystems and water resources as the general public good (Agenda 2030 - Sustainable Development Goals 12, 14 and 15). Bearing in mind the growing climate change challenges, developing countries will be offered support in limiting or reducing their greenhouse gas emissions and adapting to climate change impacts (Agenda 2030 - Sustainable Development Goal 13). Likewise, we will advocate the right of indigenous peoples to sustainable possession and cultivation of land, and in the countries where cadastral ownership titles is not regulated, we will endeavour to regulate the country's leasehold of land which is the main source of income for the population.

Special attention will be given to inclusive and just economic development, i.e. economic development that will be evenly distributed across the population and have a positive impact on the development of society as a whole (Agenda 2030 - Sustainable Development Goal 10). We will promote compliance with international environmental, labour and social standards, step forward against child labour and promote the view that only reasonable work time for a fair pay ensures satisfaction, innovation and productivity of workers. Respecting the local context and customs is key to achieving positive effects both for the private sector and for the community. Early establishment of cooperation and finding common interest between civil society organizations, trade unions, the local community and the private sector is the basis for successful community integration and acceptance of investors. Consequently, such a relationship will bring higher profits and faster return on investment, whereas the market performance will be sustainable in long term.

Accordingly, in cooperation with the private sector, we will consider the possibilities to support the development of small and medium-sized enterprises and social entrepreneurship, lifelong learning for entrepreneurship and financial literacy as key skills, women entrepreneurship, knowledge-based economy, environmental protection and post-conflict revitalization of the economy, especially as regards tourism. We will encourage creativity, innovation and exchange of knowledge and experience.

## ***5.2 Geographic priorities***

The established criteria for the selected partner countries are the declared interest of the partner country to cooperate, the utilization of specific Croatian knowledge and experience, the experience of the cooperation so far and the overall interest of the Republic of Croatia in strengthening the overall bilateral cooperation. Accordingly, the Republic of Croatia will focus its international development cooperation on the three geographic areas. Within each geographic area, a limited number of key states (project countries) will be selected for project cooperation. Furthermore, in accordance with the criteria mentioned above, one country (programme country) will be singled out from each geographical area for which the existing and planned projects will be integrated into a comprehensive multi-annual development

cooperation programme that will be aligned with the partner country's national development priorities.

1. **Southeast Europe** - The Republic of Croatia has the knowledge, experience and capacity required by the countries in the Croatian neighbourhood, related to political, economic and cultural development, development of civil society organizations, development of institutions and leverage of the rule of law, good governance, fight against corruption and respect for human rights. Southeast European states are in the immediate neighbourhood of the Republic of Croatia and on the external borders of the EU, being candidates and potential candidates for accession to the EU, and the Republic of Croatia, as the newest Member State, can make a significant contribution to this process.

Within the region of Southeast Europe, the Republic of Croatia will pay particular attention to project cooperation with the following countries: Albania, Montenegro, Kosovo, Macedonia and Serbia.

- a. **Programme Country - Bosnia and Herzegovina.** Historical links, direct neighbourhood, a high degree of integration of our societies, cultures and economies, and the presence of the Croatian people as one of the three constituent peoples, are some of the key reasons why Bosnia and Herzegovina is one of the main development priorities of Croatia. In addition, Bosnia and Herzegovina is in the immediate neighbourhood of the European Union and is very important to stability and the final integration of the entire Southeast Europe. Therefore, the Republic of Croatia has a strong interest to support and assist Bosnia and Herzegovina in its political, social and economic development bringing it closer to EU membership. In this regard, the Republic of Croatia provides assistance in the fields of education, health, culture, institutional reform and alignment with EU legislation. We are assisting Bosnia and Herzegovina in strengthening civil society, empowering youth, reconstructing and building, encouraging small and medium-sized businesses and cooperatives, as well as in developing the private sector. Our support to Bosnia and Herzegovina is focused on the development of the entire society, with additional emphasis on the Croatian people as the main driver of systemic pro-European reforms and the guarantor of the existence of multi-ethnic Bosnia and Herzegovina. To make its development policy in BiH systematic and more effective and thus best respond to its development needs, the Republic of Croatia will prepare a multi-annual development programme that will include all development activities. The development programme will be prepared, implemented and monitored in cooperation with the competent authorities of Bosnia and Herzegovina and will be aligned with the development efforts of the European Union and other donors active in Bosnia and Herzegovina. This

will also present the opportunities for development partnerships with the leading donors in Bosnia and Herzegovina.

2. **Southern and Eastern Neighbourhood**, after Southeast Europe, is the next area of security, economic and political interest of both the Republic of Croatia and the EU. Because of its geographic position, this area is a sort of a bridge between the EU, Africa and Asia. In this respect, this region is an important stakeholder in security and migration considerations, as well as a partner with large capacity for the development of economic relations. The countries of the Southern and Eastern Neighbourhood have gone and in some parts are still going through a period of political and social transformation. The Republic of Croatia can make a contribution to solving and mitigating the consequences of these processes.

Within the wider region of the Southern and Eastern Neighbourhood, the Republic of Croatia will pay special attention to project cooperation with the following countries: Egypt, Iraq, Lebanon and Syria.

- a. **Programme Country - Jordan.** In a region characterized by long-term political insecurity, Jordan can be seen as an example of political stability that has positive impact on economic and social development. Jordan, consequently, is often the destination for refugees from the surrounding crisis areas. The current development cooperation between the Republic of Croatia and Jordan in the area of peace and security has shown significant positive effects, and strengthening of cooperation will bring benefits to both countries.
- b. **Programme Country - Ukraine.** The geographic position of Ukraine makes it an important partner for cooperation between the political East and West. It is an important country to the EU in terms of energy, political stability and security, and the Republic of Croatia is familiar with the current political, security and economic situation in Ukraine. For this reason, the Republic of Croatia is conveying its experiences through inter-institutional cooperation and is also contributing and plans to continue to systematically contribute to mitigating the consequences of the conflict, in particular through the transfer of Croatian experiences from the peaceful reintegration, the knowledge and experience in joining the EU and the provision of humanitarian and development assistance, including the projects of building the institutional and legal framework for the management and care of internally displaced persons and refugees, mine action and humanitarian demining, psycho-social assistance to victims, protection of cultural heritage, training doctors in the treatment of post-traumatic stress, resocialisation of war veterans and others.

3. **Developing countries** are geographically dispersed but thematically very close, facing similar challenges of fragility, instability, conflict and political, economic and

social transition. By cooperating with these countries, the Republic of Croatia will not only ensure the fulfilment of international obligations<sup>37</sup> but will have the opportunity to directly convey its own experiences and also open the possibility for further development of mutual cooperation in the political and economic field. In selected countries, the development cooperation so far has shown effective results, on which we can continue building our cooperation, while in some of them we see opportunities for furthering overall bilateral relations. Encouraging development cooperation with countries such as Afghanistan and Tanzania will, among other things, help the Republic of Croatia expand its development cooperation beyond its narrow regional scope, and will ensure openness to countries that express the need for Croatian experiences, while cooperation with Colombia will open up other forms of political and economic cooperation as well as mutual exchange of experience and cooperation in other developing countries.

Among the mentioned countries, and in accordance with the above criteria, the Republic of Croatia will pay special attention to project cooperation with: Afghanistan, Colombia and Tanzania.

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<sup>37</sup> In accordance with the conclusions of the UN Conferences on the Least Developed Countries, followed by the Monterrey Consensus (2002), the Addis Ababa Action Agenda, and the consequent EU's Council Conclusions, the developed states made an obligation to allocate 0.14-0.2% of their GNI to assist the Least Developed Countries.

## **6 PRINCIPLES OF DEVELOPMENT COOPERATION AND HUMANITARIAN AID**

Aware of its comparative advantages and limited resources, as well as of the fact that by encouraging the development, security and stability in other countries it also fosters its own development, stability and security, the Republic of Croatia will primarily promote mutual interdependence and coherence of peace, security and development. In this context, the Republic of Croatia will promote a comprehensive approach of the EU<sup>38</sup> to the transformation of conflict into dialogue through early warning and preparedness, conflict prevention, crisis response and management, early recovery and sustainable reconstruction, stabilization and peace building, state building, strengthening resilience to future crises and disasters, and long-term sustainable development.

Development is a key objective and an instrument of foreign policy that contributes to the achievement of solidarity and justice in international relations and consequently promotes these values in different societies. Without solidarity and justice as the key principles underlying the development, the foundations of all political and social systems dissolve. Development based on solidarity and fairness enables all nations to gather their powers and become creators of their own destiny and invites every human to personal progress and development. The principle of humanity means full commitment to human development and alleviation of suffering, it places the human at the centre, while the target and means of development cooperation include dignity, rights and well-being of the human and the development of human capacity, raising awareness and reaching one's full potential. During the planning and implementation of the policy of international development cooperation and humanitarian aid, the Republic of Croatia will incorporate internationally established principles, paying special attention to observing the principles of solidarity, justice and humanity.

Furthermore, persons can achieve their full potentials if they enjoy basic human rights and non-discrimination, and if they have confidence in the good governance of the institutions and the rule of law. Particular emphasis in the planning and implementation of development policies will be placed on setting the basic prerequisites for sustainable development of the society.

During the programming of the cooperation with partner countries, Croatia will link the initial humanitarian activities, cooperation in the reconstruction and development cooperation. The programmes will also rely on achieving resilience and reducing the risk of new outbreaks of crises, and on increased preparedness for natural disasters. Likewise, given the fact that natural disasters cause profound humanitarian crises in which even the developed economies often require the assistance of the international community, the Republic of Croatia will promote equality of treatment in the provision of humanitarian assistance, specifically, it will stand for the possibility of recording all aid requested through official international channels.

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<sup>38</sup> *Conclusions of the EU Council on EU Comprehensive Approach, Brussels, 2014.*

In the area of humanitarian aid we shall promote internationally established principles of humanity, neutrality, independence and impartiality<sup>39</sup>. Development cooperation and humanitarian aid will be based on the principles of transparency, effectiveness and focusing which will seek to further reduce fragmentation and increase the impact of the aid provided. Finally, to ensure the full involvement of the partner countries, in the initial stage of planning and implementation of development programmes we shall insist on mutual accountability and ownership of the beneficiaries, from which both partners emerge mutually strengthened. Accordingly, we will develop partnerships with international organizations that can most effectively respond to crisis situations.

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<sup>39</sup> *European Consensus on Humanitarian Aid, Brussels, 2008.*

## 7 EXPECTED EFFECTS

*Table 1 Strategic objectives and expected effects*

	<b>Strategic goals</b>	<b>Concrete steps</b>	<b>Expected effects</b>
1.	Promoting the policy of preserving peace, interdependence of international security and development, prevention and peaceful resolution of conflicts.	In international forums (EU, UN, the Organization for Economic Cooperation and Development) gather allies and like-minded, encourage discussion and promote decisions on the prevention and peaceful resolution of the crises.	Interdependence of peace, security and development becomes recognizable principle in global development discourse.
		Incorporate into draft final documents and conclusions of international events Croatia's views on the interdependence of peace, security and development.	The Republic of Croatia is seen in global arena as a promoter of the principles of peace, security and development.
2.	Promoting and implementing own unique experiences of war and post-war democratic transition as well as the experience of joining the EU in international development projects.	Develop a catalogue of the transition experiences of the Republic of Croatia with individual thematic studies and an expert base (for example in the area of reconciliation, demining, disarmament and resocialisation of veterans, tracing missing persons, etc.).  Further expand the expert base for knowledge transfer from the EU accession.	Partner countries use the Catalogue of transition experiences and experts.
		Develop an instrument of transmission of the transition experiences to interested developing countries and integrate it into existing instruments of technical assistance of the EU, such as <i>TAIEX</i> and <i>Twinning</i> .	Interest of foreign donors for cooperation in joint projects arising from the application of the Catalogue.

		National experts systematically involved in the work of international and EU institutions as well as in international missions and projects of development and humanitarian aid.	Domestic and international public recognizes the Croatian experience of democratic transition and the contribution of Croatian experts in its transfer.
3.	Creating conditions for closer cooperation and global recognition of new and small donors.	Encourage the gathering of the EU and other international partners with similar experiences and capacities.	Coalition of small and new donors.
		Point to the advantages of small and new donors, who can reduce the traditional division between the global North and South; but also to the obstacles such as the unequal opportunities for contribution.	The importance of the role of small and new donors in development and humanitarian policy internationally recognized.
		Politically and financially support and get closer to the relevant international organizations through which Croatia will get a chance to strengthen its position, meet the priorities and promote capacities.	The Republic of Croatia becomes a member of the Development Assistance Committee of the Organization for Economic Cooperation and Development.
4.	Greater inclusion of national political, economic and social stakeholders and strengthening of the support of the Croatian public for development and humanitarian policy.	Ensure compliance of national policies with the policies of international development cooperation and humanitarian aid.	Achieved synergy of international action, cooperation among institutions so that policies are not mutually opposed; using the resources focused and effectively.
		Ensure cooperation with non-institutional partners and encourage their active engagement in the development and humanitarian policy.	Non-institutional partners gathered within the national platform, advise and implement policy in line with national priorities.
			Systematic informing and training of interested partners raising awareness of the possibilities to use the external financial instruments of the EU for the implementation of development and humanitarian policies.

		Systematically inform and organise a series of events so as to improve the outreach of the development and humanitarian policies in the media and thereby foster public understanding of the potential, role, objectives and importance of this policy as an instrument for achieving sustainable development and international security.	Increased public awareness and support for development and humanitarian policy in the Republic of Croatia.
5.	Fostering the implementation of comprehensive development programmes with a smaller amount of consolidated, focused and effective projects and ensure a gradual increase of official development assistance in accordance with the international obligation.	In cooperation with the partner countries, produce comprehensive multi-annual development programmes.	Smaller number of larger and impactful projects in accordance with sector and geographic priorities.
			Croatian development programmes recognised among partner countries and other donors.
		Use the Croatian and EU's diplomatic network for planning and implementing the development and humanitarian policy.	Croatian and EU's diplomatic network familiar and actively participating in all phases of planning and implementation of the projects.
		Gradually increase the financial volume of ODA with the aim to reach the level of 0.33% of GNI by 2030 and strive to keep the bilateral component of the development cooperation at 20% of total ODA.	International obligation with regard to ODA provision fulfilled.
6.	Streamlining the national legal and budgetary framework with a view to effectively implement development and humanitarian policy	Analyse and adjust the legal, institutional, administrative and technical frameworks for the purpose of flexible, effective and, if necessary, accelerated implementation.	Planning and implementation of development and humanitarian policies without administrative barriers.
		Consider institutional consolidation of national development	Possibilities and capacities estimated and a decision

and humanitarian activities within a single national body.

taken with respect to the centralization of development and humanitarian policies at national level.

The National Strategy shall be published in the Official Gazette of the Republic of Croatia.