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## Bilateral Aid Drives Formal Development Goals or Informal Interests? Insight from Forest Development Aid in Bangladesh

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### Abstract

Why aid allocation? Does it serve the informal self-interests of donors or simply extend the formal development goals of the recipient countries. The formal goals are exposed developmental goals of donors offer for the recipient country, and are inscribed in formal strategic documents. In contrary, the informal interests are largely unrevealed. However, it renders political action that is assessable, nonetheless its apparent diversity. As forest produce diverse utility, actors' interest is diverse who are really associated with it. In a developing country like Bangladesh, the utilisation of donors' aid in the forestry sector has rarely been explored. Here, forestry, as a development sector, has been received various levels of substantial development aid in the form of projects, because the significance of forests has been changed over time considering the increased importance of community-based forest management and climate change. In this context, the research aims to analyse the formal development goals as well as informal interests of foreign donors induced by the bilateral development project aid in forest development cooperation policy in Bangladesh. The analytical framework combines concepts from bilateral development cooperation policy, bureaucratic politics theory, and concepts of actors' interest in the policy field. Methodologically, a full quantitative survey of all bi-governmental donor funding projects and subsequently, quantitative analysis of fund flow against various items of activities from the project was carried out. Before that, a qualitative expert interview in order to have an overview and perceptions of the informal interests of donors was made. The analysis indicates that United States Agency for International Development (USAID) allocated much aid in the activity area – ‘consultancy’ and ‘collaboration and networking’ that relish their economic and political interest. The allocation of aid in self-interest area is higher than real developmental intervention. In contrary, German Federal Enterprise for International Cooperation (GIZ) and the European Union (EU) allocated major aid in recipient developmental intervention; nevertheless the activity area demonstrates that they minutely gain economic and political interest as well. Future studies with other big sectors (e.g. infrastructure, power), and even including informal interests of multilateral donors would generate added research interest.

**Keywords:** Bi-governmental donors, development aid, development project, donor interest, forest sector