

ESTONIA



0.16% GENUINE AID/GNI

0.16% TOTAL AID/GNI



“Development cooperation must be interlinked with other policies to tackle poverty and human misery in the global arena successfully, especially now that COVID-19 has exacerbated the existing crisis. We believe that they also need to be combined with policies to increase gender equality or to avert climate change, an urgent challenge to humankind. To make life prosperous, secure and environmentally sustainable, we need to combine development cooperation funds with the resources for other government policies, like stopping global warming. That is why I, and the Estonian Foreign Ministry as a whole, remain focused to accomplish our ongoing development cooperation projects and initiate new ones in a spirit of synergy.”

– Eva-Maria Liimets, Minister for Foreign Affairs,
Tallinn, July 2021

MAIN CHANGES IN 2020

There were some significant policy developments in 2020, some driven by the global pandemic, others being previously planned reforms. The Ministry of Foreign Affairs (MFA) started several major initiatives, such as developing a standardised impact assessment system for development projects, drafting a pilot Africa strategy (published in early 2021), initiating a change in development legislation and committing to establishing a new foundation, Estonia’s Development Cooperation Centre. In response to the global pandemic, a more impact-based approach to ODA programming was adopted in 2020.

TRENDS AND PROJECTIONS FOR 2021 AND BEYOND

Thanks to ongoing reforms in development policy, rapid changes are anticipated from the second half of 2021. In July 2021, Estonia’s International Centre for Development Cooperation was established, marking the start of a new era in the country’s approach to development cooperation. Taking over an administrative role from the MFA, the new Development Centre will become the coordinator and funder of Estonia’s development

cooperation. Owing to the newness of the centre, however, it is expected that a period of adjustment will be required before it begins to operate with full effectiveness.

In addition to the founding of the Development Centre, development legislation will be amended in 2021. Administrative changes will be made, and a new structure for funding and partnerships is being introduced. In 2022 the MFA will start multi-year strategic financing for CSOs, moving on from strictly project-based funding. This will give partners more flexibility and financial security and will have a greater impact for beneficiaries in partner countries. Additionally, the MFA will introduce a new civil society capacity-building framework, to ensure the sustainability of Estonia’s development cooperation and allow more CSOs to engage in development activities.

CASE STUDY BOX:



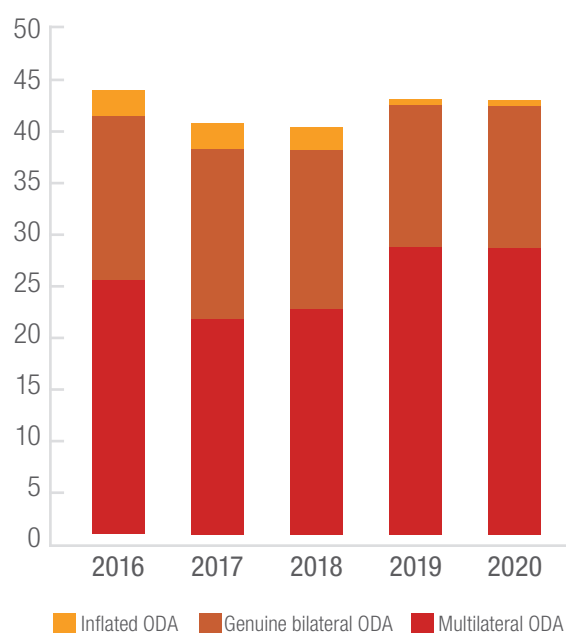
A good example of policy making and inter-sectoral cooperation in Estonian development cooperation was designing COVID-response policies in mid-2020. After the initial step of freezing or postponing all development plans, the MFA initiated a continuous cross-sectoral dialogue to determine the best ways to support partner countries. Through numerous multilateral meetings and policy documents, we were able to work out appropriate COVID-related measures together and design new funding calls that would best address the needs of our partner countries.

RECOMMENDATIONS TO THE ESTONIAN GOVERNMENT

- Commit to increasing ODA budgets rapidly in order to reach the set goal of 0.33% ODA/GNI by 2030.
- Further develop the impact assessment system across all thematic priorities.
- Develop an inter-ministerial joint programme for development cooperation by adopting a policy coherence for sustainable development approach in all foreign and development policies.
- Ensure the surge of business diplomacy in development cooperation is compatible with policy coherence and sustainable development goals.

ESTONIA – GENUINE AND INFLATED ODA

(€ million, constant 2019)



ODA TO LDCS (€ million, constant 2019)

LDC	ODA to LDCs	ODA to LDCS (% GNI)	ODA to LDCS (% total ODA)
2016	6.99	0.03	15.81
2017	7.43	0.03	18.20
2018	7.51	0.03	18.55
2019	8.24	0.03	19.03

ODA TO DRM (€ million, constant 2019)

DRM	ODA for DRM	DRM (% bilateral)	DRM (% total ODA)
2016	0.00	0.00	0.00
2017	0.00	0.00	0.00
2018	0.00	0.00	0.00
2019	0.00	0.00	0.00

AID MODALITY (€ million, constant 2019)

Year	Bilateral gross	Grants	Loans	Loans (% of gross bilateral)
2016	18.94	18.94	0.00	
2017	19.30	19.30	0.00	
2018	18.01	18.01	0.00	
2019	15.08	15.08	0.00	

ODA TO SUPPORT GENDER EQUALITY (€ million, constant 2019)

Gender focus	Bi allocable	Total Screened	Not Screened	None	Significant	Principal	Significant (% of screened)	Principal (% of screened)
2016	14.92	2.14	12.78	1.29	0.17	0.67	8.12	31.28
2017	13.43	1.69	11.74	0.90	0.13	0.66	7.60	39.29
2018	14.23	1.53	12.69	0.21	0.41	0.91	26.74	59.25
2019	11.90	1.34	10.55	0.48	0.27	0.60	19.78	44.61

ODA TO SUPPORT CSOs (€ million, constant 2019)

CSO support	Non-CSO	Donor-CSO-Earmarked	International-CSO-Earmarked	Recipient-CSO-Earmarked	Donor-CSO-Core	International-CSO-Core	Recipient-CSO-Core	Total bilateral CSO support, % bilateral	Total bilateral CSO support, % total ODA	Core bilateral CSO support, % bilateral	Core bilateral CSO support, % total ODA
2016	14.60	3.11	0.66	0.09	0.05	0.43	0.00	22.90	9.81	2.57	1.10
2017	14.21	3.68	0.74	0.03	0.39	0.21	0.00	26.27	12.40	3.15	1.49
2018	12.42	4.64	0.45	0.04	0.29	0.17	0.00	31.02	13.79	2.55	1.14
2019	10.08	3.71	0.66	0.04	0.40	0.17	0.00	33.07	11.49	3.76	1.31