

HUNGARY

0.09% Genuine aid/GNI

0.11% Total Aid/GNI

“Increasingly accelerated changes in the world have a lot of negative consequences and time and again pose new challenges for the countries of the world. ... All these changes and their adverse consequences make aid more important than ever; therefore more resources need to be mobilised around the world to counteract, or at least relieve, the tension and suffering.”

Péter Szijjártó, Minister for Foreign Affairs and Trade, 3 February 2015, Budapest, World Humanitarian Summit, Regional Consultation

Will your government meet the 2015 aid target?
NO

Main changes in 2014

Aid from has increased slowly but steadily over the last decade, but this is mainly because of multilateral aid resulting from contributions to the EU budget and EDF, combined with increases in bilateral disbursements arising from the increasing amount of refugee and student costs. In 2014, total ODA spending in absolute numbers increased to €108.6 million, which represents 0.11% of GNI. At €22.7m, bilateral ODA accounted for 21% of total ODA in 2014. Multilateral ODA increased to €85.9 m in 2014, up from €70 m in 2013.

The year 2014 saw important advances in Hungary's development cooperation policy framework. In March, Hungary's first-ever development cooperation strategy was approved by the government. The strategy was followed in December by the adoption of the country's first law on development cooperation. These positive developments have raised great hope in civil society that Hungary may eventually start to deliver on its long-delayed commitments. The strategy projects an increase in aid, including bilateral aid. However, the government has not produced any kind of plan to deliver on this commitment, either in the strategy or in any other documents. The strategy merely envisages concrete and significant increases in the aid budget of the Ministry of Foreign Affairs (MFA), but it represents only 2-3% of bilateral aid. Furthermore, since the strategy was adopted, two key budgets have been cut, bringing the MFA's aid budget down to between €100,000 and €200,000. This drastic cut reduces the MFA's aid budget to about one-fifth of what it was in 2014 and one-tenth of the amount projected in the strategy.

Trends and projections for 2015 and beyond

As reported above, in 2015 the government has continued to decrease the funding for the only programmed development budget (the MFA's budget), much to the dismay of NGOs. This move was particularly surprising given that it took place during the European Year for Development. Nonetheless, the influx of refugees to Hungary and Europe generally seems to have opened the eyes of the government to the fact that the only way to tackle the root causes of migration is to work locally in developing countries. In combination with the new framework

for the SDGs adopted by the UN, this might generate enough political momentum to push Hungary to start acting in a globally responsible manner and delivering on its aid promises.

After more than 10 years of Hungarian development cooperation it is essential to assess its contribution to development in a systemic manner. The need is even more pressing given the importance of aligning development cooperation with the new SDG framework and the interim evaluation of Hungary's new development strategy, due in 2017. No mechanism exists, however, for systematically monitoring or evaluating development cooperation. This casts some doubt on the government's ability to perform this exercise in a satisfactory manner.

Recommendations

The Hungarian government should:

- Draw up and adopt a roadmap for increasing Hungarian ODA, paying particular attention to the bilateral component, in order to fulfil Hungary's ODA commitments.
- To reduce the fragmentation of the development cooperation system, reform the existing system based on the foundations outlined in the new development cooperation strategy and law.
- Introduce a monitoring and evaluation system for Hungarian ODA that will allow stakeholders to track and increase the effectiveness of development efforts.
- Introduce and implement plans for the SDGs which also create the conditions necessary for policy coherence for development at all levels.

Hungary – genuine and inflated aid (€ million, constant 2013)

