

**0.24%** GENUINE AID/GNI

**0.29%** TOTAL AID/GNI

# HUNGARY



**Migration and terrorism, which are closely interlinked, pose the greatest threat to the security of Europe. [...] It is a vested interest of European countries and people that the European Union, Brussels, should support these countries."**

**Péter Sijjártó, Minister of Foreign Affairs and Trade, 22 November 2021**

## MAIN CHANGES IN 2021

In real terms Hungarian ODA and the ODA/GNI ratio have been steadily increasing since 2017 rising from 0.11% (2017) to 0.29% (2021). If this trend is to continue, Hungary will reach the 0.33% commitment within the next one to two years, achieve the DAC average of the last two years, and outperform several "old" donor states. Hungary's share of bilateral assistance has also been continuously increasing during the last five years from 26% in 2017 to 60% in 2021. All of this demonstrates that if the political will exists, radical and swift changes can be made in policy areas that are not necessarily a priority. In addition to political will, the other factor in this exceptional growth was setting a specific target for increasing ODA in the government's new development strategy for 2020-2025. This strategic approach is refreshing after the rather ad hoc planning and implementing mechanisms of previous years. However, what NGOs see as a less welcome change is the export promotion-centred approach of Hungarian development cooperation of recent years, which has become more focused on the interests of the donor, and less on those of the partner countries. Apart from the increasing levels of ODA, less is known about the real results and long-term impacts of Hungarian activities.

## TRENDS AND PROJECTIONS FOR 2022 AND BEYOND

There is no indication at the moment that the steady growth of Hungarian ODA will end soon. The impact of Russian aggression on Ukraine might be another motivation for the already growing Hungarian ODA to further expand, although economic realities stemming from the war may impact policy decisions otherwise. With the fusion of the previously split humanitarian and development frameworks NGOs hope for a more integrated development cooperation policy to emerge.



## CASE STUDY

A new development in 2022 is the transfer of the department responsible for humanitarian programmes and actions to assist persecuted Christian communities directly from the Prime Minister's Office to the Ministry of Foreign Affairs and Trade (MFAT), which manages the international development cooperation portfolio. This way the Hungary Helps Agency, which was previously assigned only to implement humanitarian actions, will also be responsible for the development programmes from now on. This step meets Hungarian NGO calls for more integrated coordination and implementation and will certainly have a positive impact on the previous fragmented institutional framework of Hungarian development cooperation. In the view of the NGOs, further measures are still required to achieve an appropriate level of alignment of humanitarian and development areas, and of the activities of the line ministries.

## THE GOVERNMENT'S RELATIONSHIP WITH CSOs

Before 2015, Hungarian CSOs had the opportunity to engage in open calls for proposals and in consultations with the government. This relatively intensive phase of cooperation and the open calls had come to a halt after 2015. With the emergence of new actors in the field like the Prime Minister's Office and the Hungary Helps Agency, cooperation with NGOs has been completely transformed. NGOs are perceived predominantly as aid implementers, although there is no specific policy instrument or focused budgeting for NGOs. Support to and through NGOs has been increasing during the last 2-3 years, and local NGOs are positively engaged by government. However, there are no mechanisms for structured dialogue or regular consultations with either donor country or developing country-based organisations. Recent years' open calls for development actions published by the MFAT have been tender calls more targeted at private companies than at NGOs. Project support provided

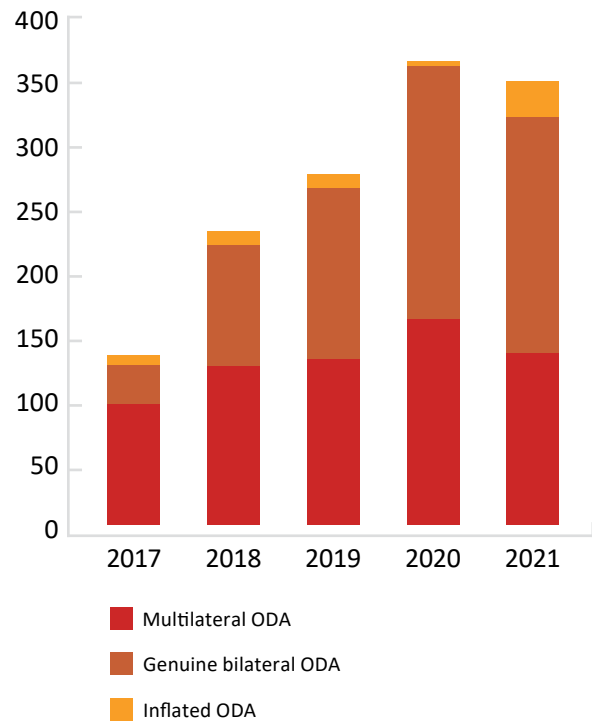


by the Hungary Helps Agency over the last two years is meant to assist the NGO sector and smaller NGOs in particular to grow. However, the lack of open calls prevents NGOs from gaining application experience and does not provide a transparent and predictable process and a level playing field for all.

## RECOMMENDATIONS TO THE HUNGARIAN GOVERNMENT

- Keep up the positive trend of the growing overall and bilateral ODA.
- Move towards more results-based and partner country-focused policy thinking, decision-making and implementation, in line with the principles of development effectiveness.
- Create the conditions for more integrated programming and implementation as part of a whole-of-government approach.
- Ensure broader and more inclusive involvement of NGOs as implementers and partners in structured dialogue with stakeholders.
- Further increase transparency, especially with respect to the results and long-term impacts of Hungarian ODA.

## HUNGARY – GENUINE AND INFLATED ODA (€ million, constant 2020)



**ODA TO LDCS (€ million, constant 2020)**

	ODA to LDCs	%GNI	% ODA
2017	24.7	0.0	18.0
2018	56.3	0.1	23.9
2019	52.5	0.0	18.8
2020	45.2	0.0	12.3

**AID MODALITY (€ million, constant 2020)**

	Bilateral (gross)	Grants	Loans	Loans (% of gross bilateral)
2017	36.3	36.3	0.0	0.0
2018	106.7	106.7	0.0	0.0
2019	141.8	141.8	0.0	0.0
2020	198.3	198.3	0.0	0.0

**ODA TO CLIMATE FINANCE (€ million, constant 2020)**

	ODA for mitigation	ODA for adaptation	Total climate finance	Adaptation finance as % of climate finance	Climate finance as % of ODA
2017	0.0	0.0	0.0	0.0	0.0
2018	0.0	0.0	0.0	0.0	0.0
2019	0.2	1.0	1.2	82.9	0.4
2020	12.4	12.4	24.8	50.0	6.8

**ODA TO SUPPORT GENDER EQUALITY (€ million, constant 2020)**

	Bilateral allocable	Total screened	Not screened	None	Significant	Principal	Significant (% of screened)	Principal (% of screened)
2017	32.2	0.0	32.2	0.0	0.0	0.0	0.0	0.0
2018	103.7	2.6	101.0	0.0	2.6	0.0	100.0	0.0
2019	140.6	140.6	0.0	68.9	71.7	0.0	51.0	0.0
2020	194.6	194.6	0.0	105.4	88.9	0.3	45.7	0.2

**ODA TO SUPPORT CSOs (€ million, constant 2020)**

	Non-CSO	CSO Earmarked	CSO Core funding	Total bilateral CSO support (% bilateral)	Total bilateral CSO support (% ODA)	Core bilateral CSO support (% bilateral)	Core bilateral CSO support (% ODA)
2017	36.0	0.1	0.1	0.7	0.2	0.3	0.1
2018	100.3	5.4	1.0	6.0	2.7	0.9	0.4
2019	65.5	75.2	1.2	53.6	27.3	0.8	0.4
2020	186.1	10.6	1.5	6.1	3.3	0.8	0.4