The Russian Federation’s International Development Assistance Programme: A State of the Debate Report

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The IDS programme on Strengthening Evidence-based Policy works across seven key themes. Each theme works with partner institutions to co-construct policy-relevant knowledge and engage in policy-influencing processes. This material has been developed under the Rising Powers in International Development theme.

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Executive Summary

Russia is unique among emerging donors for being a ‘re-emerging’ donor: the Soviet Union was one of the largest donor countries in the world, and Russia’s period as an aid recipient was relatively brief. Russian development cooperation is driven by key security and economic priorities, as well as resulting from commitments made to multilateral organisations. Russian official development assistance, according to official government sources, increased fivefold in the period 2004–11. Given a series of Russian presidencies in major international institutions, starting with the G20 in 2013, Russia is both interested in and well positioned to take new international initiatives through which it can promote its national priorities in the global agenda.

This report discusses Russia’s growing role as a ‘re-emerging’ development cooperation partner, its increasing leadership in multilateral initiatives and the changing domestic policy landscape in Russia. It is unlikely that the global development cooperation agenda can be defined without strong participation by Russia, both as an individual actor and as a member of the G8, G20 and BRICS. It is therefore crucial for established donor countries to develop a clear understanding of Russian priorities.

Russia’s historical role in development cooperation

Relatively little attention has been paid to Russia’s Soviet-era development expertise, but our research found a rich and varied Soviet development cooperation legacy, which contemporary Russia can draw upon. By 1991, the number of large-scale projects implemented in developing countries had reached 907. These were in areas ranging from major infrastructural projects (including high-profile cases like the Aswan Dam in Egypt and Bokaro Steel Mill in India) to education, health and geological surveying – undertaken largely with the goal of enabling developing countries to become self-sufficient and therefore not dependent on the capitalist world. The high point of such cooperation was in the 1970s. During the 1980s, Soviet assistance to the developing world began to decline as the USSR focused more on its own internal economic issues. During the 1990s, the collapse of the USSR transformed Russia’s status from donor to recipient: indeed, the Russian Federation was by far the largest individual recipient among the post-Soviet states during the 1990s. But in 2007, Russia officially announced its desire to re-emerge as a donor by issuing a document: the Concept of Russia’s Participation in International Development Assistance (Development Assistance Concept), published by the Ministry of Finance. Russia has since become an active global development cooperation partner.

Policy priorities

Russia’s current development assistance priorities were mainly formulated during its G8 presidency in 2006. A number of sectors were put forward – energy, health and education – and were included in the Development Assistance Concept published in 2007. Of these three sectors, some government representatives have emphasised energy, both due to Russia’s own expertise in this area and because of the importance of energy for health and education. There is no official information on the breakdown of Russia’s official development assistance (ODA) by sector, but recent unofficial estimates made by the World Bank suggest that the majority of Russia’s ODA is allocated to the health sphere (roughly estimated at 40 per cent), while education accounts for about 25 per cent and energy and food account for about 35 per cent. These estimates do not include debt relief. (Efforts at cancelling developing countries’ debts have been extensive, with US$16bn written off by July 2008, according to President Dmitry Medvedev.)
Policy debate
There are a number of debates within Russia on issues that have not yet been resolved, including defining ownership, finalising the division of labour between the key state stakeholders, empowering state actors, consolidating the knowledge base and developing and implementing a communications strategy. It does, however, look as if bilateral aid will be centred around Rossotrudnichestvo (the Federal Agency for the Commonwealth of Independent States, Compatriots Living Abroad and International Humanitarian Cooperation), under the Ministry of Foreign Affairs, while multilateral aid will be based at the Ministry of Finance. Civil society organisations and academia are interested both in increasing their participation in Russia’s actions on development assistance and in influencing the processes related to development assistance. A 2011 survey of the Russian population and opinion leaders showed that people thought it was preferable to provide in-kind assistance to neighbouring countries (including through building infrastructure), rather than merely disbursing funds, and to allocate aid to other countries through international organisations, because of high levels of corruption in Russia as well as to highlight Russia’s role as a donor. The majority of the Russian population are unaware of the volume of Russia’s ODA, and, according to a public opinion survey, do not support a future increase. Russian politicians have acknowledged the need for continued awareness-raising and advocacy in this area.
## Abbreviations and acronyms

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
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<tbody>
<tr>
<td>AMC</td>
<td>Advance Market Commitment</td>
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<tr>
<td>APEC</td>
<td>Asia-Pacific Cooperation</td>
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<tr>
<td>BRICS</td>
<td>Brazil, Russia, China, India, South Africa</td>
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<tr>
<td>CIS</td>
<td>Commonwealth of Independent States</td>
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<tr>
<td>COMECON</td>
<td>Council for Mutual Economic Assistance</td>
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<td>CSO</td>
<td>Civil Society Organisation</td>
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<td>DAC</td>
<td>Development Assistance Committee</td>
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<td>DFID</td>
<td>UK Department for International Development</td>
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<td>EBRD</td>
<td>European Bank for Reconstruction and Development</td>
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<td>EMERCOM</td>
<td>Ministry of Civil Defence, Emergencies and Disaster Relief</td>
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<tr>
<td>EurAsEC</td>
<td>Eurasian Economic Community</td>
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<td>FAO</td>
<td>United Nations Food and Agriculture Organization</td>
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<td>FDCS</td>
<td>Russian Federal Drug Control Service</td>
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<tr>
<td>GDP</td>
<td>gross domestic product</td>
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<td>GPEI</td>
<td>Global Polio Eradication Initiative</td>
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<td>GNI</td>
<td>gross national income</td>
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<td>HIPC</td>
<td>heavily indebted poor countries</td>
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<td>IDA</td>
<td>International Development Association</td>
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<td>IFAD</td>
<td>International Fund for Agricultural Development</td>
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<td>IORI</td>
<td>International Organisations Research Institute</td>
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<td>MAR</td>
<td>Muskoka Accountability Report</td>
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<td>MDGs</td>
<td>Millennium Development Goals</td>
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<td>MGIMO University</td>
<td>Moscow State Institute of International Relations</td>
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<tr>
<td>OA</td>
<td>official aid</td>
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<td>ODA</td>
<td>official development assistance</td>
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<td>OECD</td>
<td>Organisation for Economic Co-operation and Development</td>
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<td>READ</td>
<td>Russia Education Aid for Development</td>
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<tr>
<td>Rospotrebnadzor</td>
<td>Federal Service for the Oversight of Consumer Protection and Welfare</td>
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<td>Rossotrudnichestvo</td>
<td>Federal Agency for the Commonwealth of Independent States, Compatriots Living Abroad and International Humanitarian Cooperation</td>
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<td>UNAIDS</td>
<td>United Nations Programme on HIV/AIDS</td>
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<td>USSR</td>
<td>Union of Soviet Socialist Republics</td>
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<td>WBG</td>
<td>World Bank Group</td>
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<td>WFP</td>
<td>World Food Programme</td>
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<td>WHO</td>
<td>World Health Organization</td>
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1 Background

1.1 Russia’s historical role in international development cooperation

Among the new, emerging donors, Russia is truly unique in actually being a ‘re-emerging’ donor, having been, as the Soviet Union, one of the largest donor countries in the world, only to become a recipient country in the 1990s, before building a foreign development assistance programme anew from the middle of the 2000s onwards. Since it has become a donor again, little attention has been paid to the role its Soviet-era development expertise has played in building a new Russian assistance programme (Korepanov and Komagaeva 2012), although this has been changing somewhat in recent years.

The volume of Soviet aid was indeed quite significant. While the USSR never published statistics, some researchers estimate that the annual development assistance offered by the Soviet Union may well have averaged 0.20 to 0.25 per cent of the country’s gross national income (GNI), while the volume of international assistance from 1954 until 1991 can be estimated to amount to some US$78bn (ibid.: 13). Based on official criteria for what constitutes official development assistance (ODA), the Development Assistance Committee (DAC) at the Organisation for Economic Co-operation and Development (OECD) has suggested that less than half of Soviet assistance could have been classified as ODA (ibid.: 13). Meanwhile, as compensation for the cancelling of debts from the extension of credits, the USSR did receive some 3.5bn roubles worth of goods each year, which accounted for 15 per cent of Soviet imports (Degterev 2013). As Alexandra Trzeciak-Duval and William Hynes indicate in their forthcoming publication, until the late 1980s the OECD DAC collected statistics from a variety of sources (the USSR statistical yearbooks, newspapers, the German Friedrich Ebert Stiftung, the CIA and the British Ministry of Defence) and was not convinced of the accuracy of the figures (Trzeciak-Duval and Hynes, forthcoming). In the late 1980s, in spite of a better dialogue between the DAC and the USSR, discrepancies between the statistics persisted, as the Soviet Union did not share the DAC definition of aid, and did not differentiate either between economic and military assistance, or between trade subsidies and aid (ibid.).

The Soviet Union’s core ideological contribution to development assistance – the concept of the non-capitalist path of development – originated in the mid-1950s, when Nikita Khrushchev came to power and the USSR began to target developing countries in Africa, Asia and Latin America as recipients of assistance, a strategy that continued until the late 1980s (Korepanov and Komagaeva 2012: 11). Throughout, as Cooper and Fogarty (1985) write, Moscow’s basic political objectives ‘remained constant – to erode Western influence and substitute its own, to counteract the Chinese challenge to its “leadership” of national liberation movements, and eventually to persuade Third World [sic] countries that Soviet Communism offers the only viable solution to their economic problems’. Hence, from the 1950s onwards, development assistance – as well as military assistance – became part of the Soviet–US cold war struggle for political influence on elites across the ‘third world’ (as it was called then) (Kanet 2010). And, indeed, by the mid-1970s, when Soviet assistance programmes were at their peak, Soviet leaders, including Leonid Brezhnev, referred to the emergence of a ‘Socialist International Division of Labour’ that was supplanting the declining, capitalist international system (ibid.: 7).

The Soviet Union’s regional priorities for aid can be broken down into three main groups: (1) the members of the Council for Mutual Economic Assistance (COMECON), which included most of Eastern Europe as well as Cuba, Vietnam, Mongolia and North Korea; (2) countries
that were socialist-oriented – both Marxist-Leninist states in Africa and non-Marxist-Leninist
states in the Middle East; and (3) strategically located non-socialist countries such as India,
Iran, Pakistan and Turkey (Korepanov and Komagaeva 2012: 12). Aid, politically driven, was
used to help move these countries further along a non-capitalist path of development. ‘By
investing considerable resources into large industrial projects of national importance’, write
Korepanov and Komagaeva, ‘Soviet leaders aimed at creating a base for the “peaceful
transfer” of developing countries to socialism and assisting them to reproduce the Soviet
model of industrialization’ (ibid.: 10).

The ‘economic cooperation’ system, which has long since ceased to exist, was well
integrated into Soviet structures and highly administrative. Established by the Central
Committee of the Communist Party in 1957 for this purpose, the State Committee for
External Economic Affairs coordinated such assistance. The Soviet Ministry for Economic
Cooperation eventually handled the export of goods and credit whereas the State Committee
for Economic Cooperation focused on carrying out big infrastructural projects.1 Several large
government contractors – such as Technoexport, Tyazhpromexport, Technopromexport and
Prommashexport – took part in development projects. All development assistance in the
areas of scientific technology and economic cooperation took place through bilateral
agreements (Korepanov and Komagaeva 2012).2

The projects that the USSR took on were considered quite impressive by the first reviewers,
such as Harvard Soviet economist Marshall Goldman. In a 1965 article in Foreign Affairs,
Goldman wrote:

The Russians have a knack for the spectacular. What success they have had in
foreign aid has come from concentrating on certain key projects which are often
industrial in nature. These major impact projects not only excite the imagination but
often have productive and visible results. The workmanship and administrative
efficiency that go into completing these showpieces are good, indeed often better
than are found in the USSR itself…. However, it is in the field of public relations that
the Russians are at their best. Their preference for impact projects and their sense of
timing create exciting drama and win applause from the recipients, their own people
and even their competitors. Because there is no need to seek time-consuming
approval from any legislative body, the Soviet Union was able to announce its
willingness to finance the Aswan Dam immediately after the Americans refused to do
so. They reacted in the same way after the United States decided against financing
the Bokaro Steel Mill in India.
(Goldman 1965: 349–351)

With respect to the countries receiving their assistance, the Soviets did not view themselves
as a colonial power, nor did they see themselves as an empire exploiting the periphery (Bach
2003). Rather, they felt that the Soviet Union’s unique experience in modernisation was
something that could be shared with the developing world. The fast/push development that
the USSR introduced in the 1950s came from the crash industrialisation of the Soviet Union
in the 1930s.3 In fact, it is a similarly unique perspective on modernisation that Russia feels
that it, like other BRICS states (Brazil, Russia, India, China, South Africa), can offer the
developing world today. Aleksey Kvasov, Russia’s G8 Sherpa, told an audience at Moscow’s
Higher School of Economics that the value added by Russia’s foreign development
assistance programme was the perspective the country gained from seeing ‘both ends of the
ladder… close up’.

1 Denis Degterev, in an interview with Marc P. Berenson, Moscow State Institute of International Relations (MGIMO University),
Moscow, 22 February 2013.
2 See also Degterev (2013: 241).
3 Telephone interview with Larisa Kapitsa, MGIMO University, Moscow, 27 February 2013.
When you are at the very top you tend to forget how the bottom looks like. When you look at both ends [of the ladder] from the middle, there is a nice close up on some parts [that] tend to be overlooked or forgotten. For example, in the community of the developed countries, it is still 'politically incorrect' to talk about industrial policy... We don’t see anything evil in trying to introduce parts of that in the developing countries. 4

By 1981, the Soviet Union had signed agreements on economic and technical cooperation with 81 states, 65 of which were developing countries in Asia, Africa and Latin America (Degterev 2013). By January 1991, the number of large-scale projects implemented in developing countries had reached 907 (Korepanov and Komagaeva 2012: 12). Such projects were carried out in various sectors of heavy industry – non-ferrous and ferrous metallurgy, machinery construction, electric power, fossil fuels and raw materials (ibid.: 12). Projects of an electro-energy nature, such as electricity stations and electricity lines, accounted for more than 30 per cent of foreign assistance (Degterev 2013: 242).

Meanwhile, about 5 per cent of assistance was in geological work. (In 1981, this assistance was extended to 30 countries; ibid.: 242.) The USSR helped countries undertake geological research free of charge as part of an attempt to destroy or undermine Western oil-exploration companies that sought to undertake similar research for their own gain. 5

Soviet education also was an instrument and centrepiece of the USSR’s cooperation programmes. Foreign nationals were offered free education according to scientific and cultural cooperation agreements and upon the request of foreign governments. The symbol of Soviet international education became the People’s Friendship University (the Patrice Lumumba Friendship University), which opened in 1960 in the southern part of Moscow. Just before the Soviet Union’s collapse, its foreign students comprised 10.8 per cent of the total number of foreign students worldwide. Almost 80 per cent of all foreign students in the USSR came from Asia, Africa and Latin America (Korepanov and Komagaeva 2012: 12). In total, over half a million foreign citizens were educated in Soviet-sponsored programmes (Takala and Piattoeva 2010). The human capital element from this legacy is quite strong – over the next five to ten years, commented Denis Degterev in 2013, alumni from the Soviet universities from the 1970s will be at the top of their careers across Asia, Africa and Latin America. 6

However, in 2010 Russia was the country of destination for only 3.9 per cent of all foreign students globally, just over 45,000 of whom came from OECD countries, while only 23,000 came from developing countries (OECD 2012). Thus this component of support and influence has diminished considerably. However, it should be noted that Russia has been consolidating its efforts in this regard, and the number of foreign students has been increasing steadily in the past five years. The Concept for the Long-Term Social and Economic Development of Russia to 2020 (Ministry of Economic Development of the Russian Federation 2008) also provides for a system of incentives, including financial ones, for foreign citizens to study in Russian institutes of higher education and for exchange programmes that promote the development of economic ties with the countries participating in the joint educational programmes.

In the 1980s, Soviet assistance to the developing world began to decline as the USSR focused more on its own internal economic issues. By 1991, assistance to Afghanistan, Angola, Cambodia, Cuba, Ethiopia and Nicaragua, among many others, had all but ceased to exist (Korepanov and Komagaeva 2012: 13).

4 Aleksey Krasov at the G20 Future Development Agenda in Post-Busan Cooperation Architecture seminar, National Research University Higher School of Economics, Moscow, 25 February 2013.
5 Denis Degterev, interviewed by Marc P. Berenson, MGIMO University, Moscow, 22 February 2013.
6 Denis Degterev, interviewed by Marc P. Berenson, MGIMO University, Moscow, 22 February 2013.
As the 1990s rolled in, with the collapse of the Soviet Union and the ensuing economic crisis, Russia became an official aid recipient. Between 1990 and 2005, Russia, together with some other Central and East European countries and transition economies, was included in Part II of the DAC list of aid recipient countries. Aid to these countries was recorded separately as official aid (OA), not as official development assistance (ODA). (In 2005, the DAC reverted to a single list of ODA recipients, abolishing Part II. Russia and countries which joined the European Union in 2004 and 2007 were excluded from the DAC list.)

Table 1.1 Official aid to Russia from the DAC members, international organisations and other countries reporting to the DAC

<table>
<thead>
<tr>
<th>Year</th>
<th>OA (US$, billions)</th>
<th>OA GNI share (%)</th>
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<tbody>
<tr>
<td>1990</td>
<td>0.25</td>
<td>0.05</td>
</tr>
<tr>
<td>1991</td>
<td>0.56</td>
<td>0.11</td>
</tr>
<tr>
<td>1992</td>
<td>1.94</td>
<td>0.42</td>
</tr>
<tr>
<td>1993</td>
<td>2.42</td>
<td>0.56</td>
</tr>
<tr>
<td>1994</td>
<td>1.85</td>
<td>0.47</td>
</tr>
<tr>
<td>1995</td>
<td>1.6</td>
<td>0.41</td>
</tr>
<tr>
<td>1996</td>
<td>1.25</td>
<td>0.33</td>
</tr>
<tr>
<td>1997</td>
<td>0.79</td>
<td>0.17</td>
</tr>
<tr>
<td>1998</td>
<td>1.08</td>
<td>0.38</td>
</tr>
<tr>
<td>1999</td>
<td>1.9</td>
<td>1.07</td>
</tr>
<tr>
<td>2000</td>
<td>1.57</td>
<td>0.63</td>
</tr>
<tr>
<td>2001</td>
<td>1.11</td>
<td>0.37</td>
</tr>
<tr>
<td>2002</td>
<td>1.3</td>
<td>0.38</td>
</tr>
<tr>
<td>2003</td>
<td>1.26</td>
<td>0.3</td>
</tr>
<tr>
<td>2004</td>
<td>1.31</td>
<td>0.23</td>
</tr>
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</table>


Indeed, the Russian Federation was the largest individual recipient by far among the post-Soviet states in the 1990s, receiving almost one-half of all aid to the region in 1993, one-third in 1994, and over one-third in 1995 (Davis and Dombrowski 2000: 68). The sizeable volume of such aid, combined with the West’s desire to greet Russia as a newly capitalist, democratic state, did lead to a debate in Russia as to whether such aid constituted true international assistance or international meddling – mirrored, perhaps, in the West’s own ‘Who lost Russia?’ debate of the mid-2000s. Meanwhile, at no time during the 1990s did Russia develop a new conceptual policy framework for international assistance, nor did it establish a special decision-making body to ensure that such a policy was implemented.

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1 Nevertheless, throughout the 1990s, Russia participated in humanitarian operations and contributed to international organisations, as well as being a leader in providing debt relief to other countries and in giving grants to foreign students (Korepanov and Komagaeva (2012: 14).
4 Czech Republic, Hungary, Iceland, Republic of Korea, Poland, Slovakia, Turkey, Kuwait, Saudi Arabia, United Arab Emirates, Taiwan, Israel and some others.
The legacy from the Soviet and immediate post-Soviet periods, therefore, is both rich and varied, raising numerous questions as to what influence these eras will have on Russia’s current international assistance programmes and aspirations.

Chief among these issues is the question as to whether any of the Soviet-era goals for international development assistance will remain. To what extent does Russia seek cooperation with developing nations as a way to challenge the global dominance of the US or the West (Kanet 2010)? To what extent does Russia seek to counter China’s influence in these countries? In the light of Soviet experience, is aid viewed as a means of promoting Russian industry abroad or as a way of gaining strategic access to raw materials? Or is aid perceived differently, as a result of the mixed lessons and benefits Russia received as an aid recipient country in the 1990s?

Second, in addition to the main objectives, has Russia’s recent aid distribution been carried out in the same general geographic areas as previous aid programmes? Just as Soviet aid was more highly concentrated than Western aid, is Russian assistance focused on a smaller number of countries? And, does Russia ever privilege communist developing countries (such as Cuba) or socialist-oriented countries? Or has the list of strategically located countries changed for the new Russia?

Finally, a third set of questions focuses on Russia’s sectoral priorities. Would heavy industry, power, infrastructure and oil/gas exploration be high on the list? Or would education, health and agriculture top the list in order to influence ‘hearts and minds’ in the developing world?

In short, Russia’s goals, choice of partner countries and selection of assistance programmes may well be influenced by its truly unique historical experience. At this stage it can be hypothesised that there are three major factors which influence the choice of partner countries, areas of assistance and forms of aid: first and foremost, the choice is driven by security concerns; second, by economic interests; and third, by existing commitments in multilateral organisations.

1.2 The recent evolution of Russia’s development cooperation agenda (including ideas and discourses)

Until recently, Russia’s participation in development assistance was quite limited, both in scope and in type of assistance, mainly because of limited financial resources due to the economic crisis that followed the collapse of the Soviet Union. However, Russia, even during the 1990s, as mentioned above, continued to take part in humanitarian operations, making regular contributions to international organisations, and agreeing to help relieve the debt burden for poor countries.

Russia’s participation in development assistance has depended on its economic situation, its role in the international community and its taxpayers’ attitude to donor activities. The government in 2006 underlined that adoption of the Concept of Russia’s Participation in International Development Assistance (Development Assistance Concept) itself wouldn’t bring an automatic increase of budget spending on ODA (PRODEMO 2006).

Given that a national system of ODA accounting data has not yet been established, the data for certain years from different sources vary considerably. According to the Russian government, federal budget expenditure for development assistance not including debt relief was US$97m (ibid.). According to the Deputy Finance Minister of Russia, D. Pankin, in 2003–5 the volume of Russia’s aid to developing countries amounted to US$50–60m (Ministry of Finance of the Russian Federation 2008). The discrepancies can be explained by different methodologies used and incompleteness of information.
A major step forward was the Russian president’s adoption of the Development Assistance Concept, a strategic vision of the substance and priorities of Russia’s policy concerning the provision of development assistance in 2007 (Ministry of Finance 2007a). The document was developed in the run up to Russia’s G8 presidency in 2006 and approved by President Putin a year later. In a way this confirms the assumption that Russia’s commitments in the international organisations are a factor in defining the country’s development assistance policy.

The Concept outlines Russia’s policy concerning the provision of international financial, technical, humanitarian and other aid to facilitate the socioeconomic development of recipient countries, help resolve crisis situations caused by natural disasters and/or international conflicts, and strengthen Russia’s international position and credibility. It should be noted that though the main international documents on development assistance set a target for developed countries of 0.7 per cent of their GNI to be spent on ODA, the Concept states that “as the necessary socioeconomic conditions are created, Russia will further increase provisions for aid, aiming to steadily move towards the achievement of the UN recommended target: allocation of at least 0.7 per cent GDP for purposes of international development assistance.”

Thus the Concept formulates the goal differently from the internationally agreed goal. The Concept doesn’t mention the target of 0.15 to 0.20 per cent of GNP as ODA to the least developed countries, as set in the Monterrey Consensus on Financing for Development.

Further steps towards establishing the national development assistance system were undertaken in conjunction with Russia’s participation in the preparation of the Muskoka Accountability Report (MAR) – Assessing Action and Results against Development-Related Commitments – which was presented to the G8 summit in Canada in 2010 (G8 Information Centre 2010). The data collected and analysed using the OECD methodologies helped in assessing Russia’s contribution to international development assistance from 2005 to 2009. Table 1.2 compares data from the MAR and Russian official sources for different years, collected by one of the authors of this report.

<table>
<thead>
<tr>
<th>Year</th>
<th>ODA (US$ millions)</th>
<th>GNI (US$ millions)</th>
<th>ODI as % of GNI</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>100</td>
<td>578</td>
<td>0.02</td>
</tr>
<tr>
<td>2005</td>
<td>101.3</td>
<td>245</td>
<td>0.01</td>
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<tr>
<td>2006</td>
<td>101.8</td>
<td>744</td>
<td>0.01</td>
</tr>
<tr>
<td>2007</td>
<td>210.8</td>
<td>960</td>
<td>0.02</td>
</tr>
<tr>
<td>2008</td>
<td>220</td>
<td>1,268</td>
<td>0.02</td>
</tr>
<tr>
<td>2009</td>
<td>785</td>
<td>1,626</td>
<td>0.01</td>
</tr>
<tr>
<td>2010</td>
<td>472.39</td>
<td>1,182</td>
<td>0.07</td>
</tr>
<tr>
<td>2011</td>
<td>513.9</td>
<td>1,431</td>
<td>0.03</td>
</tr>
<tr>
<td>2012</td>
<td>458</td>
<td>1,640</td>
<td>0.03</td>
</tr>
</tbody>
</table>

Sources: G8 UK (2013); World Bank (GNI data); OECD DAC; authors’ calculation.

According to the Russian government, Russia’s spending for international development assistance in 2006 was lower than that of developed countries and some developing countries (China, India) (PRODEMO 2006).

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13 International development assistance includes provision of ODA and other measures in the development sphere.

However, in spite of the global economic crisis Russia has not only been able to meet its earlier commitments but it has also significantly increased its expenditure on international development aid (Kudrin 2010). Russian ODA in 2009 was 3.5 times greater than in 2008. Russian Foreign Ministry representatives confirm that this substantial increase was due to urgent aid allocation to the country’s main partners, especially the members of the Commonwealth of Independent States (CIS), to help them cope with the economic crisis. According to the Permanent Representative of Russia at the United Nations Food and Agriculture Organization (FAO) and World Food Programme (WFP), Alexey Meshkov, Russia committed more than US$1bn to development assistance for 2010–11 (Meshkov 2009). In 2010, the head of Rossotrudnichestvo (the Federal Agency for the Commonwealth of Independent States, Compatriots Living Abroad and International Humanitarian Cooperation), Farit Mukhametshin, announced that Russia’s contribution to international development support programmes would increase from US$800m to US$1bn (Prime Minister of Russia 2010).

At the same time Russia’s ODA as a share of its GNI is still very low. According to the MAR, Russia’s ODA:GNI ratio increased from 0.015 per cent in 2004 to 0.065 per cent in 2009, which is well below other DAC members’ levels (G8 Information Centre 2010). According to OECD data, Russia’s ODA:GNI ratio in 2010 and 2011 was 0.03 per cent.

Nevertheless, a steady progress in enhancing Russia’s assistance has been observed in recent years. In the Russian president’s budget policy address for 2010/12, the financial provision for Russia’s fulfilment of its international obligations, including development assistance for the poorest countries, was set as one of the budget priorities (President of Russia 2009a). The budget policy address for 2007 mentions only Russia’s effective participation in international community initiatives to relieve the debt burden on the poorest countries as a further task of budget policy (President of Russia 2006). Meanwhile, the budget policy address for 2011–13 doesn’t mention development assistance among budget policy priorities, focusing instead on the goal of retaining macroeconomic stability and the priorities of ensuring citizens’ social security, infrastructure development and economic and technological modernisation to counter the consequences of the economic crisis and generate growth (President of Russia 2010).

And, of course, Russian participation in international development assistance, like that of other donors, is not limited to ODA provision. It also includes foreign direct investment and remittances (Thalwitz 2010).
2 Institutional framework

2.1 Legislative framework

Russian legislation in the sphere of development assistance is still being developed. Analysis shows that Russian law lacks the majority of terms and notions (including concepts as important as ODA) used by traditional donors, while some terms, though they exist in Russian law, are given different definitions from the same terms in DAC documents (Dedusenko, Perfilieva and Shvets 2009). Some notions regarding the provision of external aid can be found in certain by-laws, regional integration treaties and strategic concept documents. Some terms (humanitarian aid, technical aid) were officially recognised in the legislation on Russia's participation in international development assistance as a recipient.

Active formation of the legal basis for Russia's development cooperation was launched in 2005, when the Russian authorities started to prepare a document designed to ensure that the federal government used a systematic approach to Russia's participation in international development assistance.

In November 2006, the Russian government approved a draft of the Development Assistance Concept. The Concept was endorsed by the Russian president on 14 June 2007 (Ministry of Finance of the Russian Federation 2007a). One of the goals stated in the Concept was the establishment of the national development assistance system. It shows that Russia aims at becoming not just a new donor, but a donor equal to its G8 partners.

The legal framework for the Concept is provided by the Constitution of the Russian Federation, the Foreign Policy Concept, the National Security Concept, and the Budget Code of the Russian Federation. It should be noted that since 2007, some of these documents have been changed and new concept documents have been adopted. New editions of the Foreign Policy Concept were adopted on 12 July 2008 and 12 February 2013 (Ministry of Foreign Affairs of the Russian Federation 2013a), the National Security Concept was approved on 13 May 2009, the Climate Doctrine of the Russian Federation was approved on 17 December 2009, the Russian Federation's Food Security Doctrine was adopted on 1 February 2010 and the Program on Efficient and Systematic Use of the Foreign Policy Factors for Long-Term Development of the Russian Federation was released on 30 September 2010. The new Foreign Policy Concept devotes a paragraph to development assistance, stating that Russia is using its donor potential to pursue active and targeted policies in the area of international development, both multilaterally and bilaterally.

The Development Assistance Concept provisions build on the international soft law documents on development assistance, including the United Nations Charter, the Millennium Declaration, the Monterrey Consensus, the Johannesburg Plan of Implementation of the World Summit on Sustainable Development, the 2005 World Summit Outcome, and the Paris

\[15\] For example, Government Resolution No. 644 of 31 August 2000 on emergency assistance to foreign states.
\[16\] For example, the Treaty on the Establishment of the Eurasian Economic Community of 10 October 2000, and the Treaty on the Establishment of the Union State of Russia and Belarus of 8 December 1999.
\[17\] The Foreign Policy Concept of the Russian Federation (Foreign Policy Concept), Russia's National Security Strategy to 2020 (National Security Concept), Concept for the Long-Term Social and Economic Development of Russia to 2020.
\[18\] Federal Law No. 95-FZ of 4 May 1999 on aid (assistance) provided to the Russian Federation and amending and updating certain legislative acts of the Russian Federation on taxes and establishing benefits on payments to the state non-budget funds in connection with aid (assistance) provided to the Russian Federation, and Government Resolution No. 1046 of 17 September 1999 on approval of registration procedure of projects and programmes of technical aid (assistance), issuing certificates, confirming funds, goods and services' status of technical aid (assistance).
Declaration. However, recent documents, such as the Accra Agenda for Action, adopted in 2008, as well as the Busan Declaration, are not referred to.

According to the Concept the need for and importance of aid assistance are based on the following reasons:

- the dependence of all countries on the economic conditions of both their immediate neighbours and many far away countries due to economic globalisation;
- the need to increase global security and promote sustainable development by reducing threats from the spread of terrorism, infectious diseases, unregulated migration, and environmental disasters.

International development assistance policy, according to the Concept, should contribute to meeting Russia’s economic and political interests by:

- strengthening Russia’s international position and credibility;
- stabilising the socioeconomic and political situation in partner countries;
- establishing a belt of good neighbourliness, including through the prevention of the formation of any focal points of tension and conflict, primarily in the regions neighbouring Russia;
- creating a favourable external environment for Russia’s own development.

According to the Deputy Finance Minister of Russia, Sergey Storchak, ‘The Concept sets the groundbreaking principle for Russia – a country helps itself by helping neighbouring poor countries’ (Ministry of Finance of the Russian Federation 2006).

The Development Assistance Concept states that ‘the governments of developing countries must shoulder primary responsibility for overcoming poverty and underdevelopment of their nations’ but ‘a radical improvement of socioeconomic conditions in these countries will be possible only if the international community takes resolute and concerted action to facilitate their development’. Thus, Russia recognises and shares one of the main principles of development assistance effectiveness enhancement – the ownership of such assistance by developing countries, which should take stronger leadership of their own development policies and should be engaged in shaping those policies (Ministry of Finance of the Russian Federation 2007a).

The rationale and principles are broadly shared by the donor community, and accepted by the partner countries.

The draft Development Assistance Concept provided for a national system that rests on the DAC principles. The version adopted in 2007 refers to the DAC principles but some definitions have different meanings. The Concept does not mention other official flows (transactions by the official sector with countries on the DAC list of aid recipients that do not meet the conditions for eligibility as ODA or OA), which are still used by government agencies (PRODEMO 2006).

The Concept outlines procedures for and basic principles of establishing a national system of international development assistance, to be created in several stages, but it doesn’t set a time frame for actions. According to the Concept, the establishment of a specialised governmental agency for development assistance and specialised assistance programmes should be preceded by the following: the development and approval of a regulatory and legal

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20 It should be noted that Russia does not intervene in political issues. The principle rests on the premise that poverty and inequality constrain economic growth, and undermine social cohesion and political stability. Thus support for socioeconomic development helps build a more cohesive and politically stable society.
framework; the defining of assistance priorities; the creation and adjustment of interactive mechanisms with partner countries and international organisations; the development of bilateral and multilateral mechanisms for assistance delivery; the establishment of a group of international development assistance stakeholders in Russia; the identification of areas and modes of engagement with the business community in the area of development assistance; and the implementation and performance assessment of initial assistance programmes.

All these plans are still works in progress, though in November 2007, the Russian government adopted the Plan of Measures to Implement the Concept, which provides for the adoption of measures to create a legal and institutional basis for Russia’s development assistance (Ministry of Foreign Affairs of the Russian Federation 2008). The Plan, to be implemented from 2008 to 2010, includes four main areas: legal regulation, effectiveness and monitoring, management and realisation. An analysis of the decisions and actions of the Russian authorities shows that a lot of concrete initiatives were implemented, though the planned institutional changes haven’t yet been made. In particular, the Budget Code amendments defining the notion of ‘concessional credit or credit extended on development assistance terms’, and the confirmation of the legislative formation of an ODA budget are both still lacking (ibid.).

Russian executive authorities rarely mention the Development Assistance Concept in their documents, reflecting that it does not stand high in the hierarchy of the key documents defining the Russian Federation foreign and internal policies (Ministry of Foreign Affairs of the Russian Federation 2013b). The Federal Service for the Oversight of Consumer Protection and Welfare (Rospotrebnadzor) is apparently the only Russian executive agency that directly mentions the Concept in its policy guidelines for 2009–10 and its subsequent annual policy guidelines. This fact may be indicative of the degree of ownership the respective authorities feel they have of the document provisions.

Moreover, none of the aforementioned strategic documents contain references to the Development Assistance Concept, which can be explained by the low profile of the document, and the fact that the policy area is not regarded as ‘high politics’. However, a Program on Efficient and Systematic Use of the Foreign Policy Factors for Long-Term Development of the Russian Federation highlights the need for establishing a Russian agency of international development and an effective national development assistance system.21

Thus, the Development Assistance Concept should be updated to reflect the new priorities of Russian foreign policy (for example, the use of foreign policy for national modernisation and changes in regional priorities) as well as recent changes in the development assistance architecture. This could be done by adopting a strategy, a state programme on the Development Assistance Concept’s practical implementation, or a new action plan. In 2013 Rossootrudnichestvo initiated such work. A new draft of the Concept and related issues was discussed at the Ministry of Foreign Affairs collegial meeting in November 2013. The draft has yet to be agreed and endorsed by the government and the president. However, a ministry note to the media stated that the proposals which had been considered were related to the consolidation of resources for international assistance, including the institutional development of Russia’s support for international assistance; enhancing analytical capabilities, human resource capacity and communication; building public–private partnerships; and ‘promoting the best practices of social projects’ (Ministry of Foreign Affairs of the Russian Federation 2013c)

It may be assumed that the new documents can be agreed in the run-up to Russia’s second G8 presidency in 2014. Given the deliberation underway on the new Millennium

Development Goals (MDGs), Russia is well positioned to adopt a forward-looking document, which should define its role in the post-2015 development assistance architecture.

2.2 National policy institutions (structures, decision-making processes, state–society relations)

The Development Assistance Concept mentions several agencies and institutions responsible for development assistance: the president; Parliament; the Ministry of Foreign Affairs; the Ministry of Finance; the Ministry of Economic Development; the Ministry of Civil Defence, Emergencies and Disaster Relief; and the Ministry of Industry and Energy (now reorganised into the Ministry of Industry and Trade and the Ministry of Energy). The Plan of Measures to Implement the Concept also includes the Ministry of Education and Science, the Ministry of Healthcare and Social Development and the Ministry of Natural Resources and Environmental Protection. Other interested agencies can also participate in the activities. Rossotrudnichestvo is engaged in support on health-related programmes. The Federal Medical-Biological Agency operates the programme of HIV-vaccine development in Eastern Europe and Central Asia.\textsuperscript{22}

The Executive Office of the Russian President is one of the key stakeholders in development assistance and cooperation for development, given its role in the G8 and G20 forums.

According to the Concept, expenditure on Russia’s international development assistance is jointly coordinated by the Ministry of Foreign Affairs and the Ministry of Finance in consultation with other federal executive authorities. These bodies also determine the priority countries and regions, the amount and political significance of the aid provision, the delivery channels, and the type and terms of such assistance. Within the Ministry of Foreign Affairs, both regional and functional departments (such as the Department of International Organisations) are responsible for different aspects of development assistance.

According to its charter, the Department of International Financial Relations, State Debt and State Financial Assets of the Ministry of Finance is responsible for the preparation of proposals on both multilateral and bilateral ODA (Ministry of Finance of the Russian Federation 2005). In December 2009, this department was divided into the Department of International Financial Relations and the Department of State Debt and State Financial Assets (Ministry of Finance of the Russian Federation 2009a). Thus, the Department of International Financial Relations can become the principal body concerned with international development assistance in the Ministry of Finance.

In September 2008, Rossotrudnichestvo was established under the jurisdiction of the Ministry of Foreign Affairs. According to its charter, this federal executive body is engaged in the facilitation and development of Russia’s international relations, with the main focus on the member states of the CIS, as well as in the sphere of international humanitarian cooperation. It currently develops and implements aid programmes for the CIS member states (Rossotrudnichestvo 2010).

An inter-agency working group on Russia’s participation in international development assistance has been established to elaborate Russia’s national programme of bilateral development assistance (Prime Minister of Russia 2010). No results of this work have been published yet, however.

When agreed by all the required ministries or by a majority of them, a draft document will be submitted to the government. If there are differences of opinion, it can be submitted with

indications of discrepancies in ministries’ views, and the government will decide whether to choose one of the positions, return it to the ministries for achieving consensus, or decline it. Before a government document is signed by the prime minister, it must be adopted by the deputy prime minister, who is responsible for international economic cooperation, including development assistance.

Contributions to multilateral organisations are mainly the responsibility of the Finance Ministry, with the Foreign Affairs Ministry playing an important role in funding the UN organisations. Other ministries (for example, the Ministry of Healthcare and the Ministry of Agriculture) participate in defining priorities according to their mandates.

The Department of International Financial Relations is responsible for funding multilateral organisations. Commitments to fund a multilateral organisation are usually made by an executive order adopted by the federal government and signed by the prime minister. Both multiyear and one-off commitments can be made. A draft executive order is prepared by the Ministry of Finance and must be agreed by other ministries, depending on the mandate of a multilateral organisation, prior to its submission to the government. Disbursements are approved by the Ministry of Finance.

Further institutional changes concerning development-related ministries and agencies are underway. A case in point is the Presidential Decree No 476 of 8 May 2013 on the competencies of Rosсотрудничество, charging it with responsibilities ‘in coordination with the Ministry of Foreign Affairs and other federal executive bodies to develop and implement mid-term and long-term bilateral development assistance programs with the CIS member states and other countries, as well as carry out these programs monitoring’ (Rosсотрудничество 2013). To carry out these new responsibilities Rosсотрудничество will receive funds from the federal budget, execute its rights to contract third parties, and expand its presence internationally (currently 59 centres of research and culture, eight branches and 18 representatives within Russia’s diplomatic missions, in 77 countries).

As of 2013 Russian budget expenditure is based on state programmes rather than ministry- or agency-based. Three-year programmes – in line with Russia’s three-year state budget – are to be carried out by a leading ministry in partnership with several other ministries. This new system aims to ensure consistency, effectiveness and comprehensiveness of actions across ministries and agencies. According to Vladimir Putin, President of the Russian Federation, the adoption of state programmes is aimed at enhancing the coordination of federal executive agencies’ work in line with strategic goals, improving the management of budget funds, and pursuing a strict budget policy (Government of the Russian Federation 2011).

At least five state programmes, which contain development assistance activities have been adopted by ministries and federal services in recent months: the State Program on Foreign Policy Activity by the Ministry of Foreign Affairs, the State Program on the Management of State Finance by the Ministry of Finance, the State Program on Foreign Economic Activity by the Ministry of Economic Development, the State Program on the Development of the Health System by the Ministry of Health, and the State Program on the Fight against Illegal Drug Trafficking by the Federal Drug Control Service.

The Foreign Policy Activity programme (Ministry of Foreign Affairs of the Russian Federation 2013d) consists of three sub-programmes, each providing for development assistance actions. Sub-programme 1 ‘Elaboration and implementation of public policy and legal regulation in Russia’s international affairs sphere’ provides for the participation of Russian military forces in international peacekeeping operations (under the auspices of the Defence Ministry) and the provision of humanitarian aid, including emergency humanitarian response (conducted jointly by the Emergency Ministry and the Ministry of Foreign Affairs). Sub-
programme 2 'Implementation of financial commitments on Russia’s support to international institutions created by the CIS countries' provides for Russia’s funding of a wide range of CIS and Eurasian Economic Community (EurAsEC) institutions and support for further integration in the region. It also includes allocation of medical and social aid to the veterans who participated in local regional conflicts.

Rossotrudnichestvo is responsible for Sub-programme 3 'International humanitarian cooperation and international development assistance' with a budget allocation of US$1.6bn for a period of eight years (2013–20). It should be noted that this constitutes 8 per cent of all the funding for the Foreign Policy Activity State Program, with the caveat that only one of the ten action lines included can be considered development assistance, given that the sub-programme also provides for such actions as public diplomacy, development of international relations at regional and local level and preservation of Russian monuments and memorials.

This sub-programme should contribute to the fostering of Russia's long-term interests in international relations through 'soft power' instruments. By increasing the number of Russian Centres of Science and Culture, and modernising them, Rossotrudnichestvo will promote Russian science, culture and education abroad, facilitate the education of foreign students in Russia (for example, through scholarships) and support Russian compatriots living abroad.

One of the sub-programme’s objectives (Main Action 3.8) is ‘assisting implementation of the Concept of Russia’s Participation in International Development Assistance’. It consists of three actions: (1) implementation of Rossotrudnichestvo’s functions in the development assistance sphere on a bilateral basis; (2) drafting amendments to current legislation; (3) information gathering, analysis and preparation of programmes. The third action will include identifying assistance priorities, development of bilateral aid mechanisms, and enhancing cooperation with business on development assistance issues. However, it does not provide for relevant programmable indicators. The implementation of the sub-programme will be conducted in two phases: the initial phase between 2013 and 2014 and the main phase from 2014 till 2020. During the first period the legislation should be prepared, the procedures for interaction between the Ministry of Foreign Affairs and Rossotrudnichestvo defined and pilot projects implemented in several countries. The evaluation of the preliminary results of the pilot projects will be conducted in 2014–15. Following that the Main Action 3.8 will be turned into a separate sub-programme, and amendments to the Development Assistance Concept will be introduced in 2015. Thus, the next two years will be important for strengthening the Russia’s system of development assistance.

The Management of State Finance programme (Ministry of Finance of the Russian Federation 2013) includes two sub-programmes with components related to development assistance. The sub-programme on state debt management provides for fulfilling commitments under international loan agreements and for settlement of the debts of certain debtor countries, with no details on amounts and specific countries (debt relief is not mentioned). The sub-programme on the development of international financial and economic cooperation includes two relevant objectives: (1) the elaboration of cooperation programmes with international financial and economic organisations, including in the development assistance sphere; and (2) the elaboration and implementation of effective public policy measures on development assistance on a multilateral and a bilateral basis, as well as accountability and accounting. The state programme mentions OECD methodology and purports that the main target indicator of this sub-programme is 'percentage of the volume of international development assistance to GDP'. Thus, we can conclude that the internationally recognised ODA:GNI indicator is implied. A target of 0.1 per cent is set for 2020. It should be noted that the amount of this indicator for 2013 is equal to Russia’s ODA:GNI ratio (0.03 per cent).
The State Program on Foreign Economic Activity (Ministry of Economic Development of the Russian Federation 2013) includes the sub-programme on the implementation of priority directions of foreign economic activity in the framework of international economic cooperation, and provides for technical assistance to countries in the Customs Union, the EurAsEC and the Eurasian Economic Union and the strengthening of integration within these groups. Cooperation with the UNDP is mentioned as an important factor in enhancing Russia’s donor capacity to ‘project its national interests in different regions’. The activities are linked to the goal of the creation of a national system of support for exports. However, no relevant indicators are mentioned.

The Development of the Health System programme mentions ‘creation of a national development assistance system’ as one of the objectives of the sub-programme on the promotion of international cooperation in the health sphere (Government of the Russian Federation 2012). It calls for the promotion of Russian health care in foreign countries, with a special focus on the CIS countries and cooperation within the G8, BRICS and the Shanghai Cooperation Organisation. Specific legal and policy measures were to be developed by the Ministry of Health during 2013. However, this work has not been completed.

The Fight against Illegal Drug Trafficking programme (Federal Drug Control Service of the Russian Federation 2013a) includes technical assistance to drug control services in Afghanistan, Central Asian countries and other interested countries on a bilateral basis, and participation in donor programmes conducted by the UN Office on Drugs and Crime. It is expected that the role of the Russian Federal Drug Control Service (FDCS) in Russia’s development assistance will be further strengthened, given that in April 2013 the Russian Government supported the idea of FDCS director, Viktor Ivanov, to create a Russian Corporation of Cooperation with Central Asian Countries (Federal Drug Control Service of the Russian Federation 2013b). The corporation’s aim is to help Central Asian countries in their ‘alternative’ development, i.e. to create favourable economic conditions through infrastructure development and job creation in order to prevent drug production and trafficking in these countries (Federal Drug Control Service of the Russian Federation 2013c). Ivanov cites the US Millennium Change Corporation and the Japan Overseas Development Corporation as examples of similar corporations created in other countries (Federal Drug Control Service of the Russian Federation 2013b).

Adoption of the state programmes that include development assistance activities is an important step towards creating a coherent Russian development assistance system. However, these programmes and their plans of implementation should be further detailed to avoid the overlapping of functions and responsibilities, as well as to outline specific legal and policy measures and provide for the monitoring and evaluation of results. Russia would benefit from the adoption of a special state programme on development assistance; however, it does not seem feasible in the near future, given the low overall importance of this issue on the current agenda.

### 2.3 Implementation mechanisms (bilateral, trilateral, decentralised)

According to data submitted by Russia to the OECD DAC, 36 per cent of its total ODA in 2010 was multilateral. But almost 26 per cent of its bilateral ODA was allocated through programmes and funds managed by international organisations. Thus, 62 per cent of Russian ODA is managed by international organisations. According to DAC data for 2011, the amount of Russia’s multilateral ODA increased from US$170m in 2010 to US$239m in

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23 In addition to their core-funded operations, international organisations set up and raise funds for specific programmes and funds with a clearly identified sectoral, thematic or geographical focus. Donors’ bilateral contributions to such programmes and funds are recorded as bilateral ODA, e.g. ‘UNICEF girls’ education’, ‘Education For All Fast Track Initiative’, various trust funds, including for reconstruction (e.g. Afghanistan Reconstruction Trust Fund).
2011. According to the Russian Finance Ministry, in 2011 Russia provided US$114.02m or 22.17 per cent of its total ODA through ‘pure bilateral’ instruments with no use of international institutions (Ministry of Finance of the Russian Federation 2012).

Many Russian officials criticise the fact that most of Russia’s aid is multilateral. The results of multilateral activities in developing countries are sometimes criticised by the Russian authorities, including the Foreign Affairs Ministry. Multilateral institutions are seen to pool contributions from different countries so that they lose their identity and become an integral part of [the institution’s] financial assets. This limits the international public awareness of Russia’s contribution to development assistance. One of the main proponents of bilateral aid is the Ministry of Economic Development, which insists that Russia’s development assistance should be aimed at creating favourable conditions for exporting Russian goods, services and investments and should be carried out in strong cooperation with the private sector. The Ministry of Foreign Affairs also supports the idea that the majority of Russia’s aid should be delivered on a bilateral basis (Ministry of Foreign Affairs of the Russian Federation 2008).

The Ministry of Finance is the main Russian counterpart and proponent of international organisations in the sphere of development assistance. The 2007 version of the Development Assistance Concept states that bilateral aid cooperation requires ‘the availability of channels for aid delivery to beneficiaries and a regulatory legal framework enabling the transfer of funds from Russia’s federal budget to the recipient’s national budget’ (Ministry of Finance of the Russian Federation 2007a). Until these mechanisms are in place, Russia mainly will rely on multilateral aid, which enables it to take advantage of international organisations’ ‘financial controls, well-established institutional mechanisms of aid delivery, additional opportunities for aid coordination and harmonization, and technical (expert) potential and knowledge’ (Ministry of Finance of the Russian Federation 2007a). This is a pragmatic approach. However, in order to get all the above elements into place and operational, Russia is likely to require a more explicit and targeted action plan. Otherwise, reliance on international organisations will remain the cornerstone of its aid delivery system for the medium term. A 2011 survey of the Russian public and opinion leaders showed that they favoured allocating of aid through international organisations because of corruption in Russia (World Bank 2011).

In 2011, the Finance Ministry proposed to create the Russian Agency for International Development, working under the control of the Finance Ministry, to be responsible for bilateral assistance (Research Centre for International Cooperation and Development 2011). This idea was initially agreed by the Foreign Affairs Ministry; however, the Ministry of Economic Development opposed it, and in 2012, the government froze the proposal. According to several statements made by government officials in the summer of 2012, Rossotrudnichestvo could become the main government entity responsible for bilateral development cooperation. Rossotrudnichestvo works under the auspices of the Foreign Affairs Ministry and is building up its resources. For it to become a full-scale development assistance agency, a real breakthrough would be needed, however.

Speaking at the G20 Future Development Agenda in Post-Busan Cooperation Architecture workshop at the Higher School of Economics in Moscow on 25 February 2013, Deputy Head of the Presidential Experts’ Directorate and Russia’s G8 Sherpa, Alexey Kvasov, explained the rationale for giving Rossotrudnichestvo the main powers to coordinate Russia’s bilateral foreign aid:
In recent years Russia has substantially increased its ODA, including its contributions to several multilateral institutions, which is in line with the Development Assistance Concept provision that states that until effective bilateral mechanisms and a regulatory framework for bilateral aid are in place, Russia will continue to take advantage of the capacity of multilateral institutions. Several new trust funds have been created in the World Bank with Russia’s participation. Currently there are five single trust funds where Russia is the only donor (US$107m committed). The practice of allocating ODA to be spent in specific developing countries is used in the trust funds operated by the World Bank. The World Bank is playing an important role in helping Russia create its national system of development assistance, maintaining ‘strong operational and strategic partnership between Russia and the World Bank Group (WBG), involving knowledge sharing and continued engagement from Russian counterparts at a strategic governance level’ (World Bank 2011). Russia has had long-term, well-established relations with the World Bank and relies on its expertise, experience and global reach in developing countries.

Since 2006 Russia has supported the Global Polio Eradication Initiative (GPEI) with a total contribution amounting to US$24m between 2006 and 2011. Additionally Russia provides bilateral assistance to CIS countries to help them fight polio. It was planned that in 2011–12 Russia would provide ‘9.3 million doses of polio vaccine to Armenia, Belarus, Kyrgyzstani and Uzbekistan, along with 14 units of laboratory equipment for polio diagnosis and 340 units of cold chain equipment for vaccine supplies’ (Ministry of Finance of the Russian Federation 2012). The CIS region is especially important in that regard, as migration flows from these countries to Russia are intense. In terms of applying Russia’s health aid, there are advantages rooted in similarities between national health systems, proficiency in the Russian language and close contact between specialists who graduated from the same universities. Many health specialists point out that the Russian health care model, which is oriented towards disease prevention, is more appropriate for the CIS region than the models of OECD DAC countries, as the scientific and technical gap between the traditional donors and Russia’s CIS neighbours is huge (Korepanov and Komagaeva 2012). In 2005–10, Russia organised 12 scientific conferences on the development of vaccines and anti-viral drugs, with the participation of scientists from both emerging and developed nations (UNDP Russian Federation 2010: 111).

In 2009, as a response to the international financial crisis, Russia initiated the establishment of a regional multilateral mechanism – the EurAsEC Anti-crisis Fund, administered by the Eurasian Development Bank, ‘to help deal with crisis related challenges in affected EurAsEC countries’. Russia’s contribution is 75 per cent of the US$10bn total amount of the fund. The main instruments are general budget support and concessional loans for economic development projects (Ministry of Finance of the Russian Federation 2012). As the main shareholder in the Eurasian Development Bank and the main contributor to the EurAsEC Anti-crisis Fund, Russia in fact controls all of the fund’s operations.

In October 2012, the International Fund for Agricultural Development (IFAD) organised a seminar to promote its activities and to involve Russia in its funding activities. IFAD officials came to Moscow to present the fund’s achievements, mechanisms and procedures, as well as the advantages which Russia would gain by contributing to the IFAD. The seminar was
supported by the Russian Ministry of Agriculture. Russian officials showed their interest in participating in IFAD activities, but no definite commitments have been announced yet.

The Russian authorities generally support development mechanisms that lead to the purchase of goods and services from Russian companies and institutions. In a way this trend echoes the USSR preferences for trade subsidies and commodity aid. For example, there are Russian research institutions and enterprises that have already been engaged in developing and producing vaccines in the framework of Russia’s international cooperation. This practice has also been used to support Russian agricultural producers and transport companies (Rosbalt 2009). It can be a means of support for national producers. Since the tying of aid is in breach of the OECD DAC rules, Russia is likely to limit this practice in the course of its accession to the OECD. However, the Concept for the Long-Term Social and Economic Development of Russia to 2020, approved on 17 November 2008, states that Russian participants in external economic activity would be supported by tied loans and international development aid mechanisms to promote Russian goods and services in the developing country markets (Ministry of Economic Development of the Russian Federation 2008).

The set of instruments Russia uses for external aid allocation has gradually grown. Over the last few years, Russia has mostly contributed to development assistance by writing off debts under loans provided by the former Soviet Union within, for example, the framework of the Heavily Indebted Poor Countries Initiative. Currently it is focusing on assistance in the form of grants to international funds and programmes of international development assistance, and aims to establish and develop a national system of instruments to provide such assistance on a bilateral basis.

Strategic partnerships with major Russian corporations should be considered, as there are several such companies working in developing countries, including RUSAL, Basic Element, RusHydro, Summa Group and Russian Railways. However, almost nothing substantial has been achieved in establishing public–private partnerships in the development assistance area to date. Such partnerships could help the Ministry of Economic Development undertake new aid activities.

The Russian authorities are interested in triangular cooperation with traditional donors on medium-scale projects being carried out in countries that are priorities for Russia (Levkin 2012; Fordelone 2009). There is a certain risk as this mechanism can be affected by a crisis or by deterioration of relations between Russia and a Western donor.

The instruments listed in the Development Assistance Concept include the provision of international development assistance on a trilateral basis, involving the use of the financial and logistic capacity of the ‘traditional’ donor countries and international organisations through already existing or newly created trust funds of the World Bank, United Nations, UN specialised agencies, and other institutions. This would provide Russia with the right to select recipient countries and areas of assistance and to use Russian technical assistance specialists (e.g. medical staff). In OECD documents, ‘triangular cooperation’ means support given by an OECD donor to the transfer of knowledge and experience from one developing country (often a middle-income country) to another (Aid Effectiveness Portal 2010). This assistance is accounted for as bilateral aid. Assistance on a trilateral basis, meanwhile, is partly in line with the term ‘multi-bilateral activities’ used by the OECD.

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26 See, for example, ‘Luxembourg (2003) DAC Peer Review’, www.oecd.org/document/28/0,3343,en_2649_34603_2502876_1_1_1_1_1_00.html (accessed 19 June 2010).
The importance of the emerging donors is not only due to the additional resources they provide, but also to their experience of their own successful economic development and of being recipients of development assistance – things they can share with the partner countries. At the same time, the diversity of their experience and practical activities requires an effective system of coordination and a balance between multilateral and bilateral assistance (Moscow International Conference on New Partnerships in Global Development Finance 2010). The use of traditional ODA instruments as well as innovative financing instruments by the new donors should be welcomed, but balanced with creative approaches to development assistance. According to the Russian Ministry of Foreign Affairs, Russia regards innovative approaches to development financing as one of the best ways of strengthening international aid architecture (Ministry of Foreign Affairs of the Russian Federation 2010a). However, so far, the use of innovative approaches by Russia is limited.

It can be assumed that the lack of a systematic approach towards development assistance makes it difficult to generate the desired economic and social outcomes in the partner countries or to create political and economic benefits for Russia.

2.4 Accountability mechanisms

Instruments for assessing the cost-effectiveness of ODA are being developed in Russia. The 2011 version of the Development Assistance Concept lists several criteria to be used for an internal assessment of the cost-effectiveness of development assistance to be conducted by the Ministry of Finance and the Ministry of Foreign Affairs ‘in consultation with other ministries and agencies concerned’, with no special mention of multilateral assistance (Ministry of Finance of the Russian Federation 2007a):

- the achievement of the planned outcome of ODA provision and the contribution of ODA to the outcome,
- the ODA cost–benefit ratio,
- the sustainability of the positive impact of ODA,
- the justifiability of the specific types of assistance provided in the context of general development assistance policy,
- the contribution to the development of bilateral political and other interactions between recipient countries and Russia,
- the expected and unexpected benefits from ODA provision.

Performance assessments of specific projects should be conducted together with the ‘authorities of the recipient country and/or leadership of international organizations’ (ibid.). On the basis of the assessment results the government can ‘suspend/discontinue assistance provision in areas where federal budget funds have not yielded or cannot yield the expected benefits’ (ibid.). It should be noted, though, that these are the target criteria, and the Russian assistance accountability system is at an early stage of its formation.

In terms of oversight, the Russian Federation Accounts Chamber occasionally assesses the effectiveness and expediency of the disbursement of state funds for some aspects of Russia’s development assistance, including humanitarian aid (Russian Federation Accounts Chamber 2011). However, it does not assess assistance delivered through international organisations.

In 2012, the International Cooperation Department of the Russian Government started building a system of monitoring and assessment of the effectiveness of development aid allocation, ‘based on clearly defined and quantitatively measurable indicators’.27 Background

research was carried out by the Moscow State Institute of International Relations, but the results have not been published.

In cooperation with the World Bank, the Russian government maintains ‘a strong focus on results achieved under the Russia-supported trust funds’ (World Bank 2011). The government has consistently communicated to the bank ‘the importance of reporting clear results and making all possible efforts to keep within the agreed timetables and deadlines’ and has stated that ‘documented progress under on-going trust funds will be regarded as a precondition for financing of related new and follow-up programs’ (ibid.).

Russia still needs to build a robust system of data collection, but it started reporting to the OECD Creditor Reporting System in 2010. Russia has been participating in the G8 accountability mechanism (self-accountability reports) since its launch in 2010, such that reporting on foreign assistance is now done in the OECD’s format.
3  Policy priorities

3.1  Regional and sectoral/thematic priorities: funding allocation
The current priorities in Russia’s development assistance programme were mainly formulated during Russia’s G8 presidency in 2006. Energy, health and education were put forward. These priorities and the OECD recommendations on higher concentration on a limited number of development areas have been taken into account in the Development Assistance Concept.

The choice of the priorities can be explained by a combination of factors, including the following:

- the legacy of the Soviet Union’s development system, which helped many developing countries strengthen their health and education systems;
- Russia’s comparative advantage in the selected areas, including huge energy resources, developed technologies in various areas, high human resource capacity in health and a competitive education system;
- the current activity and strong capacity of certain ministries and agencies advocating relevant priorities (e.g. Rospotrebnadzor’s efforts to make the fight against infectious diseases a priority);
- the high importance of the selected spheres for sustainable development; for example, some government representatives emphasise the importance of energy ‘because normal development of health and education without access to energy is impossible’ (Ministry of Finance of the Russian Federation 2007b).

Official information on the breakdown of Russia’s ODA by sectoral priority is not available. According to recent information published by the World Bank, the majority of ODA is allocated to the health sector (roughly estimated at 40 per cent), while education accounts for about 25 per cent, and spending on energy and food accounts for the remaining 35 per cent. Debt relief is not included in these estimations.28

Cooperation for development is also pursued by Russia in such spheres as good governance. For example, the Federal Service for Financial Monitoring (Rosfinmonitoring) helps several CIS countries to develop financial monitoring systems (ibid.).

3.2  Regional and sectoral/thematic modalities: evolution and influence of actors/narratives (including traditional donors)

3.2.1  Debt relief
Over the last few years, Russia has contributed to debt relief mostly by writing off the debts of developing countries, for example, within the framework of the Heavily Indebted Poor Countries Initiative. Given Russia’s limited resources and the large debts incurred by some countries under loans provided by the former Soviet Union,29 debt relief has been and continues to be a major area of Russia’s development assistance.

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29 The majority of the USSR’s debtors were least developed countries.
In 2003, the Russian president said that in terms of debt relief offered to developing countries as a share of GDP, Russia ranked first among the creditors. In absolute value, Russia ranked third after Japan and France (President of Russia 2003).

At the G8 Gleneagles summit in 2005, Russia ‘committed to cancel US$11.3bn worth of debts owed by African countries, including US$2.2bn of debt relief to the HIPC [Heavily Indebted Poor Countries] Initiative’. In December 2006 the Russian government decided to write off the debts of countries – participants of the Heavily Indebted Poor Countries Initiative – which had reached the completion point by 31 December 2006.

As of 2007, six eligible African countries had responded that they were interested in this offer. These countries, which had demonstrated positive results in poverty reduction, included Benin (debt owing to Russia – US$11.75m), Zambia (US$112.2m), Madagascar (US$102.45m), Mozambique (US$148.6m), Tanzania (US$20.68m) and Ethiopia (US$162.8m).

This scheme of debt relief provides for the use of loans for development financing. Russia and its partner countries agree on the procedures for the effective use of released funds; for instance, for the implementation of projects in Russian priority areas (Ministry of Finance of the Russian Federation 2007b). Russia also participates in debt relief activities carried out by the Paris Club.

Precise information on debt relief is not available. In July 2008 the Russian president, Dmitry Medvedev, said, ‘[R]ecently, we have written off debts, especially to African states and several others, that amount to about US$16bn’ (President of Russia 2008).

According to the Ministry of Finance, as of 1 January 2009, 11 countries (including one CIS country) had unsettled debt to Russia. The government aimed at reducing this figure to one country in 2012. Conditions of debt adjustment are not disclosed (Ministry of Finance of the Russian Federation 2009b).

The accumulated amount of debt relief has reached US$20bn, which is higher than any other G8 member state. The Debt2Aid and Debt2Investment models aim to ensure that the released funds are invested in development programmes. Special intergovernmental agreements have been signed recently with Tanzania, Zambia and Mozambique totalling US$263.6m (President of Russia 2013).

### 3.2.2 Energy

Russian initiatives to help develop energy infrastructure in rural areas of African countries were supported by other G8 members and are now realised through Russia’s participation in the Global Village Energy Partnership. The construction of mini power plants, mini hydroelectric power plants and power lines for access to electricity in remote regions of Africa is carried out under this programme. Russia planned to contribute about US$30m to this programme over four years, starting from 2007 (Ministry of Finance of the Russian Federation 2009c).

### 3.2.3 Education

In October 2008, the Russia Education Aid for Development (READ) Trust Fund was established. It was a joint project of the Russian government and the World Bank, aimed at enhancing Russia’s role as a new donor in the sphere of education. The main aim of the programme was to improve the quality of education in low-income countries. Seven countries
(four from Africa, two from Central Asia and one from South Asia) were selected. The trust fund was allocated US$32m for a period of five years.\textsuperscript{30}

A system of scholarships for foreign students is another instrument of development assistance in the sphere of education. According to different sources, either 8,942 (Ministry of Education and Science of the Russian Federation 2009) or 9,091 (Ministry of Foreign Affairs of the Russian Federation 2010b) scholarships were granted to students from 161 states in 2009 (an increase, by any measure, from 2008). According to a government decision made in 2008, the number of foreign citizens and compatriots studying with the support of funding from the federal budget in federal state educational institutions of higher and professional education cannot exceed 10,000 people.\textsuperscript{31}

As pledged in 2006, Russia continues to meet its obligations to the Education for All programme.

### 3.2.4 Health

The decision to contribute US$80m to the Advance Market Commitment (AMC) between 2010 and 2019 was made in March 2007. The government executive order on participation in the AMC was endorsed by the Ministry of Finance, the Ministry of Foreign Affairs and the Ministry of Healthcare and Social Development (which was changed into the Ministry of Healthcare and the Ministry of Labour and Social Security in May 2012).\textsuperscript{32} Rospotrebnadzor participated in this decision as well, but at that time it was operating under the Ministry of Healthcare and Social Development, thus the decision was made by the ministry. After the recent May 2012 government reform, Rospotrebnadzor became independent and now is directly controlled by the federal government.

The participation of Russia in the G8 and, in particular, Russia’s 2006 G8 presidency, substantially influenced the country's decision to contribute to the AMC. Elevation of the issue to the head of state level through inclusion of certain commitments in the St Petersburg G8 summit documents was instrumental in domestic political management as it possibly helped to ensure the consensus of all Russian ministries.

According to Rospotrebnadzor, in 2000–05 the overall Russian contribution to global health issues amounted to US$52.93m, including its contribution to relevant international organisations. In 2006, the annual amount was US$29.85m, which was followed by a fourfold increase in 2007 and 2008 (about US$120m in 2007 and more than US$150m in 2008).\textsuperscript{33} The volume of Russian ODA in the health sphere cited in the MAR is lower (US$20.35m in 2006, US$102.17m in 2007, US$110.29m in 2008, and US$90.72m in 2009). The difference can be explained by the inclusion by Rospotrebnadzor of expenditure that does not fall under the ODA definition.

Russia will likely reiterate health as its priority in its 2014 G8 presidency, given its successful experience on several commitments, which resulted from its previous G8 presidency.

Russia regards participation in the AMC as an important contribution to compliance with the G8 commitments, given that health was one of three main priorities of its 2006 G8 presidency. According to information published in May 2012, Russia had disbursed US$16m to the AMC initiative (Ministry of Finance of the Russian Federation 2012).

Russia has been contributing to the Global Fund to Fight AIDS, Tuberculosis and Malaria since 2001, starting with just US$1m. In 2006 Russia decided to terminate its recipient status and pay back to the Global Fund US$217m that had been previously allocated to it.\(^{34}\) Russia made a commitment to fund all major projects on HIV/AIDS prevention carried out by Russian NGOs.\(^{35}\) Thus, the funds saved by the Global Fund could be used for assistance to other countries (Ministry of Finance of the Russian Federation 2008). In 2007 Russia’s annual contribution increased more than eightfold to US$85.7m, compared to 2006,\(^{36}\) but since then, annual commitments have decreased to US$20m per annum in the 2011–13 period.\(^{37}\) Russian authorities value the collaboration within the Global Fund, noting that its ‘experience is one of the most successful’ (Ministry of Finance of the Russian Federation 2007b).

Since 2004 the Global Fund has granted almost US$345.8m to four NGOs engaged in health issues (three of them are Russian NGOs and one is the Russian office of an international NGO). According to the agreements on the projects in Russia, the Fund was to pay an additional US$13.2m before the end of 2011. As of 30 November 2010, Russia’s contribution to the Global Fund amounted to US$257m (Ministry of Foreign Affairs of the Russian Federation 2010c). Thus, Russia cannot yet be considered a net donor to the Global Fund. Additional efforts are needed to transfer to national financing the Russian NGOs engaged in the health sphere.

Russia provides technical assistance to the CIS countries in establishing national systems for monitoring infectious diseases. Russia’s aggregate contribution to these projects reached US$28m in the years leading up to 2010. In 2010, another US$5m was to be provided.\(^{38}\)

According to the Russian prime minister, Russia’s contribution to public health services worldwide from 2006 to 2011 was to be over US$430m (\textit{ibid.}). Payments to the Global Fund constitute more than half of this sum.

Russia’s 2012 Asia-Pacific Cooperation (APEC) presidency did not include health as a priority; the discussion at the Vladivostok summit was limited to ‘preventing non-communicable diseases, promoting… healthy lifestyles and wellness’ (APEC Secretariat 2012). However, the APEC agenda includes the promotion of ‘transparent, fair and equitable access to vaccines’.\(^{39}\) The G20 agenda has not included health issues to date, with the exception of non-communicable diseases that affect the labour force (G20 Information Centre 2010). Russia’s presidency plans for its 2013 G20 presidency do not include health issues.\(^{40}\)

Health issues were included in the BRICS agenda in 2011 when the first meeting of BRICS health ministers took place in China. They agreed to cooperate in overcoming barriers to ‘access to affordable, quality, efficacious, safe medical products, vaccines and other health technologies for HIV/AIDS, tuberculosis, viral hepatitis, malaria and other infectious diseases and non-communicable diseases’. They mentioned ‘collaboration with and support of international organizations’, including the WHO, UNAIDS, the Global Fund and the GAVI Alliance, and called upon the WHO to ‘facilitate prequalification process, strengthening of national regulatory authorities and enhancement of exportability of medical products


produced in BRICS countries, especially priority vaccines and medicines for HIV/AIDS, TB and malaria.41 During its chairmanship of the BRICS Group in 2015, Russia could further promote this issue.

3.2.5 Humanitarian aid

The Development Assistance Concept states that ‘liquidation of the consequences of humanitarian, natural, environmental, and industrial disasters and other emergencies’ is one of the goals of Russia’s development assistance policy. Until 2005, when Russia started stepping up its participation in international development assistance, it was limited to humanitarian operations, contributions to international organisations and debt relief due to economic slowdown in the decade after the collapse of the Soviet Union.

Humanitarian assistance is the most developed part of development assistance in Russia in terms of legal regulation. Emergency relief aid to a foreign state is allocated on the ground of the state’s request to the Russian government.42 All planned humanitarian operations abroad are carried out together with the WFP at Russia’s expense. Other conditions being equal, preference is given to projects and programmes involving the use of goods and services originating in Russia (Ministry of Finance of the Russian Federation 2007a).

The performance of the Ministry of Civil Defence, Emergencies and Disaster Relief (EMERCOM) in international humanitarian operations in Russia and abroad is measured by the rate of completion of the government assignments it participates in. Performance in aerial work and humanitarian aid delivery is measured by the ‘degree of response to emergency situations’.43 The substance of these indicators has not been publicly explained.

Russian emergency officials say they apply traditions of Russian mercy and international experience, which allow Russian rescuers to take action flexibly. This does not mean that they can adapt themselves to every situation. They also take into account specific national characteristics. The main goals are to rescue, support and save people and then valuables and nature.44

Russia’s participation in international development assistance, except for the provision of food and humanitarian aid in the case of emergencies and natural disasters, is based on the following principles: the recipient countries ‘must have economic development programmes’, develop civil society institutions, pursue anti-corruption programmes and ‘demonstrate their interest in a consistent development of bilateral cooperation with Russia’. Russia coordinates its development assistance with other donors, maintains stable and predictable budget allocations for development assistance and considers the environmental and social implications of its activities (Ministry of Finance of the Russian Federation 2007a).

According to a public opinion poll conducted in 2011, only 26 per cent of the Russian population think that state reserves should be used for humanitarian aid allocation abroad (89 per cent think it should be used in case of a disaster inside the country, 76 per cent, for war, and 59 per cent, to address an economic crisis and a deficit of staple goods).45

3.2.6 Food aid and agriculture development

According to Alexey Meshkov, the Permanent Representative of Russia at the FAO and WFP, between January 2008 and June 2009 Russia allocated US$73m for overcoming the

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consequences of the food crisis and ensuring food security, including via emergency aid programmes (Meshkov 2009).

The WFP is Russia’s main partner in food aid allocation. The partnership started in 2002 when the Memorandum of Understanding between EMERCOM and the WFP was signed. In 2003 Russia made a first voluntary contribution to the WFP and in 2005 became a permanent donor to the organisation. Russia’s annual contributions to the WFP have been growing, and their share has been increasing (Table 3.1), although it is still low compared to the other G8 members (in 2009 Russia surpassed France). More than 106,000 tonnes of food have been delivered for the money allocated by Russia since 2005 (ibid.).

Table 3.1 Russia’s contributions to the WFP (US$, millions)

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</tr>
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<tbody>
<tr>
<td>All donors’ contributions</td>
<td>2,555.1</td>
<td>2,242</td>
<td>2,718.2</td>
<td>2,698.9</td>
<td>2,714.7</td>
<td>5,045.5</td>
<td>4,021.3</td>
<td>3,815.6</td>
<td>3,683.5</td>
<td>3,959</td>
</tr>
<tr>
<td>Russia’s contributions</td>
<td>11</td>
<td>0</td>
<td>11</td>
<td>11</td>
<td>15</td>
<td>15</td>
<td>26.8</td>
<td>32</td>
<td>37.7</td>
<td>38</td>
</tr>
<tr>
<td>Russia’s share (%)</td>
<td>0.4</td>
<td>0</td>
<td>0.4</td>
<td>0.4</td>
<td>0.6</td>
<td>0.3</td>
<td>0.7</td>
<td>0.8</td>
<td>1.02</td>
<td>0.96</td>
</tr>
</tbody>
</table>

Source: Government donors’ contributions to WFP.

The amounts are likely to remain at the current level, unless major new food security collective measures, in which Russia participates, are agreed.

The main recipients of Russian food aid are CIS countries (Armenia, Kyrgyzstan and Tajikistan) and the Eurasian region adjacent to Russia (North Korea and Afghanistan). Assistance is also provided to some African states (Angola, Guinea, Ethiopia and Zimbabwe) and to Latin America (Cuba) (Ministry of Foreign Affairs of the Russian Federation 2010d).

Apart from a regular contribution to the WFP, Russia provided the programme with one-off food aid deliveries. Thus, in 2008 Russia provided such aid worth US$3.5m in total to Bangladesh, Guinea and Zimbabwe (Ministry of Foreign Affairs of the Russian Federation 2008). Given these one-time emergency donations, the Russian contribution reached about US$30m in 2009 (Ministry of Foreign Affairs of the Russian Federation 2010e).

Russian food aid delivery is concentrated in a small number of countries. Since 2005, Tajikistan has been included on a regular basis in the list of recipients of Russian humanitarian assistance (2005 – US$6m, 2006 – US$2m, 2007 – US$3m, 2008 – US$2m). In 2009, Russia increased its annual donor contribution to the WFP’s fund to US$15m, of which Tajikistan got US$5m in aid (Ministry of Foreign Affairs of the Russian Federation 2010g). In coordination with the WFP, Russia’s 2010 annual contribution was to be allocated as follows: Tajikistan – US$5.5m, Afghanistan – US$5m, Armenia – US$2.5m, the Democratic Republic of Congo – US$2m, and Kyrgyzstan – US$5m. A further US$10m was set aside for one-time emergency operations in the same year. Within this amount, an allocation of US$4.2m in food aid to Haiti was planned (Ministry of Foreign Affairs of the

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47 Ibid.
Russian Federation 2010h). In 2010, Palestine received humanitarian assistance in the form of food supplies.48

According to the Overseas Development Institute, in 2002–04, 35 per cent of Russian humanitarian assistance was allocated in the form of food aid. In India for the same period, it was 43 per cent, in South Africa, 59 per cent, and in South Korea, 24 per cent (Harmer and Cotterrell 2005).

Russia’s presidency of the Executive Council of the WFP in 2009 was a landmark for the Russia-WFP partnership. The executive director of the WFP, Josette Sheeran, spoke highly of the reforms initiated by the Russian presidency, including the diversification of assistance operations and an increase in the number of donors (International Affairs 2010).

Russia is also engaged in WFP infrastructure development. EMERCOM supports logistics functions carried out by the WFP for the entire UN system. A standby agreement on Russian aviation assignment in cases of emergency was adopted in 2008 (ibid.). The possibility for the use of Russia’s aviation system ‘Global Reach’ by the WFP was being explored in 2010 (Ministry of Foreign Affairs of the Russian Federation 2010d). The WFP expressed interest in stockpiling humanitarian supplies on Russian territory as well as Russian products in regional WFP warehouses, including the central logistics base in Brindisi (Italy). The creation of joint warehouses in the CIS countries and other territories is planned (Ministry of Foreign Affairs of the Russian Federation 2010g).

It should be noted that humanitarian food supplies are regarded by the Russian authorities as one of the measures to support Russian grain exporters (Ministry of Foreign Affairs of the Russian Federation 2010i). At the same time record grain outputs in recent years have let Russia substantially increase its contribution to food security enhancement and towards the achievement of the first Millennium Development Goal – to halve the proportion of people who suffer from hunger.

In April 2009 the Russian government decided to contribute US$9.3m and US$10.7m to the WFP and the International Civil Defence Organisation respectively. It was emphasised that these targeted ‘tied’ contributions will be used to purchase wheat and flour in Russia and pay to Russian organisations for their delivery. Thereby the Russian government aimed to resolve the problem of wheat surplus in the domestic market, support national agriculture producers, processing industry and carrier companies.49

On 5 August 2010, the Russian government established a temporary ban from 15 August 2010 to 31 December 2010 on the export of wheat, meslin, barley, rye, maize and wheat and wheat-and-rye flour from Russia.50 On 20 October 2010, the ban on such goods (except flour) was extended to 30 June 2011.51 According to government officials, this policy was aimed at balancing the interests of domestic grain producers and processors and animal farmers, and at stabilising the market.52 However, according to Government Resolution No. 654 of 30 August 2010 the ban didn’t apply to goods exported from Russia for

48 ‘Russia will deliver nearly 10,000 tons of wheat flour to Palestine as part of international humanitarian operation’, Ministry of Civil Defence, Emergencies and Disaster Relief of Russia, 10 March 2010, www.mchs.gov.ru/news/item/22973/.
52 First Deputy Prime Minister Viktor Zubkov chairs a meeting of the interdepartmental group on implementing measures to combat the drought, Government of Russia 6 August 2010, http://government.ru/eng/docs/11663/ (accessed 3 November 2010).

The Russian authorities confirm Russia’s willingness not to limit cooperation with the WFP exclusively to humanitarian food supplies, but to strive towards cross-sectoral projects in the field of development assistance. In particular, this relates to joint action in the CIS countries experiencing chronic food shortages (Ministry of Foreign Affairs of the Russian Federation 2010d).

During Josette Sheeran’s visit to Russia in March 2010, two agreements between the WFP and the Russian government to strengthen the existing partnership were signed (World Food Programme 2010a). Russian support for school meals programmes in CIS countries was confirmed. On the basis of experience from the Russian city of Yaroslavl, the WFP and the Russian government are designing school meals programmes for long-term projects in CIS countries, starting with Armenia. Initially these projects aim to distribute food supplied by the Russian government, gradually replacing it with food produced locally. The goal is to make the programmes sustainable and nationally owned (World Food Programme 2010b). On 30 June 2010, the Russian government decided to donate US$8m between 2010 and 2012 to the WFP for the implementation of school meals programmes in Armenia.\footnote{Executive Order No. 1086-r of 30 June 2010, http://government.consultant.ru/page.aspx?8411;1288628 (accessed 21 December 2010).}

A significant amount of food aid, especially in cases of natural and anthropogenic disasters, is allocated on a bilateral basis. This work is synchronised with international food aid programmes (Meshkov 2009).

The Russian authorities recognise the importance of reaching a fair balance between the benefits of food surplus exports and potential ‘dependency syndrome’, when regularly ‘fed’ recipient countries may lose the spur to resolve existing problems by their own means. Thereby they emphasise the need to promote their own agrarian production within the international organisations through access to new technologies. In particular, the issue of including the supply of equipment and technologies in food aid programmes for developing countries is on the agenda (President of Russia 2009b). More active development of assistance programmes aimed at the development and dissemination of new technologies could help to stabilise the situation in partner countries, as well as increase export of Russian technologies and machinery.

Russia also contributes to the development of agriculture in developing countries through the World Bank Global Food Crisis Response Program, initiated in May 2008. The objectives of the programme are threefold: to reduce the negative impact of high and volatile food prices on the lives of the poor; to support governments in the design of sustainable policies that mitigate the adverse impacts of volatile food prices; and to support broad-based growth in productivity and market participation in agriculture. Russia’s contribution to the programme is financed through the Russia Food Price Crisis Rapid Response Trust Fund. Russia plans to contribute up to US$15m (World Bank 2009a). In 2009 and 2010, Tajikistan received US$6.75m through this fund. Allocation of US$6.8m to Kyrgyzstan was also being considered.\footnote{World Bank (2011) ‘World Bank Global Food Crisis Response Program. Externally-Funded Trust Funds Project Status’, 13 January, www.worldbank.org/foodcrisis/pdf/ProjectStatusExternalTF_Sept2009.pdf (accessed 15 May 2013).}

Since 2006 Russia has been promoting the idea of establishing a Eurasian Centre of Agrarian Policy, whose principal function will be advisory assistance to governments and
businesses in their efforts to increase food security in the Eurasian region (Ministry of Foreign Affairs of the Russian Federation 2010f).

In September 2010, the Russian government decided to change the office of the Permanent Representative of Russia at the FAO and WFP, which was based at the Russian Embassy in Italy, into the Permanent Mission of Russia at the FAO and other international organisations based in Rome. This decision is indicative of the expanding partnership between Russia and international institutions engaged in food security and agriculture development.

3.2.7 Trade
On 15 July 2013 the Russian government decided to contribute US$1.5m to the Transparency in Trade Program Trust Fund, managed by the World Bank, between 2013 and 2015. The programme is aimed at boosting trade by improving transparency, including through the elimination of 'hidden' trade barriers, and by controlling unofficial payments. According to the Russian Deputy Finance Minister, Sergey Storchak, trade is a key factor in the economic development of emerging countries and can help advance progress in sectors such as agriculture and mining.

3.3 Action aimed at meeting Russia’s international commitments (e.g. the MDGs)
Having dealt with the sectoral priorities in Section 3.2, this part of the report will focus on Russia’s actions in relation to the MDG of building a global partnership for development. The Development Assistance Concept emphasises Russia’s participation in international organisations, and states that over the course of the establishment of the national development assistance system, Russia:

will provide international development assistance mainly on a multilateral basis, that is by making voluntary and earmarked contributions to the international financial and economic institutions, first of all, to United Nations programs, funds, and specialized agencies, regional economic commissions and other organizations participating in development programs; by participating in global funds; and by implementing special international initiatives of the Group of Eight, World Bank, IMF, and UN agencies. (Development Assistance Concept)\(^{57}\)

To expand its multilateral development assistance, Russia is using its advantages such as its well-established aid delivery mechanisms coupled with the additional coordination and harmonisation opportunities provided by international organisations, as well as its financial monitoring systems, and technical capacity/expertise and knowledge.\(^{58}\)

According to OECD estimates, in 2008, Russia’s contribution to the main international organisations engaged in development assistance was US$117m. Of this, 67 per cent (US$78.4m) was allocated to the Global Fund, 16.7 per cent (US$19.5m) to the International Development Association (IDA) and 12.8 per cent (US$15m) to the WFP (OECD 2010).


Table 3.2  Russia’s international commitments and action aimed at meeting them

<table>
<thead>
<tr>
<th>MDG</th>
<th>Russia’s programmes and instruments</th>
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| Eradicating extreme poverty and hunger             | Funding to the WFP and FAO  
Emergency food supplies  
Contribution to the World Bank Global Food Crisis Response Program |
| Achieving universal primary education              | Russia Education Aid for Development (READ) initiative  
Funding of the Education for All programme  
Education of foreign citizens in Russian universities at Russian expense |
| Promoting gender equality and empowering women     | No special programmes                                                                              |
| Reducing child mortality rates                     | Participation in the G8 Muskoka Initiative on Child and Maternal Health through training of foreign specialists |
| Improving maternal health                          | Enhancing the capacity of national health systems in CIS countries on a bilateral basis  
Contribution to the WHO and Global Fund               |
| Combating HIV/AIDS, malaria and other diseases     | Contribution to the UN agencies working in the sphere (e.g. UN Environment Programme)             |
| Ensuring environmental sustainability              | Collaboration within the UN funds, programmes and agencies, as well as with the World Bank’s International Development Agency  
Participation in the Busan High-Level Forum on Aid Effectiveness and the Busan Partnership Cooperation with the OECD DAC (reporting ODA statistics)  
Organisation of international conferences on new donors and partnerships in international development in 2006 and 2010  
Work in the framework of G8, G20 and BRICS |

Source: Authors’ own.

Such concentration of multilateral aid allocation to a small number of international organisations is observed in the activities of other emerging donors. For example, the Inter-American Development Bank accounts for almost 94 per cent of Argentina’s contributions to major international development institutions, 77 per cent of Chile’s and 60 per cent of Mexico’s; the WFP accounts for almost 94 per cent of Saudi Arabia’s contributions and 70 per cent of India’s; and the IDA accounts for almost 70 per cent of Brazil’s contributions, 48 per cent of South Africa’s and 44 per cent of Kuwait’s (ibid.). Multilateral aid given by the OECD member states is allocated much more evenly (OECD 2009).

Russia’s G8 presidency in 2006 became a major landmark in the creation of its national development assistance system when the main priorities for development cooperation were identified and a significant increase in external aid financing was pledged. The experience of Russia’s G8 partners was useful in the elaboration of the Development Assistance Concept. Substantial strengthening of development assistance efforts by Russia’s G8 partners has become an important factor influencing the federal government activities in this area.
However, it should be noted that Russia has also recognised the importance of partnerships and mutual learning with the emerging donors.

On 6–7 April 2006, the international conference Emerging Donors in the Global Development Community was convened in Moscow under the auspices of Russia’s G8 presidency. The aim of the conference was to recognise the importance of and growing contribution to global development by non-traditional and '(re)emerging' donor countries. Impressive success in achieving their domestic development goals has allowed a growing number of developing and transition economies to look into disseminating their development experience beyond their national borders and to share their knowledge with developing countries seeking to advance their own economic and social development objectives. The conference also aimed at promoting greater understanding of different approaches to development, with a view to enhancing the effectiveness of all donors, both traditional and emerging.59

Russia’s membership of the G8, as well as its development commitments made at the forum, contributed to expanding its participation in development assistance. The summit documents reflected the G8 members’ intention to allocate considerable funds to development assistance, mainly to health assistance. A total of US$24.7bn was pledged over different periods of time (from 1 to 20 years). Of this, US$21.6bn was pledged for fighting infectious diseases, US$1bn to develop health systems in developing countries, and US$0.5bn for avian influenza and preparedness for a possible influenza pandemic, while US$1.3bn was intended for the Global Fund, and US$0.2bn for other international institutions and mechanisms (Global Polio Eradication Initiative, Global Alliance for Vaccines and Immunization, African AIDS Vaccine Programme and others) (Larionova and Rakhmangulov 2009).

To enhance international capacity to counter the spread of viruses, Russia proposed to establish the World Health Organization Collaborating Centre on Influenza for Eurasia and Central Asia (G8 Information Centre 2006). The Russian presidency also proposed to establish a regional coordination mechanism to promote HIV vaccine development in the countries of Eastern Europe and Central Asia (ibid.).

Russia is not yet a member of the OECD, though all the other G8 members are members of the OECD and its DAC. As indicated earlier, Russia first reported its ODA expenditure to the DAC in 2010. In 2011, Russia’s ODA expenditure was submitted to the DAC and reflected in the international statistics published by the OECD DAC.

The Russian authorities declared that they intended to begin reporting aid to the DAC once there was the necessary capacity to do so, and would support the proposal for other emerging donors to start reporting, on a voluntary basis, information on total annual disbursements of gross and net ODA.60 At the Moscow International Conference on New Partnerships in Global Development Finance in 2010, Russia proposed to other new development partners that they ‘join together and ask the OECD DAC to work with us in a special group that will focus initially on building capacity for aid statistics and reporting, and other aid management concerns’. In addition, it was proposed that the new development partners observe and learn from the DAC peer review process.61

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Several international organisations are engaged in strengthening the institutional capacity of Russian government agencies involved in international development assistance. For example, the United Nations Development Programme implemented a project aimed at improving institutional capacity of Russian agencies by making available international best practices in aid administration (UNDP Russian Federation, no date).

The World Bank and the UK Department for International Development (DFID) supported a technical assistance programme, ‘Russia as a Donor Initiative’, which was aimed at strengthening the capacity of Russian ministries and agencies in the area of international aid. The programme’s advisory council included representatives from a wide range of relevant Russian ministries and agencies (Ministry of Finance, Ministry of Foreign Affairs, Rosatomndicheske, Ministry of Emergency Situations, Ministry of Education and Science and Rospotrebnadzor), as well as representatives of the World Bank and DFID (World Bank 2009b). One of the outcomes of the project is that Russia has officially started to report ODA expenditure data to OECD.

DFID also supported the International Organisations Research Institute (IORI) of the National Research University Higher School of Economics through a project called ‘Sharing Responsibility for Development: Learning from Experience to Achieve Results’, which focused on the provision of analytical and information support for the Russian Federation’s participation in international development assistance. A major outcome of the project was a research facility operating in Russian and English and run by IORI, the Research Centre for International Cooperation and Development.62 Another one was a toolkit on international development cooperation, including a glossary, a book on the international institutions and the international legislative and normative framework, and analysis of the established and new donors’ strategies on development assistance.

4 Policy debate

4.1 Key spaces and modes of engagement

Under the Russia’s G8 and G20 presidencies in 2006 and 2013 respectively, initiatives aimed at promoting contributions from civil society organisations to the G8 and G20 agendas have substantially enhanced the participation of such organisations in development assistance activities. Representatives of civil society organisations and academia are interested both in increasing their participation in Russia’s actions on development assistance and in influencing the processes related to it. Thus in the run-up to the St. Petersburg G20 summit in September 2013, the Russian chair of the Civil 2063 initiated the preparation of a report and proposals focusing on the issue of surmounting the risks originating from growing income inequality. A special Civil 20 Task Force on Equity was established to prepare the report, bringing together representatives from G20 countries. The task force submitted proposals to the G20 for future G20 actions for Strong, Sustainable, Balanced and Inclusive Growth,64 including recommendations for G20 actions in the sphere of development (Larionova and Kirton 2013).

The Civil 20 proposed that, building on the G20’s foundational mission of making globalisation work for the benefit of all, the G20 should agree the Saint Petersburg Initiative for Strong, Sustainable, Balanced and Inclusive Growth, affirming the value of equality and inclusion along with economic growth and efficiency, formally including distributorial impacts and equality measures, and subsequently targets, within the G20 Framework for Strong, Sustainable and Balanced Growth. As part of the new framework the Civil 20 recommended that G20 should:

- affirm the need to strengthen public policy and the role of the state to tackle inequality, through (1) macroeconomic policies promoting employment and boosting aggregate demand; (2) fiscal and monetary policies encouraging productive investment; stemming corruption; progressive taxation systems; (3) reducing tax evasion and improving the effectiveness of public expenditure
- strengthen the social security systems in ways that move towards wider and ultimately universal coverage, in an effective and fiscally responsible way
- create a G20 Working Group on Equality to collaborate with appropriate international organisations and civil society groups to help refine and implement these recommendations, and devise new ones for actions by G20 leaders at their Brisbane summit in November 2014.

The report was debated in the Civil 20 summit on 13 June 2013 and the outcomes were presented by the Civil 20 co-chairs to President Putin, who encouraged Civil 20 and Civil 8 to continue their work, and confirmed that the recommendations would be considered by the G20 (IORI 2013).

Obviously the proposals proved contentious, as later the Russian Sherpa stated at the press conference on the G20 development accountability report (G20 Information Centre 2013) that the idea to change the G20 Framework for Strong, Sustainable and Balanced Growth to include a fourth pillar of Inclusiveness, plus relevant commitments, was not supported by other G20 members, who expressed concern that this would alter the macroeconomic nature

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63 The Civil 20 is a meeting for policy dialogue between the political leaders of G20 countries and representatives of civil society organisations working on the issues related to the agenda of the G20 summit. See www.g20civil.com/g20civil-society/

64 The G20 Framework for Strong, Sustainable, and Balanced Growth was launched at the Pittsburgh G20 Summit in 2009. It aims to develop national economic policy strategies in a coordinated manner.
of the framework. However, ultimately it was reflected in the final G20 documents. The *Saint Petersburg Development Outlook*, the G20 development strategy document for the next three years, emphasised that strong, sustainable, balanced and inclusive growth was mandatory for achieving the goals of ending poverty and boosting shared prosperity. The G20 leaders pledged their determination to work together to achieve strong, sustainable, balanced and inclusive growth in their *G20 5th Anniversary Vision Statement*. Thus, the Civil 20 process proved to have exerted some influence on the G20 decision-making process.

4.2 Media coverage and public awareness

As mentioned in Section 2.3 above, a 2011 national public opinion survey of the Russian population showed that allocating aid through international organisations was deemed preferable to allocating it through Russian national agencies and ministries. Health and education were mentioned as Russia’s comparative advantages, because of Soviet capacity and experience and the availability of professionals. This also shows that the majority of the Russian population is unaware of the volume of Russia’s ODA and does not support future increases (World Bank, no date). Indeed, Andrey Bokarev, head of the International Financial Relations Department at the Russian Finance Ministry, lamented in January 2011 that the Russian government should be spending more on publicising the country’s large international economic aid programme, telling a World Bank forum, ‘At the moment, the federal budget does not include such an expenditure, but if we want to get a result, sooner or later, we will have to move in this direction’ (*RIA Novosti* 2011). Hence, there is a need for continued awareness-raising and advocacy. In this regard, the engagement of academia with civil society can play a crucial role, as evidenced by the Civil 20 initiative led by the IORI based at the Higher School of Economics. As indicated earlier (in Section 4.1), the Civil 20 group convened under the Russian G20 presidency prepared a report focusing on the issue of surmounting the risks originating from growing income inequality, *Civil 20 Proposals for Strong, Sustainable, Balanced and Inclusive Growth* (Larionova and Kirton 2013). The preparation of the report was coordinated by the IORI, and the process included academic studies, policy advice and broad consultations with a wide range of stakeholders through the Civil 20 website and the Research Centre for International Cooperation and Development.

Discussion in the media is scarce and frequently driven by uninformed opinion. Many opinion leaders and commentators harshly criticised the idea of creating a Russian Agency for International Development in August 2011 as an ineffective expansion of bureaucracy and a waste of resources. There is a small pool of journalists who specialise in economic and foreign policy issues and cover developments in the sphere of development assistance, which might be reflective of the lack of public interest in development issues. Awareness is increasing and interest is building in conjunction with high profile political events, such as the G20 and G8, or BRICS summits, with the implication that the three consecutive presidencies Russia is holding in the G20, G8 and BRICS in 2013, 2014 and 2015 respectively may become important stepping stones in consolidating Russia’s development assistance strategy and public support for its implementation. The *St Petersburg Development Outlook* adopted by the G20 leaders at the September 2013 summit got the media’s attention and contributed to the debate on the global development agenda and Russia’s role in it, as did the *Saint Petersburg Accountability Report on the G20 Development Commitments*. To a large extent attention was attracted by the spotlight shone on these issues by the high profile G20 events – yet another confirmation that continuing commitment explicitly expressed by

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the country’s leadership is needed to raise media interest in the development agenda, as well as public support for and awareness of it.

4.3 Actors, discourses/narratives and interests

Policymakers are the key actors in shaping policy and/or actions on development assistance. As indicated earlier three major stakeholders are the Ministry of Foreign Affairs, the Ministry of Finance and the Presidential Administration. Their decision-making is driven by their respective missions and commitments, both domestic and international. Public discussion is scarce and heated. When information on the creation of a Russian Agency for International Development was leaked to the press in August 2011, many opinion leaders criticised it as an ineffective expansion of bureaucracy and a waste of resources. This seems to have delayed the submission of relevant documents to the government and led to a suspension of the decision by the government. The government is reluctant to make substantial new commitments, given its fiscal position, lack of capacity to deliver the assistance and lack of support among the public. As Parliament is not involved in the development assistance processes, the role of parliamentarians is very small unless a public discussion is initiated.

In principle, industry and private sector representatives could lobby the government about decisions concerned with international development assistance. However, in practice, they do not see how such actions would benefit them. Civil society organisations and thinktanks can be an additional source of influence, as they can communicate how Russia can benefit from development activities abroad. However, they face difficulties in raising funds for relevant projects and activities. Foreign assistance scholar Denis Degterev views civil society organisations – that is, Russian civil society organisations – as having a strong soft power influence through their work abroad, but laments that Russia lacks the equivalent of the US Peace Corps, which would help provide young people with a foreign outlook and an internationally oriented mindset that they could apply in the future.68

An interesting example is the Consultative Group of Russian CSOs [civil society organisations] on Development Issues and Interaction with the G8 and G20, which was created with the support of former Russian G8/G20 Sherpa Arkady Dvorkovich in 2010. Representatives of Russian and foreign civil society organisations working in Russia regularly met with the Sherpa and other invited officials to discuss the G8 and G20 agenda and make their recommendations on relevant issues, including development assistance. The process was instrumental in informing civil society about the Russian government’s position and priorities and contributed to a constructive engagement with civil society during Russia’s G8 and G20 presidencies.

Although Rossotrudnichestvo regularly invites experts from academia and civil society organisations to its open events and relevant consultations, there is no public council within this agency to support its functions in the sphere of development. Many Russian ministries and agencies do, however, have public councils comprising experts and public figures with advisory functions.

4.4 Unresolved issues

The most pressing issues are defining the ownership of the policy; finalising the division of labour between the key state stakeholders; empowering the state actors with new functions and powers in development assistance; consolidating the knowledge base and developing and implementing a communications strategy.

68 Denis Degterev, interviewed by Marc P. Berenson, MGIMO University, Moscow, 22 February 2013.
5 Conclusion

5.1 Russia’s international positioning, capacity and comparative advantages

Given a series of Russia’s presidencies in major international institutions, starting with G20 in 2013, G8 in 2014 and BRICS in 2015, Russia is both interested in and well positioned to take new international initiatives through which it can promote its national priorities in the global agenda. This will help Russia to consolidate its international development policy at the national level and put forward ambitious proposals for future cooperation for development internationally. This is confirmed by the fact that Russia included development as one of the priorities in its G20 presidency agenda. At the G20 Future Development Agenda in Post-Busan Cooperation Architecture workshop at the Higher School of Economics in Moscow on 25 February 2013, Vadim B. Lukov, Ambassador-at-Large of the Russian Ministry of Foreign Affairs and Russian Coordinator for G20 and BRICS affairs, commented that Russia wanted to focus on two topics with respect to development assistance during its G20 presidency – food security and enhancing social capital – as a means of counteracting the decline of the middle class.

5.2 Russian priorities for the future international development cooperation agenda

Russia’s priorities for the future international development cooperation agenda can be summarised by several points:

- first, compliance with the commitments made in the international settings, both multilateral and bilateral;
- second, a focused approach allocating funds to a select number of countries to achieve an impact, with the ‘near abroad’ countries being a priority;69
- third, health, education (including human resources development), food and agriculture as well as energy as sectoral priorities;
- fourth, ensuring efficiency of the development cooperation programmes;
- fifth, a model of development cooperation where development is attained through support of economic growth and development of trade rather than through traditional aid programmes.

Thus, though Russia will work with its G8 partners on the forum’s established priorities and will continue collaboration with the key international institutions, it will prioritise actions which will help accelerate growth and employment, as well as foster trade with its partners.

Given that the new Development Assistance Concept may be agreed and endorsed soon, further elaboration on the Russian priorities for the future international development cooperation agenda may be expected. Meanwhile it can be assumed that building capacity for cooperation on international assistance would one of the priorities (Ministry of Foreign Affairs of the Russian Federation 2013c).

69 Indeed, when commenting on the help afforded by Russia to Kyrgyzstan a few years ago that enabled unrest to be reined in there, Vladimir Zharkhin, deputy director of the CIS Institute, said that countries like Kyrgyzstan and Belarus, which have fallen on hard times in some recent years, could be a prime target for Russian aid. ‘It’s not because they need it worst,’ he said. ‘It’s because there’s no one else to help them’ (Medetsky 2011).
5.3 Summary of key issues and possible entry points for policy engagement by domestic and international actors

There are five main issues that have to be addressed by Russia and her partners. For Russia, basically the key issues are outlined in Section 4.4 and Section 5.2.

- What institutional architecture should Russia build to meet its priorities for the future international development cooperation agenda?
- Having agreed on the geographical priorities and the budget for the medium term, Russia needs to define the sectoral focus; this is especially relevant as the amounts dedicated to development assistance are not especially large.
- Implementation mechanisms, interagency division of labour and effectiveness indicators and/or evaluation instruments should be agreed.
- What should be the communication strategy to inform citizens as well as to raise their awareness and to ensure their support?
- Finally, if the new Concept envisages public–private partnerships as an important instrument of support for development, business interests should be identified and harnessed, and effective engagement should be pursued.

For Russia and its partners in the medium term, the entry point for engagement is, what should Russia’s priorities for development assistance be in its forthcoming G8 agenda, BRICS proposals and future cooperation with the international community?
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