



The DAC's main findings and recommendations

**Extract from: OECD Development Co-operation Peer Reviews
Slovenia 2017**

Slovenia is making progress in building its development co-operation programme

Since joining the Development Assistance Committee (DAC) in 2013, Slovenia has developed and reformed its institutional system for delivering development co-operation and built key development expertise and experience in the ministries and institutions which deliver official development assistance (ODA). Slovenia has maintained a credible development programme through the years following the economic crisis, providing good foundations on which to build the programme as its ODA grows.

There is broad ownership by stakeholders of Slovenia's approach to development co-operation, which is an integral part of Slovenia's foreign policy. A wide range of ministries support development co-operation activities and participate in an inter-ministerial working body co-ordinated by the Ministry of Foreign Affairs (MFA) and tasked with aligning development co-operation with Slovenia's strategic priorities.

Slovenia plays an active role in regional and international fora, advocating for peace and security, the rule of law, protection of human rights and sustainable development. Human rights underpin Slovenia's approach to sustainable development, and it promotes gender equality and women's empowerment, and pays close attention to the rights of children, the elderly and other vulnerable people. Efforts to deal with climate change focus on water, natural resources and biodiversity.

Slovenia is a valued and trusted partner, particularly in the Western Balkans where it draws on shared cultural, linguistic, historic and institutional links. Slovenia's comparative advantage is in its experience of transition and accession to Euro-Atlantic structures, such as the European Union and the North Atlantic Treaty Organisation. It also has strengths in environmental and water management; public financial management; demining, rehabilitation of mine victims and humanitarian assistance in situations of conflict; disaster risk reduction and response; and scholarships.

SLOVENIA CAN BUILD ON ITS ACHIEVEMENTS

Setting the strategic direction of Slovenia's development co-operation

Slovenia is revising the act and the resolution which govern international development co-operation. While revisions to the resolution appear unlikely to improve the focus of Slovenia's development co-operation programme, the adoption of a strategy to guide implementation is an opportunity to set a clearer strategic direction.

The current footprint of Slovenia's bilateral co-operation is broad, covering three geographic regions – the immediate neighbourhood of the Western Balkans, the European neighbourhood and sub-Saharan Africa. While Slovenia adds value to its partners in the Western Balkans – where 67% of its bilateral ODA is allocated – it is hard to identify its added value further afield given the small size and broad spread of its bilateral co-operation efforts. A smaller geographic footprint which maximises Slovenia's comparative advantage in the countries of the Western Balkans and other countries in transition would ensure greater focus.

Although Slovenia is committed to eradicating poverty, reducing inequality and achieving sustainable development in its partner countries, and prioritises least developed countries, the large majority of its country programmable aid is directed to middle-income countries. The strategic direction of Slovenia's bilateral development co-operation would benefit from a clear explanation of its approach to poverty reduction, particularly in its neighbouring countries.

Slovenia is to be commended for its commitment to allocating 0.33% of its gross national income as ODA, and its ambitious aim to double its ODA/GNI ratio within the next 13 years. Assessing the consequences and risks of delivering this much larger development co-operation programme would help ensure that its action plan for achieving it is realistic.

Enhancing the impact of bilateral co-operation

Slovenia has established good practices, consulting closely with its partner countries and aligning its activities to the priorities defined in their national development strategies. However, the thematic priorities of Slovenia's small bilateral development co-operation programme (USD 25 million in 2015) are very broad, with projects being implemented in up to seven sectors in priority countries. While working in a variety of sectors reflects its flexible and pragmatic approach, its impact could be greater if it was to work in fewer sectors in each partner country.

In 2015, 15 ministries, 4 foundations and 11 non-governmental organisations (NGOs) were involved in implementing Slovenia's bilateral co-operation programme. While this involvement is positive, it makes for a very fragmented programme, involving 96 projects, mostly low in value, across 25 countries. The transaction costs associated with managing this large number of projects are high. To increase the impact of its bilateral co-operation, Slovenia would benefit from reviewing its current business model, reducing fragmentation and thereby lowering transaction costs. This could be achieved by implementing a smaller number of higher value projects, focused in two or three sectors per country, delivered through strategic partnerships in a defined selection of priority countries.

Focusing multilateral co-operation

The current 60:40 split between multilateral and bilateral co-operation appears appropriate to Slovenia's current circumstances. Slovenia makes contributions to international organisations and multilateral development banks to ensure its support reaches least developed countries. However, its multilateral ODA is comprised largely of assessed contributions to the European Union (49% of total ODA). Assessing how and which multilateral organisations might assist Slovenia to achieve its objectives, including reducing poverty in least developed countries, would allow it to be more strategic in its participation in, and contributions to, multilateral organisations, as its ODA grows.

Enhancing the strategic value of the framework programme

The Framework Programme 2016-19 covers many bilateral development co-operation, humanitarian assistance and public awareness-raising activities, but it does not capture the totality of Slovenia's development co-operation. The inclusion of a four-year indicative forward expenditure plan and the activities of a larger number of government ministries has enhanced its value, but more needs to be added to allow Slovenia to crystallise a comprehensive and coherent whole-of-government approach to its development co-operation. This might be achieved by including multilateral co-operation activities and describing the development results that Slovenia seeks to achieve across its bilateral and multilateral co-operation, its humanitarian assistance and its public awareness-raising activities.

Mainstreaming gender and the environment

Slovenia is a strong advocate for human rights, women's empowerment and gender equality, the environment and climate change, and uses its participation in international and regional fora to promote these. However, while Slovenia's expertise in environmental issues and gender is used in specific interventions, these issues are not mainstreamed across its development co-operation. This situation could be improved by raising the importance of gender and environmental mainstreaming within the inter-ministerial working body, encouraging all ministries delivering development co-operation to target gender and environmental issues in their activities and measure the results, and providing all stakeholders with training in mainstreaming.

Working in strategic partnerships

Over the past decade, Slovenia has been successful in building development expertise and experience across a broad range of ministries and implementing institutions, in particular the four foundations established by the government. As it considers introducing strategic partnerships with NGOs, Slovenia could learn from the experience of other DAC members which use framework agreements or have rapid funding mechanisms in place for development co-operation and humanitarian assistance. Drawing on good practice and key lessons from the recent DAC peer learning review on working with and through the private sector would assist Slovenia as it seeks to establish strategic partnerships with the private sector.

Slovenia has increased the amount of financing available for NGO projects and improved its process and requirements for multi-annual funding for Slovenian NGOs, providing more flexibility in implementation. The efficiency of project selection and management processes could be improved further by setting a minimum level of financing and by outsourcing calls for proposals.

Improving transparency

Although Slovenia is committed to being transparent about its development co-operation, it lacks the means to achieve this. Transparency would be improved by providing comprehensive information on its activities in one publicly accessible place, including a full listing of projects by country, region, sector, and implementing partner. Slovenia's annual report of its development co-operation could be improved by including information on results. A stronger focus on results would also enhance mutual accountability between Slovenia and its partner countries.

Slovenia's statistical reporting to the DAC Creditor Reporting System mostly conforms with the DAC's ODA rules. Improvement is still needed in reporting on the untied status of Slovenian co-operation, and on other official flows, private grants and private flows at market terms.

Creating an evaluation culture

While Slovenia has an evaluation policy and guidelines, development of its evaluation system is constrained by the limited human and financial resources available for evaluation in the MFA (one part-time staff member and a budget of EUR 30 000 per annum). Slovenia's development co-operation would be enhanced by promoting an evaluation culture amongst all stakeholders, ensuring that they understand why evaluation is important and how evaluation findings can be used to improve the quality of development co-operation activities. The evaluation policy would be enhanced by clarifying the requirements of other ministries, implementing organisations and their partners in evaluation of development activities.

Building knowledge in fragile contexts

Although Slovenia has no specific policy for engaging in fragile states and conflict situations, it supports peacebuilding and state-building activities and is an active member of the Human Security Network. Slovenia built most of its expertise in fragile contexts in Western Balkan countries where it addresses elements of fragility, such as improving governance and combating corruption. It has also deployed staff to international peacekeeping and peacebuilding missions. Slovenia's ambition to intervene more consistently in crises outside its immediate neighbourhood will require additional expertise and policy influence. Slovenia's knowledge and experience in fragile contexts would be enhanced by taking a more strategic approach to deploying technical assistance staff and broadening its engagement in policy and political networks.

RECOMMENDATIONS

To build on the achievements of its development co-operation to date, Slovenia should:

- i) Outline its approach to poverty eradication, particularly in the countries in the immediate neighbourhood.**
- ii) Tighten its thematic focus and geographic footprint so as to reduce fragmentation, and focus on its comparative advantage so as to increase impact.**
- iii) Assess which multilateral organisations to work with to achieve its strategic aims more effectively – including ensuring support for least developed countries – and outline the results it expects from its contributions to specific multilateral organisations.**
- iv) Adapt the framework programme to provide a comprehensive and coherent whole-of-government approach to its international development co-operation, including the development results it seeks to achieve.**
- v) Ensure that all stakeholders involved in Slovenia's development co-operation understand the importance of mainstreaming gender and environment across their activities and have the tools to be able to do so.**
- vi) Define the nature of strategic partnerships with NGOs and the private sector and how they will be put into practice.**
- vii) Create an evaluation culture across government in which all stakeholders integrate evaluation into their development co-operation efforts.**
- viii) Increase its participation in peace and fragility networks and systematise the deployment of its technical assistance to focus its efforts and build knowledge in fragile contexts outside the Western Balkan region.**

SLOVENIA NEEDS TO ADDRESS SOME CHALLENGES

Improving policy coherence for development

Slovenia's promotion of policy coherence for development in multilateral fora is not backed by effective mechanisms for ensuring coherence between domestic and international development and humanitarian assistance policies. Ministries need to identify specific policy actions that would improve coherence between their domestic policies and Slovenia's international development objectives, and bring these to the inter-ministerial working group for a whole-of-government discussion.

Building and retaining development co-operation expertise

The MFA restructuring has simplified the chain of command and strengthened work and liaison across the various directorates and departments. The mix of technical and diplomatic staff helps to ensure some continuity as diplomats rotate to other roles. However, greater emphasis is needed on building and retaining development co-operation expertise, especially given the planned increases in ODA. The MFA needs to promote development co-operation as a career path, and other ministries need to focus on the skill sets needed if their staff are to deliver development co-operation effectively and efficiently.

Enhancing the impact of humanitarian assistance

Slovenia's ability to provide stable and on-going support makes it a good donor to long-term crises. However, its humanitarian results are limited because the scope of its humanitarian aid is too broad. The impact of Slovenia's humanitarian assistance could be enhanced by responding to only a few specific crises, posting its experts to humanitarian agencies, and partnering with other donors.

Engaging with the private sector

As it steps up its engagement with the private sector, Slovenia needs to guard against tying its aid any further. It should also make a clear distinction between trade facilitation for its own companies and support which builds the private sector in developing countries. In doing so, it could draw on the experience of other DAC members who have encouraged greater private sector participation in development.

Managing for development results

Slovenia's policies, structures and systems are not geared up for a focus on results in its development co-operation. Reporting has focused on performance targets contained in the resolution (overall expenditure, regions and sectors in which expenditure occurs, and multilateral and bilateral channels) rather than on the development results Slovenia could be achieving through its co-operation. The effectiveness and impact of Slovenia's development co-operation would be improved by embedding a results culture across its programme.

RECOMMENDATIONS

- ix) To address these challenges facing its development co-operation Slovenia should: Strengthen cross-government co-ordination on policy coherence for development, giving the inter-ministerial working body a co-ordination and policy arbitration role.
- x) **Encourage all ministries to analyse specific opportunities for achieving policy coherence for development, and to raise them with the inter-ministerial working body for a whole-of-government discussion.**
- xi) **Identify the human resources required across the Slovenian government to deliver a growing, high-quality development co-operation programme.**
- xii) **Consider how its flexible and multi-year humanitarian aid can be most effective.**
- xiii) **Expand its partnerships with other donors to forge joint policy positions and programming.**
- xiv) **Encourage ministries and implementing partners to plan and manage for results.**

Access the full report

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