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Revised EU approaches to development cooperation. Case study: triangular cooperation in Bangladesh

Elena-Adina VOICILĂ*

Abstract

As the paper assesses, first of all, the role of the European Union (EU) in the development cooperation (ODA) agenda, oriented specifically towards the South Asia region, the analysis will try to identify the opportunities for improving the policy, on one hand, and indicate areas for cooperation between actors involved directly in pursuing poverty eradication and promoting core human values. The main area for cooperation between donors in this case is good governance, due to the chronic problems that the recipient state, Bangladesh, encounters in matters of governance, corruption and rule of law. Therefore, by pinpointing the main theoretical concepts – South-South Cooperation (SSC) and Triangular Cooperation (TrC) – and continuing with a brief policy analysis of the EU ODA in relation with South Asia and Bangladesh and including the Japanese ODA and TrC experience in South Asia, the paper will try to offer arguments in favour of EU to pursue other types of cooperation in the field of development aid.

Keywords: Bangladesh, EU, Good Governance, JICA, ODA, Triangular Cooperation

Introduction

The current international aid structure is being challenged by the increasing presence of non-Western actors. The rising influence of emerging actors in global affairs reduced European Union's aid's importance for supporting development, as well as EU's voice in decision-making processes in the field. Currently, the global development agenda expanded, moving from the traditional development aid perspective – today, we are talking about security, migration, good governance, trade, environmental issues and investments as being part of the global cooperation agenda, together with economic development and humanitarian aid. This change of the global power structures should have created normative pressures on the EU and improve both coordination and coherence of its development policies. Moreover, as EU members are focusing more on tackling the growing internal challenges, this resulted in a weakened EU that did not make success in dealing with the progressing global development agenda. Even so, the EU continues to be one of the most important global players

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in the field of development – not only as an actor, but also as a system of shared norms and values which influence other actors on the global arena. In addition to being a major source of development aid, the EU embodies the world's largest single market. Moreover, the EU's impact on reform agendas of developing countries is the strongest out of any bilateral donor, which can also be reasoned by the historical ties that EU member states have with recipient countries. However, the European Union, although it continues to be one of the region's largest trading partner and actively supports poverty eradication, social cohesion and regional cooperation, does not concentrate enough on the external economic relations with Asian countries, and has the capabilities to provide extended assistance to a region that is of major interest to other international players and has its own emerging powers that want their voice to be heard.

Moreover, the development cooperation area is in an on-going change, as new players are appearing on the global arena - an increase in development actors means a diversification of models for development, moving away from traditional and focusing on emerging powers (Walz and Ramachandran, 2010). Moreover, this also means a reorientation towards building partnerships and developing South-South (SSC)/ North-South-South cooperation among donors and recipients.

Since the revival of the SSC, traditional aid donors also modified their approaches towards disbursing aid, reaching collaboration with Southern partner countries through schemes which include triangular cooperation. Therefore, donors such as Japan engaged in triangular cooperation, as well as other several other EU member countries – yet, this modality has not yet become fully consolidated inside the European Union institutions. Two main reasons can be advocated: first, TrC is not a conceptually clear concept and it does not always have positive implications for aid effectiveness – two critical traits of EU development assistance policies.

As the paper assesses, first of all, the role of the EU in the development cooperation agenda, oriented specifically towards the South Asia region, the analysis will try to pinpoint the opportunities for improving the policy, on one hand, and indicate areas for cooperation between actors involved directly in pursuing poverty eradication and promoting core human values and norms. The main area for cooperation between donors in this case is good governance, due to the chronic problems that the recipient state from South Asia (namely, Bangladesh) encounters in matters of governance, corruption and rule of law. Asia and Bangladesh respectively are chosen mainly due to the fact that the region contains developing, emerging and developed states, where interests of various countries clash when discussing about development and financial aid.

Therefore, the research questions which I have in mind are: What are the challenges to EU's development cooperation policy? What can the EU do to overcome the international challenges posed to its ODA policy? Why should the EU become more involved in Southeast Asia? Who are the donors

interested in South and East Asia? Can comprehensive partnerships be an answer to increase the EU's potential in the field of development cooperation? These represent the main questions which should reflect the aim of my paper: to analyse the EU's experience in providing aid and highlight the role it can have as a global actor if it manages to overcome the challenges posed to both its development cooperation and global development agenda.

In order to answer to these questions, the paper will start by pinpointing the main theoretical concepts –SSC and TrC– and continue with a critical opinion on good governance, applied directly onto Bangladesh. Moving on, the model the Japanese ODA and TrC experience in both the region and area of cooperation will be assessed, followed by an analysis of the EU official development assistance and other relevant documents, in relation with South Asia and Bangladesh, drawing up several conclusions that can make way to other researches on different approaches to development cooperation that the EU can approach in the future.

1. Theoretical perspectives

South-South cooperation (SSC) and Triangular development cooperation (TrC) have gained momentum in the agenda for international development cooperation; however, SSC is not a new concept, being in discussions for many years. All the meetings that took place in order to discuss SSC and TrC provided successful evidence-based interventions by developing countries in order to achieve the Millennium Development Goals (MDGs), stressing the importance of diversity of development, aid/development effectiveness, transparency and monitoring. To keep it short, all these events contributed greatly to the shift in perspective towards result-based development outcomes, and encouraged traditional development actors to debate with middle income countries and emerging economies that have the unique experience as both providers and recipients of aid.

SSC is gaining importance among recipients and donors alike, because of the belief that development economies have better insights into their peers' development needs and their diverse experience and shared practices can lead to a win-win situation for both parties involved. The concept's importance arose as a value for development since the 1960s, focused on how a developing country's experience can be emulated in other developing countries. The first time the concept started to be defined was in 1977, when a resolution adopted by the United Nations (UN) tried to define the objectives of Technical Cooperation among Developing Countries - TCDC (UN Resolution, 1977). A year later, the Buenos Aires Plan of Action (BAPA, 1978) was adopted providing, thus, a plan to implement TCDC. The objectives and recommendations organized by the plan of action provided the basis of what is today known as SSC. Mutual benefit, fostering national and collective self-reliance

are some the basic principles that stand at the basis of SSC. The Plan of Action offered the starting point for developing countries to move beyond traditional cooperation methods, therefore technical cooperation provided the different perspective used in order to correct the asymmetrical relations between countries. Technical cooperation was seen as a process politically motivated and systematically implemented, which takes into account the equality between partners, respect the local level of development and non-interference in the domestic affairs of one another.

If the concept of SSC became known during the 70s, it was mainly as a result of the countries which came out of colonization and struggled immediately with poverty (Kumar, 2008). Not having access to money and resources made these countries looking for a solution, via self-reliance. Countries therefore organised themselves into compact groups and set up annual Summits in the 1980s. Besides organising forums and meetings, SSC promotion took into account as main framework the creation of preferential trade agreements among developing countries, as well as other institutions which could allow for development of their capacities. This is how developing countries started assisting each other.

However, SSC lost interest because of the financial crisis during the late 1980s and 1990s, as many developing countries were forced to use the Western institutions (the Washington Consensus) for financial assistance, imposing thus conditionalities in order to better integrate the recipient countries within the world economy. It is how many countries started to change their policies in order to liberalize trade and comply with the Brettonwoods system. Some authors saw this as the trigger for the “periphery” talk in the development cooperation field.

Today, the South managed to emerge as a key player in development cooperation policies, though there are still disparities in the South. Developing countries in the South also face major challenges in achieving all the internationally (North) agreed goals and commitments. Because of these reasons, countries within this group can help each other in sharing their development experiences which they have accumulated. In this manner, SSC gained new importance and meaning.

2. Bangladesh – critiques on good governance

For the rationale of this paper, as good governance is also a main area of interest not only for the EU, but also for other main donors providing aid in Bangladesh, the next section will start with an evaluation of the good governance concept as seen in Bangladesh.

Bangladesh could be seen as one typical example of a developing country in Southeast Asia: a large population with low per capita income, agriculture-oriented economy and trade deficit; moreover, it only recently shifted its approach towards good governance and development, because

of foreign assistance and imposed conditionalities aiming at reforms (OECD, 2017). The core challenges revolving around corrupt practices and non-transparent bureaucracy result in an ineffective and inefficient governance (World Bank, 2016). Successive World Bank reports show low score for the country against all the main governance indicators.

In Bangladesh, corruption is seen as a huge impediment to both growth and investment – just by analysing Transparency International, you can notice that Bangladesh is at the bottom of its Corruption Perception Index - reports from the same organization mention that the level of corruption has reached high levels mainly due to a politicisation of state institutions (Transparency International, 2015).

Moreover, the cultural barriers existing in the region, as well as the Asian values that clash with the Western ideals, put pressure on establishing sound reforms aimed at improving governance (Walton and Schbley, 2013, p. 6). Yet, Bangladesh is still committed to good governance, while donors still continue to provide aid (IMF, 2013, p. 30). It is to be noted that the top donor mentioned in the 2017 OECD report is the International Development Association, which focuses also on good governance and institutions building; moreover, Bangladesh is one of the largest recipients of IMF technical assistance. Therefore, it is only pertinent to ask ourselves why donors promote good governance despite various barriers which enforce poor governance in recipient states.

Moreover, there is the idea that good governance is different and particular; therefore, it might seem pointless to apply it in societies with high cultural legacies and traditional values. This position has been frequently noted by various writers, such as Chris Brown, especially when dealing with the universalism versus relativism conundrum of human rights. The argument enforces the belief in liberal ideals, where human rights are pillars for civil society and their value is universal; thus, scrutiny of human rights has become a conditionality imposed by all donors, especially those which stress upon good governance and rule of law. As such, there is a connection between respecting human rights, ensuring good governance and achieving sustainable development. Positive correlations can be seen between high incomes and good governance; yet, sustainability is achieved only when freedoms are granted (Kaufmann, 2006, p. 15). In light of this argument, the less traditional a country's culture is, the more likely it is that the country has good governance. This implies that attempts to impose a standard of good governance on particular nations might inhibit economic development, because the particularities of such culture are incompatible with the good governance concept (Licht *et al.*, 2007). Nevertheless, the initial premise has fallacious arguments, starting from the idea that good governance promotes a particular society, and that it is futile to address it in countries with different values and traditions.

First of all, it is misleading to assume that good governance aims at promoting a particular society. Governance manages the rules of the game itself, meaning the internal institutional process. Good governance however, deals with other aspects, aimed at institution and capacity building. Ensuring the minimal conditions for governance is therefore critical in allowing development. Yet, this model applies to the intricacies of the state, not the society per se.

The idea of society should not be confounded with the idea of a state. It is the society itself which engages into an agreement with the sovereign power and yet it develops according to its own nature and perceives its own identity (Sartori, 1973, p. 15). Thus, the state and the political system develop inside societies. In my opinion, good governance is a development model, aimed at reforming the state apparatus, using technical and financial incentives.

Second of all, good governance moves beyond traditions, as it is a process which aims at reforms in the governmental apparatus, turns towards the voice of people and emphasises accountability- both vertical and horizontal (Smith, 2007, p. 202) - and denies violence and corruption in order to promote transparency, efficiency, effectiveness and rule of law. One might reasonably think that all these principles can evolve in developed states with stable democratic systems. This is not entirely false, since the application of this concept in developing or underdeveloped countries can negatively affect the citizens (Jabeen, 2007). The issue of good governance transferability is therefore a serious matter, which is why Merilee Grindle argued for a different approach (Grindle, 2004). Good enough governance is therefore seen as a reform model adapted to developing states, where the vast majority of the population is poor and voiceless.

Last, but not least, it is needless to assume that a closed, traditional society is incompatible with human liberties and rights. As such, good governance and democracy need to take into account the importance of culture, and all three should be treated as universal values, while respecting one another. Moreover, since it is widely accepted that today's world's states are both confessional and ethnically heterogeneous, cultural diversity needs to be recognised as integrant part of societies.

3. Japan and ODA: supporting South-South and Triangular Cooperation

The Japanese ODA program began in 1954 and the ODA loan program launched four years later. At that time, because of Japan's issues with its balance of payments and export promotion, the ODA loans were intended to promote Japan's exports to developing countries, playing their role in sustaining the developmental state. During the 1960s, Japan started to use ODA as an economic tool, using "tied aid" as a norm, mostly because it lacked military power. The 1970s also characterised the Japanese ODA system as having mostly tied aid, yet pressures from international development norms

started to shift aid towards human needs (Japan White Paper on ODA, 2017). The negative criticisms brought the Japanese ODA policy to untie all aid by 1980s in theory as in practice aid given through private investors continued to be tied (Hook *et al.*, 2005, p. 205).

In what regards aid allocation and amount, Japan increased its ODA and became the number one donor in the world until the Asian Economic Crisis in 1997. The success of the Japanese developmental model as mentioned in the introduction was even recognised by the international community (as seen in World Bank's report). Therefore, the ODA policy continued to change according to the global trend. The most important motivation behind such an abrupt shift, taking into account that Japan's stance was to ensure economic growth would be the development of the human security concept.

Japan is the 4th major contributor of the Development Assistance Committee (DAC), in terms of volume (OECD-DAC, 2017). Because of its development experience, Japan promotes ODA as a catalyst for private sector investment and to sustain tax systems, trade performance and integration in the world economy. Yet, the Japanese ODA allocation has been often criticised for the viewpoint behind its official development assistance motivation. The main critique is relates to how Japan emphasises the need to develop the recipient countries' economic environment properly for business; developing countries with business-friendly environment are attractive to multinationals that seek to establish production facilities in such states (OECD-DAC, 2017, p. 17).

The Japanese development model is rooted in history and motivation outlined in the preceding section. Yet, the key features are discussed below. Interestingly though, the model, even if it adapted to the international development arena and suffered changes in policy priority and aid modalities, never lost inconsistency and remained sturdy compared to other major donors. The Japanese ODA policy is based on the non-intervention principle, grounded in the idea of self-help, as seen in Japan's Official Development Assistance White Paper 2006-2016. Self-help was instrumental during the economic recovery and development of Japan. Therefore, the principle was to be reflected into the aid policy as well, emphasising the idea that states request aid and have ownership over the aid disbursed. Thus, the Japanese aid has fewer conditions imposed on aid disbursements than the aid allocated by major donors (Lancaster *et al.* 2010, p. 29). In light of this argument, non-interference is also an ingrained principle, pre-dating Meiji era, and relates to the idea that it is best not to entangle, not because of a lack in initiative but because the one which receives your help ends up owing you, having an obligation which is limitless in essence (Benedict, 2005, p. 111). Therefore, it can be seen that in the ODA practice, the principle of non-interference and self-help is equal to the idea that recipient does not need to shoulder a debt of gratitude to Japan, but needs to have initiative and act.

To support this argument, Arase believes that the principle of self-help leads to recipient states taking pride in their development achievements (Arase, 2005, p. 11).

However, the historically strong loan prioritization of the Japanese ODA has been subject to international concerns, because it might result in debts for recipients, especially poor states (OECD, 2010). Yet, it should be noted following the recent OECD report that Japan follows a trend of increased technical cooperation via grants and decreased loan usage in ODA disbursement (OECD, 2017). In what regards grants, technical cooperation is mainly prioritized to human development and capacity development (JICA Report, 2017). Dispatching experts and trainees is therefore the main mechanism through which JICA ensures that developing countries have their own personnel trained.

For Japan, TrC is not only a policy regulated by projects or bilateral commitments with recipients and donor – the concept is firmly positioned in the main national ODA policy and ODA planning documents of Japan and the Japanese International Cooperation Agency (JICA). As reported even by OECD/DAC Review (OECD, 2013), a majority of DAC bilateral donors lack TrC policies in their aid framework, with the exception of Spain, United Kingdom, Germany and Japan. Japan has policy framework for both SSC and TrC regulated.

TrC is also emphasised in Country Assistance Policies and mid-term plan of JICA, alongside the Japanese ODA Charter. This commitment to such instrument of development can be traced back to 1974, when Japan first implemented its first TrC. Since 1974, Japan managed to receive over 4,000 participants from all around the world in its main TrC instrument – JICA triangular training programme (Honda, 2014, p. 1).

Japanese TrC includes not only training programmes, but also expert exchanges and technical cooperation projects that can combine a variety of development aid modalities (Honda, 2014, p. 2). The rationale behind the Japanese TrC is that, by undertaking TrC, the capacity development offered by this framework is crucial for countries to strengthen their own management of SSC.

TrC promoted by Japan has also been done together with international partnerships – for example, JICA organised between 2009-11 learning and dialogue program, with participants coming from Indonesia, Mexico, Egypt, Kenya and Brazil, and included technical staff from German Labour Organisation and UNDP (Honda, 2014, p. 17). This type of cooperation can be described as a knowledge-sharing partnership, where all three actors involved can learn about the practices of the others.

4. European Union: challenges to ODA policy in South Asia

The idea of EU's cooperation with developing countries is far from being decent. Actually, the idea is almost as old as the process of European regional integration, dating back to the establishment of the European Economic Community in 1957 through the Treaty of Rome. This is a result of the colonial past of some of the founding members of the Community, as the policy was serving the purpose of linking overseas territories and former colonies of the EEC member states. Over the years, the geographical scope of the international cooperation policy has been enlarged: from its creation until the 1980s, its focus has been on the African, Caribbean and Pacific countries (ACP), currently, the EU is dealing with Asian, Latin American, Mediterranean countries, Middle East and Eastern European countries, having a global presence in 140 countries.

As of the latest Annual Report of 2017, the key EU-funded projects and programmes were concentrated on the following areas: good governance, conflict prevention-peace building-security, food security, energy and education (EU, 2017, p. 15). Therefore, further deepening the EU-Asia cooperation on many levels represents a priority for the EU. In this sense, a confirmation of the main idea of the paper is already seen – the EU continued to increase engagement with major donors in the area – going as far as strengthening existing Strategic Partnerships in 2016 with India, Japan and China (EU, 2017, p. 18).

Asia is a territory described as being the world's largest and with the highest population density, being of geostrategic importance to the European Union. According to official EU data, the cooperation with Asia is being done at both country and regional level. The EU Global Strategy supports as well the EU's interests in engaging Asia. Moreover, it goes further in remarking that the recognition of Europe's historical ties with Asia is complementing the link between European prosperity and Asian security (EU Global Strategy, 2017).

In what regards aid disbursements, the majority of the EU funds are allocated to the Least Developed Countries in the region (LDC), among which Bangladesh, Cambodia, Mongolia, Myanmar and Laos. In the South / Southeast Asian region, the EU is promoting trade liberalization and integration via regional organisations – forging ties with South Asian countries and increasing integration with the Association of Southeast Asian Nations (ASEAN). This approach highlights the role EU plays as a strong economic actor in the region, but also hints towards the role it has as a reliable aid donor for development. Moreover, the EU also provides humanitarian assistance to both

refugees (in reference to the 2017 Rohingya refugees¹), as well as to areas affected by natural disasters or conflicts.

4.1. The European Union and Bangladesh: promoting good governance

Good governance is the most significant concept concerning the functioning of the public sector in the European Union, which managed to modify the concept until it became a model worthy of being emulated in the world (Grzeszczak, 2014). For the EU, in compliance with the principles stipulated under the development aid policy, institutions and public administration need to be accountable and provide high quality public services. Starting from this, the EU supports all reforms which target institutions, policies, management, in order to provide public services at high standards, to have access to them in a transparent manner and to strengthen the legitimacy and accountability of the aforementioned institutions.

Therefore, the EU supports regional reform efforts and long-term strategic planning, in order to reduce social inequities and achieve decentralisation. Moreover, the aim of achieving institutional legitimacy has as purpose the fight against corruption – all being lines of action on which the EU invests.

The relations between the EU and Bangladesh can be traced back to 1973². Their bilateral relationship reached its peak in 2001, through the Cooperation Agreement, covering themes such as economic development, trade, good governance, environment and human rights – today, the EU is the biggest trading partner of Bangladesh. Following this, the European Union committed, under the 2014-2020 Multiannual Indicative Programme, around 690 million EUR.

The commitment takes into account EU's support for the Government agenda for reform of Bangladesh, but also stresses on the immediate need for the country to deliver on its promises. However, even if it is a parliamentary democracy with a fragile political situation, security instability and rising religious extremism, Bangladesh reports also human rights abuses and increased political and sectarian violence.

Bangladesh managed to achieve the Millennium Development Goals, with a 7% economic growth and a dynamic private sector, low-cost workforce and improved working conditions and labour rights, yet it maintains the trait of a Least Developed Country (LDC) (World Bank, 2018). Due to this, Bangladesh benefits from the European Banking Authority arrangement, the most favourable

¹ Since August 2017, more than 650,000 Rohingya refugees have fled persecution in Myanmar to Bangladesh.

² Starting with Bangladesh becoming an independent Republic within the Commonwealth.

trading regime available under the EU's Generalised scheme of preferences (GSP) and received under the 2007-2013 EU indicative programme allocation around 403 million EUR for addressing social exclusion and poverty.

As mentioned under the EU indicative programmes and the EU-Bangladesh Strategy Paper, the funding priorities between the two entities are: Human and social development, good governance and human rights, economic and trade development. In addition, assistance is provided for environment and disaster management, as well as food security.

In spite of the commitment and efforts made by Bangladesh in what regards the promotion of good governance in the public sectors, there are still remaining challenges, as described earlier in the paper.

According to the Japanese Country Assistance Program for Bangladesh, at the central level, there is a need of improving the policy implementation capacity – coordination across all governmental agencies is needed. At the sectoral level, there is a need for building capacity of the implementing agencies (institution building) – because of this, there are other problems related to efficiency in public works and public services. At the local level, there is a need for decentralization and directly target the needs of the community, since poverty starts from this point. By looking at the problem in this way, there can be made a connection between good governance and all the other issues which affect the daily lives of people living in Bangladesh.

In response to the challenges, JICA developed several projects in regards to the improvement of the capacity of public administration. As seen in the JICA Report on Bangladesh, mainly through the implementation of technical cooperation, JICA engaged into institutionalizing the concept of Union Development Coordination Committee (UDCC) and Total Quality Management (TQM). These two contribute to ensuring more transparency and accountability of the public service (JICA 2016, p. 25). Besides technical assistance, Japan also disburses financial aid in areas of local governance, where local institutions are using the Japanese projects in order to improve their local government and develop their infrastructure.

In what regards the EU, good governance is also one of the main targeted areas of EU ODA – and one of the best examples would be a project which supported the justice system – “Activating Village Courts” (2007-2015). The objective of the project was to empower the poor and the vulnerable and give them access to a fair justice system coordinated at the local level. In this sense, the EU cooperated with UNDP, which became the main implementing authority and this partnership managed to give access to justice to more than 128,000 people, which solved a judicial complaint in

an average time of 28 days, compared to 5 years, if they would have chosen the national legal system (Testimonials from the project³).

Conclusions

At first glance, efficiency of aid allocation is only about achieving goals. Donor states allocate aid in order for the recipients to achieve either economic or human development, or even both. Inducing governance changes or affecting corruption are also priorities of various assistance funds, but in the end, only very small improvements were seen in the success of aid allocation, as the targets of the Millennium Development Goals were not all achieved. As such, in order to deliver aid, in both an efficient and effective way to those who are most in need, commitment to certain targets is needed.

It has been discussed by many that the effect of aid on poverty is much more important than the effect on economic growth. In the beginning, donors allocated funds in order to support client states in the developing world only by purely economic reasons. But things changed and aid moved slowly towards the alleviation of poverty and promotion of development in the underdeveloped and developing countries. However, money alone is not an efficient way of improving human development, although, on short-terms, it might prove effective. Also, since the number of donors increased, aid started to become less transparent and less predictable, allowing a decrease in its efficiency. As such, the circumstances surrounding efficiency are numerous, and only recently discussions took place in order to improve the way funds are allocated efficiently and effectively.

Nonetheless, the determinant of efficient aid allocation is represented by the good policy of the recipient state and the sum of money allocated by donors. There is solid evidence that aid efficiency has been improved not because of changing the pattern of aid allocation, but because of aid levels and change in policy at recipient-level. It does sound reasonable that a state which has good policies can use efficiently the aid received in order to develop. Yet, the logic behind aid is to give help to those states which have high levels of poverty, but when most of them do not have good policies, how can aid be efficient? On the contrary, aid is a weak instrument of improving governance as well as affecting corruption or raising individual awareness.

Therefore, both donor and recipient state need to align to various commitments and fulfil their roles in order for aid to be both efficient and effective. While the donors need to cooperate and better coordinate with one another in order to create a transparent and predictable environment for aid

³Testimonials can be found at: https://ec.europa.eu/europeaid/case-studies/village-courts-providing-justice-bangladesh_en

allocation, the recipients need to focus on improving their governance and policies, so as to raise the returns on aid and increase investment, thus improving growth, income and achieve social peace.

Taking this analysis further into the SSC discussion, Bangladesh has been part of global cooperation to strengthen South-South partnerships through knowledge-sharing discussions and multilateral dialogues. Bangladesh is a case which managed to “import” and “adapt” development solutions and at the same time “exported” to others in need, keeping its status as an aid recipient country. Bangladesh institutionalised its entire “imported” aid architecture and established their own Economic Relations Division (ERD), organised under 9 wings, each dealing with a specific region/donor. ERD is the main organisation dealing with both SSC and TrC. Moreover, Bangladesh has gathered throughout the year experience in what regards triangular cooperation, most of the projects being implemented with JICA support. For future cooperation, both Japan (via JICA) and the EU (building on expertise with other international agencies or donors) can continue the TrC in the region. By providing cooperation to a third country while receiving assistance from a traditional donor, the countries which implement the assistance can gain valuable knowledge and experience.

The paper ends with one last argument stressing upon the case of Bangladesh. As with various other countries in Southeast Asia, there can be observed wide clashes between “Western” and “Eastern” values. Thus, it is true that standardised codes or institutions do not appeal to existing customary ties and traditions. Therefore, cultural barriers can be taken into account when dealing with promoting societal values; but good governance is a model of harmonious development of a state, and a model can always be improved. There are successful cases, such as Taiwan and South Korea, where good governance, despite cultural barriers, has played a positive role in development. Today, these two countries became models of development, by moving from recipients to aid donors. Moreover, the society itself has not been changed. The answer lies in adaptability of the principles: one cannot apply the same model in every country; each has its own particularities and needs to find its own answer for achieving development.

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