

# ICPS newsletter®

## Visegrad countries take lead in democratic aid to Ukraine

*This was one of the main conclusions ICPS experts drew in their study called "Supporting Consolidation and Democracy Assistance Policies among V4 Countries: Ukraine" prepared as part of a PASOS report called "Democracy's New Champions: European democracy assistance after EU enlargement." The report assesses the role of the Visegrad countries—Poland, Hungary, the Czech Republic, and Slovakia—in the democratization of four selected countries, including Ukraine. Themselves recent recipients of technical assistance, the V4 are developing their foreign policies priorities as new EU members and linking small but significant assistance funds to these priorities. How effective have V4 countries been, in supporting Ukraine's democratization and what are the best channels for this? ICPS Director Olha Shumylo and analyst Natalia Shapovalova examined the strengths and weaknesses of the V4 and provided policy recommendations for further assistance*

### Democratization: The lion's share of V4 aid to Ukraine

The overall impact of the V4 on Ukraine's democratization has been tremendous. It has ranged from support to democratic transformation at a very high political level and expert cooperation in and support for the implementation of reforms, to daily people-to-people contacts. *The V4 are low-budget donors compared to the US, Canada or Sweden, but the lion's share of their development assistance to Ukraine goes to democratization projects.*

Because of this, the V4 countries have become leading European actors in this field, with Poland taking the lead in the case of Ukraine. Moreover, the V4 have the scope to increase their funding over the years to come in order to meet EU targets for a higher share of gross domestic product (GDP) allocated to official development assistance.

In the case of Ukraine, certain factors were arguably more important than the amount of aid, in particular peer pressure on the V4 side, combined with an understanding of transformation processes, fresh experience in this regard and the readiness to share it. Democracy assistance was not necessarily provided under V4-funded projects. Expert support was given through projects funded by other donors, such as the UK's GOF Reuniting Europe Programme, or the East-East Partnership Without Borders program of the Open Society Institute and USAID.

### International Visegrad Fund: 127 scholarships in 2 years

Joint initiatives of the V4 include the International Visegrad Fund (IVF), which was initially set up to support closer cooperation between these four countries during their accession to the EU. Immediately after its launch in July 2000, the Fund focused primarily on activities and projects within the V4.

In 2005, however, the activities of the Fund were extended to neighboring countries, including Ukraine. Since 2005, assistance to Ukraine has nearly doubled. Support through grants has been small in number, whereas assistance through scholarships for Ukrainian students and scholars has been more significant. Over 2005-2007, Ukrainians received some 127 scholarships worth € 738,000.

### V4 NGOs the best partners for democratization projects

#### *Recent transformation experience*

The advantage of cooperation with V4 partners lies in their recent experience with democratic transformation. This experience can be transferred to Ukraine while the institutional memory of the organizations that themselves underwent the transition is still fresh. As one Ukrainian expert put it, "We are traveling the road they have already trod in building a civil society, in making reforms, and in debating European and Euro-Atlantic integration."

### ICPS downgrades economic forecast

ICPS has downgraded its economic forecast due to a sudden worsening of conditions for export and more restricted access to external credit, both resulting from the deepening global economic crisis. In our initial forecast we expected GDP to grow, though at a slower pace, during the forecast period. Now we foresee a much slower economic growth in 2008, decline in 2009, stagnation with gradual recovery in 2010, and modest economic growth in 2011.

Ukraine's economic outlook in 2009–2011 will be covered in more detail in the next issue of *quarterly predictions*, due in December 2008 (electronic version) and January 2009 (print version). ■

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#### *Long-term partnership*

Ukrainian NGOs have a long history of cooperation with their counterparts from the V4. Having begun in the 1990s, they continue to expand their partner networks into different regions of Ukraine: the Stefan Batory Foundation of Poland or People in Need (PIN) 54 in the Czech Republic are good examples.

At the same time, V4 NGOs have also been among the strongest advocates of Ukraine's European prospects within the EU. The number of advocacy activities in support of Ukraine's accession organized in Brussels and other EU country capitals by V4 NGOs and private foundations, such as the Warsaw-based Stefan Batory Foundation, the Warsaw-based Institute of Public Affairs, the Prague-based EUROPEUM Institute for European Policy, and the Bratislava-based Slovak Foreign Policy Association, greatly outnumbers the activities of Ukraine's own NGOs in this respect.

The assistance of V4 countries has also been significant, as it has come through two channels: governments and NGOs. Government assistance has been limited in terms of funds but very focused, whereas NGOs has helped Ukrainian NGOs with expertise through joint research and advocacy projects.

## Strengths of V4 democracy assistance

V4 democracy assistance has been strong for several reasons.

*Peer pressure and crisis mediation.* V4 governments, especially the Poles, have been the biggest critics of Ukraine's transformation processes, but their criticism has been accepted much more readily by Kyiv than, say, critical voices from Brussels or other EU-15 capitals. It was President Kwasniewski who maintained a special working relationship with Ukraine over 2000–2004, even when Ukraine was not high on the EU agenda. At the same time, Mr. Kwasniewski convinced EU leaders, including EU High Commissioner Javier Solana, to come to Kyiv to mediate the political crisis during the 2004 Orange Revolution.

*Advocacy for EU and NATO membership and practical assistance.* V4 countries have been the strongest advocates for Ukraine's EU membership prospects. Poland has particularly worked on drawing EU attention to Ukraine as a potential candidate for membership. Later on, the Polish Foreign Ministry, in cooperation with the country's NGOs, proposed an "Eastern Dimension" to the European Neighborhood Policy. Other V4 member states have been quite modest in their political support for Ukraine's European aspirations. However, these countries found their niche in helping Ukraine in concrete and practical terms, such as the support of the Slovak and Czech governments for implementing the EU-Ukraine Action Plan. The V4 governments also invested in promoting people-to-people contacts with Ukraine by granting visa-free access for Ukrainian citizens (up until 21 December 2007).

*Investment in human capital.* One of the most positive developments has been assistance in the form of scholarships. Almost all V4 governments, as well as the IVF, provide scholarships for Ukrainian students and scholars. These scholarships annually outnumbered the very modest

number of scholarships provided by the US, the EU and non-V4 member states put together.

*Support to small and lesser-known NGOs.* In contrast to big donors, V4 governments were not afraid to fund projects that allowed small Ukrainian NGOs, sometimes unknown beginners, to participate, develop skills and gain experience. Moreover, these projects aimed at solving less visible aspects of democracy assistance were usually neglected in big-donor projects, especially at the local level.

*Range of areas of cooperation.* While cooperation with NGOs from old member states is typically ad hoc in nature and the scope of projects limited, cooperation with V4 NGOs started from small projects and rolled over to bigger, ongoing initiatives.

*Equal partnership and mutual ownership.* In all cases, cooperation with V4 countries was on the basis of a relationship of equals. The leading role was usually assumed by whichever partner was eligible to apply for funds. In the case of V4 MFA funding, V4 NGOs took the lead, whereas in projects with US or other funding, Ukrainian NGOs often led. Even with V4 leadership in a project, Ukrainian NGOs felt ownership, as they were able to design projects and be equal partners in the implementation.

## Weaknesses in V4 democracy assistance

*Lack of coordination of aid priorities and funds.* There was little coordination between the IVF and V4 government aid priorities and funds. Each government provided support to a number of policy areas. However, some project areas overlapped, while other areas remained untouched. In addition, V4 governments tended to support small projects instead of long-lasting partnerships between Ukrainian and V4 NGOs. Multilateral projects with the involvement of more than one V4 partner were an exception rather than the rule.

*Cumbersome procedures for small-grant schemes.* Ukrainian NGOs welcomed the initiative of small-grant schemes administered by some V4 embassies. However, in the case of the Polish Embassy, application procedures were cumbersome, leading to short project duration and making implementation less effective and impact less visible.

*Limited funds, largely absorbed by V4 NGOs.* V4 government project grants were mostly absorbed by their own NGOs, and relatively little funds reached Ukrainian organizations directly. This was typically the result of restrictive regulations for grant competitions in V4 states. "The Czech budget eats away more money than ours, even though we do 70% of the work on the project," complained a representative of one Ukrainian NGO.

*Difficulties in securing funds for spin-off projects.* Some joint initiatives were capable of surviving even after the end of the flow of V4 funds. But a number of NGOs, especially small grass-roots organizations, found it difficult to find means for joint-initiative spin-offs.

*Mostly bilateral cooperation.* Given their established long-term partnerships, V4 NGOs very rarely sought new partners in Ukraine. While this helped ensure the continuity of joint initiatives, it also limited the scope for other Ukrainian NGOs to benefit from the V4 experience. Moreover, Ukrainian NGOs usually had a partner in no more than one Visegrad country and very rarely engaged in multi-country initiatives.

In this way, the policies of Visegrad countries have had a major impact on democratic development in Ukraine. One of the main recommendations for the Governments and NGOs of these four countries is that they should continue to influence the transformation process in Ukraine. Specifically, this means: putting pressure on Ukraine's politicians to maintain political stability for the sake of democratization, continuing to advocate Ukraine's European aspirations, and establishing partnerly relations with NGOs in the regions. ■

*The report entitled "Democracy's New Champions: European democracy assistance after EU enlargement" was prepared under the PASOS project "Evaluating Democracy Assistance Policies and Priorities among Visegrad Countries." The report provides policy recommendation for V4 governments ([http://www.icps.com.ua/doc/Visegrad\\_democracy\\_pasos\\_sep08.pdf](http://www.icps.com.ua/doc/Visegrad_democracy_pasos_sep08.pdf)).*

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**icps newsletter** is a weekly publication of the International Centre for Policy Studies, delivered by electronic mail. To be included in the distribution list, mail your request to: [marketing@icps.kiev.ua](mailto:marketing@icps.kiev.ua).

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