

Relationships of other donor organisations with multilaterals

Synthesis report

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The views presented in this paper are those of the authors
and do not necessarily represent the views of the NAO.

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Abbreviations

AFD	-	Agence Française de Développement (French implementation agency)
BMZ	-	German Federal Ministry for Economic Cooperation and Development
CIDA	-	Canadian International Development Agency
DAC	-	Development Assistance Committee of the OECD
DFID	-	Department for International Development
EDF	-	European Development Fund
EU	-	European Union
G7	-	Group of 7 (industrialised countries)
IDA	-	International Development Agency (part of the World Bank)
IFI	-	International Finance Institutions
IMF	-	International Monetary Fund
ODA	-	Official Development Assistance (as defined by the DAC)
OECD	-	Organisation of Economic Cooperation and Development
MEFF	-	Multilateral Effectiveness Framework
MLO	-	Multilateral Organisation
MOPAN	-	Multilateral Organisations Performance Assessment Network
RDB	-	Regional Development Bank
SIDA	-	Swedish International Development Agency
UK	-	United Kingdom
UN	-	United Nations
UNCTAD	-	UN Conference on Trade and Development
UNDP	-	UN Development Programme
UNICEF	-	UN Children's Fund
UNIDO	-	UN Industrial Development Organisation
WHO	-	World Health Organisation

1 Introduction

1. Aid volumes are increasing globally, after a decade of stagnation, driven by global commitment to the Millennium Development Goals. Donors are beginning to work more effectively together, attempting to harmonise procedures in support of nationally-owned poverty reduction strategy papers.
2. There are, nevertheless, fault lines in the current aid architecture, caused by multiple foreign, security and development policy objectives, and by the continuing existence of institutional barriers that insulate aid programmes to varying degrees from hard budget constraints and political pressures from other line ministries not related to the targets of development cooperation.
3. In global terms, up to one third of aid is channelled through multilateral organisations (MLOs), including the EU (recognising the special supra-national character of part of the EU's aid programmes). For the UK, the share is somewhat higher, reflecting the weight of aid channelled through the EU: the figure in 2003 was 38%. About half of what the UK accounts for as multilateral aid goes through the EU; about a fifth each through the UN and the World Bank. The balance is directed to a number of special funds and programmes (See Annexes 2, 3 and 4 for graphs and DAC statistics on the case study countries and the UK as well as the overall level of ODA).
4. The performance of multilaterals can be measured at different levels of the logical framework hierarchy: in terms of overall development impact and sustainability, or more narrowly in terms of whether inputs are successfully transformed into outputs (efficiency) and outputs into the realization of short term objectives (effectiveness). Most donors are interested in measuring impact, but most also find this difficult, because of long lines of causality and consequent difficulties of attribution.
5. The study is a follow-up study to the work carried out by ODI earlier for the National Audit Office.¹ Its aim is to provide a background for the NAO for a management report on the UK's Department for International Development (DFID) engagement with multilateral organisations. This report is therefore not meant to assess the performance of the countries studied. It is rather meant to provide insight on how other bilateral donors go about formulating their policy and engagement with multilaterals (and the EU, where appropriate.) The aim is to try to identify good practice from this albeit limited selection of donors.
6. Some similar endeavours on assessing engagement with multilateral organisations have been undertaken by other bilateral donors' institutions, for instance by the Canadian Auditor General in 1992. At the time of writing this report, the Swedish Parliament's Committee for Foreign Affairs is looking into the government's engagement with multilateral organisations. The report is expected at the end of 2005; it could therefore unfortunately not be included in this study.

1.1 Methodological considerations and case study selection

7. This synthesis report is based on four country case studies on the respective engagement of bilateral donors with the multilateral system. The selection of case studies was directed by assumptions on the relative interest of practices in aid allocation

¹ Maxwell, S., Rogerson, A., Grimm, S., Pietrangeli, G., Warren Rodriguez, A., Willitts-King, B., Tublin, A. (2005) The Department for International Development's Relationships with Multilaterals: Research report prepared for the National Audit Office by the Overseas Development Institute, 28th February, ODI.

via multilaterals. The final selection, however, had to include considerations concerning the availability of correspondents in the respective countries. As the policy background for engagement with multilateral organisations is more often than not based on internal processes and documents, these 'soft' factors require an in-depth understanding of the country's development administration and personal contacts.

8. The country studies were based on interviews conducted in July and August 2005. These were semi-structured interviews carried out according to broad guidelines that followed the structure of this report. Most interviews were face-to-face. Interview partners included high ranking officials from the relevant ministry divisions, Parliamentarians, staff from the respective audit agencies and national experts on the multilateral system. Documents consulted include legal documents, published brochures, publicly available strategy papers, internal administration documents, as well as a very limited number of relevant press articles. A list of interview partners and documents consulted can be found at the end of each country report.
9. The final selection of countries was Germany, France, Sweden, and Canada:
 - In absolute terms, *Germany* is one of the biggest donors of development assistance in Europe; more than 30% of its assistance is traditionally channelled through multilateral institutions, a share as high as DFID's. Measured against the GDP, German ODA, however, is rather close to average within Europe. Germany's ODA levels have considerably dropped throughout the 1990s. Since 2000, aid levels are slightly recovering. Germany, however, is far from a rapid increase of ODA levels. With the political commitment to an increase of ODA in the EU framework, aid funds are likely to increase over the next decade, not least with regard to a German application for a permanent seat in the UN Security Council. Decisions on the channelling of aid shares through multilaterals therefore are likely to gain importance.
 - *France* is the fourth biggest donor in terms of multilateral aid. Traditionally oriented towards bilateral aid because of its historical relations with some countries in Africa, France has now made the strategic choice of multilateralism for a number of reasons; since the devaluation of CFA franc, its policy has changed. It is now better harmonized with IFIs' criteria for aid allocation. Additionally, greater emphasis is put on aid effectiveness. Through its contribution to the European Development Fund (EDF) or to the World Bank, France aims to keep a great influence on multilateral institutions.
 - *Sweden* stands in the Nordic tradition of strong support for multilateralism in general and for UN agencies in particular. Over the last decade, the aid structure has faced new framework conditions, though. The accession to the EU in 1995 has posed a new strategic challenge to Swedish ODA, not least the engagement with multi- or supranational donors. Currently in planning is an independent institute for the evaluation of aid effectiveness.
 - In comparison to other non-European OECD member states, *Canada* is traditionally seen as somewhat close to 'Nordic' traditions in its development assistance. The latest official Canadian statement on international policy of April 2005 contains an explicit commitment to multilateral assistance, whose share is at the level of roughly 40%. It also states that the conformity with Canadian values and effectiveness shall be the criteria for allocation of resources via multilateral institutions.

2 Support to multilaterals: an overview

2.1 *Administrative responsibility for engagement with multilateral organisation*

10. Administrative responsibility for multilateral aid varies. At first glance, Germany has the most similar administrative setup to the UK, as it has a separate specialised ministry (BMZ) administering almost four fifths of ODA. A major distinction, however, concerns representation on the ground – German development cooperation is mostly represented in-country by specialised implementation agencies rather than the BMZ. This limits opportunities for strategic engagement in partner countries and leads to emphasis on interaction with the foreign office at this level.
11. French aid administration, on the other hand, is rather fragmented at the political level although it is in principle unified at the level of implementation agencies. Many staff are located in-country from both the ministries and the Agence Française de Développement (AFD) (French implementation agency). The ministry of Foreign Affairs, ministry of Finance and 12 other ministries all administer one third of the overall ODA budget; implementation occurs through a single agency - the AFD. This setup is relatively recent, however, and it is therefore not yet possible to analyse experiences in partner countries as the structures have not yet been fully internalised by French actors.
12. Sweden and Canada both have relatively strong implementation agencies with more emphasis on strategy and policy planning than is the case in both France and Germany. In Canada, policy debate takes place between the ministry of Finance, CIDA (the implementation agency), and the ministry of Foreign Affairs.
13. For all four donors, albeit to varying degrees, political considerations beyond effectiveness of aid delivery are institutionalised in the structure of the aid administration. This is either done by attributing political responsibility to the Foreign Ministry (Sweden, Canada, and France) or by considering overall foreign policy objectives in the mandate of a specialised aid ministry and involving the foreign office at partner country level (Germany).
14. In all case study countries there seems to be high regard for the strategic ability of an organisational structure such as that of DFID, where policy-making and implementation are both situated in one administration.
15. Apart from where deliberate decisions have been made on the administrative organisation, all four systems – like any national administration – can only be fully understood by tracing incremental change over time within the national system, however; in other words, they are highly path dependent. That is, none of the systems have been primarily built around considerations of the current understanding of efficiency (goals are likely to have changed or evolved); the organisational setup has been altered over time to increase efficiency but this is dependent upon evolving priorities, national positions and experience with previous structures.

2.2 *Overall levels of multilateral funding*

16. Despite these differences in administration, the most striking fact for all four countries is the relative stability of multilateral funding levels as a portion of total ODA (see

Annex 2). Between 1989 and 2003 it can be seen that the level of multilateral assistance was relatively high for Germany and the UK with slightly more than one third channelled through MLOs. Sweden and France have somewhat lower levels of multilateral assistance.

17. While the overall level of multilateral assistance therefore varied between donors, it was apparently kept at an approximately even level in each country throughout the last decade. This suggests a somewhat stable and underlying rationale concerning what is a 'good' level of engagement, even if it is not formulated in an all-encompassing policy document dealing with the multilateral system. It should be kept in mind that strategic engagement is not necessarily restricted to (a) the single goal of poverty reduction or (b) only financial contributions. As is discussed in section 4 below, the very existence of multilateral agencies is generally regarded as positive and an asset to member countries.
18. Furthermore, flexibility in overall funding decisions seems to be limited for a number of reasons. First, funding decisions for MLOs have different time-spans. Commitments to the World Bank (IDA replenishment) and obligations within the European Development Fund are relatively inflexible with three and five year time horizons, respectively. Secondly, in the case of the World Bank and the EDF², the share of financial engagement determines the (formal) level of influence. This acts as a particular incentive to keep funding at a certain level.
19. Contributions to the UN system follow a different logic, however: they are either fixed membership contributions / subscriptions to specialised agencies (such as the WHO) or voluntary annual contributions to funds (e.g. UNDP or UNICEF³). The UN generally acts according to the rule "one country, one vote", irrespective of financial contributions. For both Germany and France, membership payments in UN agencies plus shares in agencies where the contribution determines the nominal influence make up the bulk of their multilateral aid; little is 'left over' for 'freely floating' funding decisions at the margins.

2.3 *Differences in composition of the multilateral share*

20. Nevertheless, changes occur in the composition of this multilateral share (see Annex 3). Data for 2003 show France and Germany to both have a particularly high share of 'multilateral' aid channelled through the EU whereas this percentage is much smaller in the case of Sweden (due to an overall much higher level of ODA). Canada and Sweden have higher shares to UN special funds and the UK has a more pronounced share of funds going to the World Bank.
21. Where MLOs are funded solely by voluntary contributions, levels of funding by individual donors show particular volatility. The table in Annex 5 is an illustration of this in the case of the UNDP. Funding decisions are made on an annual basis and are the first to be cut when there is a budget squeeze.
22. In the past, debate concerning the (poor) performance and general value of UN agencies has led to discussion among donors (and within donor administrations) on whether to

² Arrangements for the EU budget are different: contributions are calculated according to economic and demographic weight of countries.

³ UNICEF is funded both by voluntary government contributions and by collecting private donations.

continue funding them. UNIDO and UNCTAD have been cases in point in the last decade. Ultimately, changes in their governance plus the apparent will of other UN members to keep these institutions alive have resulted in the maintenance of funding, despite the concerns. Among the case studies, a strong feeling seems to prevail that 'staying on board' and changing institutions from within, rather than pulling out, is a better approach. In many cases, to 'stay at the table' is a strong argument for continuing financial contributions.

23. EU funding is a special case, as a large percentage of development aid via the Commission is funded from the EU budget. This budget is subject to supranational procedures, involving the European Parliament, and is subject to EU legislation (which is paramount to national law). In contrast to the UK, Germany, for instance, regards the EU as distinct from the multilateral system. Contributions to the EDF, however, follow an intergovernmental logic. For all EU Member States (France, Germany, as well as the UK), the combined share of aid channelled through the Community institutions is relatively high and accounts for more than one quarter each. A noticeable exception is Sweden with considerably lower shares for the EU. This might partly be explained by the overall high level of ODA from Sweden (0.83% of national income in 2003). Contributions via the EC consequently have less weight in the overall Swedish ODA.
24. Swedish cooperation is also distinct from other case study countries in that it channels a relatively high percentage of its bilateral aid through multilateral organisations such as the UNDP. MLOs are used as 'implementation agencies' for these 'bi-multi' funds. Statistically, these funds are accounted for as bilateral ODA. Therefore, the somewhat lower levels of Swedish multilateral aid are somewhat misleading as an indication of the level of Swedish interest in the efficiency and effectiveness of the multilateral system.

3 Assessing multilateral effectiveness

3.1 Rationale for multilateral engagement

25. The rationale for multilateral engagement by all four countries indicated a strong if not dominant international relations rationale for participation in MLOs: “international solidarity” (France), “fora for international discussion” (Germany), “the neutrality of the UN system” (Sweden), “to maintain international position” (Canada). MLOs’ role in standard-setting was also widely viewed as very important.
26. Positions towards MLOs were thus based on a mix of factors: their mandate, potential, trust in the governance of the institution, maintaining one’s rank, influence within MLOs, and their effectiveness. Note that the latter was one element in a number of arguments on why to engage with the multilateral system.
27. For France and Germany, the rationale of engagement with the EU follows a slightly different logic than for Sweden (and the UK). The EU is not regarded as clearly multilateral, but an institution *sui generis*, i.e. of its own. The more Eurosceptic Swedish (and British) position on the EU as a multilateral agency arguably gives them more space for flexibility in funding decisions for EU development cooperation, while it would run counter to the strong rationale of integration in both Germany and France.

3.2 How much consideration of effectiveness?

28. The assessment of effectiveness, it was felt, was part of political considerations. Any action taken on the grounds of the results of an assessment would have to be politically weighed against its effect on the international system. Unanimously, interview partners expressed concern about linking funding decisions first and foremost to the performance of the respective MLO. ‘Standard checklists’ were felt to be of limited value as they would miss a number of important points for consideration, e.g. governance issues.

3.3 Assessment methods

29. No regular or systematic stocktaking exercise of the multilateral system as a whole was made by bilateral donors, nor were standard criteria for effectiveness formulated and checked. In all countries, interview partners were sceptical about a mechanistic assessment of performance without due regard to the potential or particular mandate / role of an agency.
30. Predominant methods employed are a mix of ‘informed political judgement’ (i.e. based on ‘experience’) and MLO self-assessments. The former is informed *inter alia* by notes from diplomatic missions in partner countries (as is the case with the Multilateral Organisations Performance Assessment Network, MOPAN⁴).

⁴ The Multilateral Organisations Performance Assessment Network (MOPAN) is a group of eight bilateral donors (Canada, Denmark, Germany, Netherlands, Norway, Sweden, Switzerland and the UK). These countries, according to the SIDA webpage, “agreed to pilot a joint monitoring survey of multilateral performance at country level, to be based upon the informed judgements of their country staff”.
<http://www.sida.se/Sida/jsp/polopoly.jsp?d=2328&a=24303&pflang=en>

31. The importance of multilaterals' self assessment was emphasised by all bilateral donors in our study. Several interview partners pointed towards endeavours to systematically approach the performance of MLOs *within* these institutions, e.g. through strong monitoring and evaluation departments. Examples given included the IMF or recent improvements in monitoring and evaluation by the EU Commission. This emphasis seems to stem from an overall desire to place trust in the governance of MLOs. It also follows a rationale of changing / improving organisations from within, while keeping the unique character of different organisations in mind.
32. Strong interest in MOPAN was shown in the case studies. The UK's Multilateral Effectiveness Framework (MEFF)⁵, on the other hand, was regarded much more critically as it was suspected that it could lead to a somewhat 'mechanistic' approach to funding allocations. Even if standard assessments are used, interview partners felt that they would be of limited use: results could easily lead to justifiably contradictory reactions, as final decisions are inevitably mediated by political judgement. No mechanistic conclusions can therefore be drawn from 'bad performance' as resulting strategies can take either a 'carrot' or 'stick' approach (or rather an appropriate mix of both).⁶

⁵ For details on the MEFF methodology and results, see: <http://www.dfid.gov.uk/news/files/effectiveness-aid-agencies.asp>

⁶ Examples of these carrot and stick approaches are: badly performing agencies can be pushed to reform by withholding funds; pulled to reform by placing competent personnel at their head (to rebuild trust and push through governance reforms); or pushed by contributing additional monies to support their own reform endeavours.

4 Policy and policy-making towards the multilaterals

4.1 *Guidelines on multilateral aid*

33. In contrast to Sweden (and the UK), Germany, France and Canada have no distinct overarching directives or legislation on development assistance. None of the four countries has an overall strategy for engagement with MLOs in the form of a single document. Sweden seems to be moving in this direction, however, while German aid administration in the BMZ has developed policy documents ('strategy papers') for the major MLOs (World Bank, Regional Banks, UN family agencies and the EU). In France, budget elaboration is moving to a results-based approach and a single intra-ministerial document on development aid is expected to be available in 2006.
34. These individual strategies are guidelines of varying quality for actors. It was felt that a number of documents were rather broad, while others were clearer on the goals and instruments to be used to achieve these goals. At the same time, it must be kept in mind that the publication of a strategy is a balancing act. Counterparts in negotiations would be likely to modify their negotiation position accordingly if published strategies are too detailed.
35. Actors in all four countries, however, follow an overall rationale concerning why they engage with multilaterals (see also section 3.1). France re-emphasised interaction with multilaterals in the mid-1990s (translating into practice particularly with the upturn in levels of funding from 2000 onwards), while 'smaller' countries see an intrinsic value for the multilateral system and have persistently emphasised the value of MLOs. The same holds true for Germany, where the specific challenges faced after unification in the 1990s translated into concerns of over-emphasis on the multilateral system. This concern, however, was only partly motivated by considerations of MLO effectiveness. As stated in section 2, overall policy towards multilaterals has remained relatively stable. For all donors, MLO effectiveness is on the agenda but is arguably not the driving force for bilateral interaction with them.
36. Finally, a number of international documents on international development aid and its standards should also be considered in any quest for overall strategies. Internationally, the value of the multilateral system is particularly emphasised; harmonisation of donors and alignment with developing country priorities is regarded as good practice (see, for instance, the Rome Declaration). This also addresses bilateral concerns of effectiveness, as it is now international consensus that 'ownership' by partner countries is essential for the effective implementation of measures funded by donor agencies.

4.2 *Public pressure for scrutiny*

37. Public pressure for scrutiny in the field of engagement with MLOs varies among countries, but is generally low. Attention might be more pronounced and the public more aware when individual scandals erupt. The number of experts working in this field is relatively low, but they are a crucial element necessary for scrutiny. Sweden can be highlighted as a 'good practice' case with regard to its policy basis as criteria for engagement are made public and Parliament has been involved to a certain degree in setting up guidelines for international engagement. The government bill of 2004 also commits government to report annually to the public (via Parliament) on the

performance of Swedish engagement. Implementation of the bill, i.e. the content / level of detail of these public reports, however, remains to be seen as this bill is very recent.

4.3 *Role of Parliament*

38. Parliaments generally play a relatively small role in engagement with MLOs. This is irrespective of the fact that emphasis concerning the role of MLOs might vary according to political preferences. In the field of external representation and policy-making, Parliaments generally play less of a role than in domestic policy (foreign policy being the reserve of the executive). Germany is arguably an exception to this overall rule as the Parliamentary ceiling largely determines German engagement with MLOs. This decision, however, was not a reflection of systematic (unilateral) assessments of MLOs' effectiveness, as indicated above (4.1).
39. Parliaments therefore can interfere and limit the range of manoeuvre of the executive, but are usually not involved in micro-management or the negotiation process. The US was not in this sample of case studies. In discussion with the country experts, however, it emerged as an illustration where Parliament plays an exceptionally strong role. The US Congress possesses strong powers with regard to international negotiations and checks on executive decisions. This is not to say that Parliamentary scrutiny increases the focus on effectiveness of MLO's performance; it might have the adverse effect.

5 Implementing policy towards the multilaterals: engagement style

40. Style of engagement varies according to the organisation (its ascribed importance, the relative weight of the bilateral in it, acuteness of issues, awareness at the bilateral headquarter about the scale of a problem, amongst others). These considerations will also determine whether the path of interaction is via the ‘front door’ or the ‘back door’, i.e. whether remedies for a situation are sought through public accusations or position taking – or rather by voicing concern and conditions for further engagement internally.

5.1 *Main styles of engagement*

41. Governing bodies were regarded as the main avenue of (legitimate) influence in the multilateral system. The use of earmarked funding / trust funds varied between case studies. While Germany has constraints with regard to both funding and rationale using this method, Sweden for instance (and the UK) seem to be more at ease with the use of this strategy; this tool is of decreasing importance to Canada. Global Funds are of growing importance, most notably for Canada. Also mentioned in all case studies were like-minded donor groups. These comprise Utstein, the Nordic, the Philadelphia Group, the G7 and the EU. Their degree of (in)formality varies and with this judgements on their relative usefulness differ. Some informal initiatives or parts of them may be later formalised; one example of this is MOPAN, consisting mainly of Utstein group members.

5.2 *Staff secondments*

42. Temporary secondments of staff require quite high capacities in the relevant ‘sending’ ministries, interview partners pointed out. Not only is a high number of (surplus?) competent staff required, but also staff remaining at headquarters need to be involved in the process of secondments if seconded staff and their experiences, i.e. exposure to a different administration, are to be of practical use when they return.
43. Secondments are used in quite an ad hoc manner in the case of Canada, whereas the country has quite pro-actively promoted or supported the selection of senior officials for international positions.

5.3 *Structural difficulties for engagement with MLOs*

44. Some statements about structural difficulties for engagement can be made. In the case of Germany, for instance, the administrative setup with its traditional administrative distinction between policy-making and implementation makes strategic engagement in partner countries more difficult compared with donors who have country offices of their planning and policy-making administration.

5.4 *Personnel issues*

45. Staff seminars or research network are used to some extent. The use of training mechanisms for staff varies, however – from annual structured consultations around a topic (Canada, also introduced in Germany), to regular updates for staff (Sweden) and giving staff time to participate in networks (France). All will probably pursue a mixture of all these elements, with little systematic evidence available on the practice, let alone impact of these measurements.

46. Generally, however, emphasis was put on the importance of characteristics of personnel in key positions and their preparation on particular issues. Strong personalities in international positions with well prepared and justified positions were trusted to have an impact on the respective organisation. Donors therefore aim at placing their staff in multilateral organisations and do to by varying means and to varying degrees of success. Several interview partners expressed their perception of a relatively high rate of success in these endeavours by the UK. A comparison, however, is not possible, as the nomination to CEO positions follows political logic including non-public horse-trading, and also follows priorities other than increasing effectiveness in the first place.

5.5 *Recruitment in MLOs*

47. A slightly different issue with potential impact on international engagement (accessibility of administrations, rationale prevalent in organisations, etc.) is the permanent employment of staff in international organisations. Emphasis was placed on due diligence of policies and management in MLOs. ‘Trust’ seems to be a key factor, and apparently is somewhat related to having own nationals represented in high positions. Germany and Sweden both have structured programmes for recruitment in multilateral organisations. The rationale of these programmes is more on increasing the share of their respective nationals in international organisations rather than pushing particular issues; it is rather a long-term strategy of engagement the impact of which is difficult to measure.

5.6 *Results of engagement*

48. The feeling among the country researchers was that much depended on personalities and face-to-face interactions. Researchers were given anecdotal evidence for some success. Results of these engagement styles, however, would have to be more carefully analysed by tracing probabilities of impact on past decisions. No linear causality can be established; it is not possible to make clear-cut statements such as “X promoted y and the outcome was z - because the strategy neglected channel a and b”.

6 Conclusion

49. Even though a strong case can be made for unified aid administrations, there seems to be no ideal case. Learning across countries is limited due to different historical and political circumstances. Engagement with the multilateral system follows a more or less coherent rationale of its own, with similarities shown between countries.
50. Room for manoeuvre for funding decisions are often seen as very low. Long term commitments prevent rapid changes in funding. Consequently, budget constraints can in many cases explain lower engagement with voluntary contributions or trust funds.
51. Furthermore, levels of commitment to multilateralism are not necessarily reflected in the DAC statistics on multilateral aid. Donors sometimes use multilateral organisations as implementation agencies for “bi-multi” aid that is defined by the DAC as bilateral. Other decisions with an impact on bilateral aid such as debt relief are taken within a multilateral setting.
52. Funding is only one way of strategically engaging with MLOs. Long-term strategies, it was emphasised several times by interview partners, might involve other instruments aside from an immediate reduction, stabilisation or increase in funding. Improvements in the internal governance of MLOs, for instance, can be pursued with all three actions - and others, such as contributions to the human resources policies of the organisations.
53. A strong message from all four case studies was that effectiveness was receiving increasing consideration. However, it was not considered the key criterion for funding decisions. Allocation of funding was based on a mix of the mandate of an organisation, its potential, issues of internal governance (accountability), maintaining international position, “what can be got away with”, and numerous other reasons, including ‘ministerial pets’, and constituency policies. Effectiveness – or the lack thereof (‘bad performance’) – does not automatically lead to an increase or decrease in funding: an MLO might require enhanced staff engagement, threats to pull out, additional funding, or a mixture of all of these at different times. Decisions are far from mechanistic and are mediated by political considerations.
54. Interviewees pointed out that the multilateralisation of aid points to a need for multilateralisation of assessments for many donors. Bilateral assessments, such as MEFF are viewed with a degree of scepticism. The lack of clear logical lines in the assessments and the limited ability to attribute certain actions to one particular donor indicate that coordinated approaches by donors may be a better approach. Such developments can either strongly rely on and/or be supportive of organisations self-evaluations or take the shape of bilateral networks to assess MLOs, such as MOPAN.

Annex 1 - Overview: Relationship of bilateral donors with Multilaterals

	Germany	France	Sweden	Canada	Good practice / conclusions
<i>Responsible administration for ODA and MLOs</i>	Dev Coop Ministry (78%), Foreign Office (18%), Membership contrib. (3%) Line ministries (1%)	1/3 – Min of Fin (IFI) 1/3 – MFA (EDF, UN...) 1/3 – 12 other line ministries AFD – operations Also since 1998 – Cigid – coord role and HCCI – CS particip	Min of Foreign Aff SIDA – executing agency Min of Fin Central Bank	CIDA (has Minister) Min of Fin Min of Foreign Aff Budget for all in ‘International Assistance Envelope’ Finance sets envelope level. Allocations a function of past commitments and negotiation between the three actors.	DFID-like organisation highly regarded – one Ministry responsible for both policy- making and implementation enables strategic coherent approach
<i>Administration responsible for decision-making on EU development cooperation</i>	Political screening of EU dev coop by BMZ; no direct responsibility for ODA from EU budget.	MFA is responsible for implementing EU decision on EDF, but decision on funding is political.	Responsibility with the MFA (in coop with MFi for EBRD), but Sida’s MULTI group has representatives in various groups – ALA, MED, etc.	NA	
<i>Implications for interaction with ML system</i>	Gap between policy and implementation hinders engagement with MLOs Some competition between Foreign Office and BMZ – allocation by BMZ politically sensitive due its position in coalition politics	ODA budget split between several ministries could hinder engagement with MLOs and strategic coherent approach Moves to change role of AFD to be more proactive in international fora	SIDA and MOFA – blurring of roles and staff exchange facilitates good engagement with MLOs	CIDA and MOFA – blurring of roles and staff exchange – i.e. coordination between three main actors - facilitates good engagement with MLOs	

Assessing effectiveness

<i>Rationale of decision for MLO engagement</i>	MLOs are assets in themselves as fora for international discussion	Political engagement with MLOs based on: - Ideology of international solidarity (UN) - Traditional links with WB on particular sectors	Way of exerting influence Coordination Swedish view of value of UN UN as forum for consensus- building Burden-sharing Partly implementation agencies for Swedish ODA	General commitment to MLism To maintain Canada’s international position BL aid seen as more expensive and less effective	Multilateralism and thus engagement with MLOs seen as inherently ‘a good thing’ – no explicit consideration on the overall ‘architecture’; Some concern that the notion of ‘influencing MLs’ may be counter to their cooperative, collaborative <i>raison d’etre</i>
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<i>Rationale for EU</i>	Not regarded as MLO, only EDF in this category.	Burden-sharing – aid to former colonies Political decision – EDF respect for Cigid priorities, aid to Africa In favour of ‘Community approach’ in dev coop	EDF contributions kept low – about 1/5 of ML aid – criticism of EU – portion may be reduced still further	N/A.	
<i>Important criteria for funding decisions</i>	Often international ‘political obligation’. More detailed: - Mandate - Potential - Accountability - Effectiveness (the latter increasingly so) Also: ‘What can be got away with’	Differs according to institution Trust in the institution Long-term relations – involvement in establishment (WB, EDF, UN) Focus on Africa or on its sector priorities Maintain rank (WB, some RDB) No room for manoeuvre for obligatory contribution or for long term engagement (EDF, IDA...)	Firm supporter of UN system Poverty alleviation Focus on social sectors	Main criterion – maintaining Canada’s rank with 4% contribution Effectiveness – ‘is it well managed?’ ‘What can be got away with’ Accountability ‘Ministerial pets’ Coherence, focus, selectivity, comparative advantage Constituency politics – e.g. farmers in Canada CEO a national / location	No clear cut mechanistically applied list of priorities - many factors contribute to funding decisions Effectiveness one of many factors in funding decisions – not the main factor Even where there is a perceived lack of ‘effectiveness’, funding may not be withdrawn - may be better to work to improve from the inside and political commitment to mandate more important Long time-frames prevent swift funding cuts based on assessment outcomes
<i>Is effectiveness a key criterion?</i>	Important but not main criterion	Important but not main criterion but at the moment IDA and in some extent AfDF seem more efficient so last France’s replenishment has increased	Important but not main criterion	Important but not main criterion	
<i>Standard approach to assessment?</i>	No Interest and awareness of DFID MEFF but not priority issue, participation in MOPAN	No Little knowledge of MEFF; not regarded as appropriate for France	No MEFF approach seen as too mechanistic	No MEFF seen as potentially useful tool to see where things are not working but not simple relation between results and cutting funds	Doubt as to whether a standard ‘checklist’ approach is of much value as there is much it misses – e.g. governance
<i>Methods used for assessment?</i>	‘informed political judgement’, internal assessments (not least in EU), Embassies report performance in-country – not standardised	Differs according to institution Trust from experience Desire for ML assessment of MLOs Interest in MOPAN Available internal reports and audits	Ad hoc assessments – no common framework Awareness that there is a need for greater coherence / strategy in engagement	Due diligence on policies and management Criticism of RBM-type assessment methods Allocation is political	

<i>Relative value of MLOs own reports, assessment by one donor or assessment by many donors</i>	See above, ML assessments part of their governance and thus important, MOPAN participant (rationale: multilateralisation of assessments), but not key for funding allocation	ML assessment for MLO performance seen as better than BL MLO own reports are often used	ML own assessments seen as important, but other sources – MOPAN, for instance, or reports from embassies – determine Swedish views.	MLO own reports regarded as key; MOPAN seen as better than BL assessment	Multilateralisation of assessment regarded as desirable, i.e. strengthening internal assessments of MLOs; second best: MOPAN. But the use of results is challenged.
<i>Different approaches in past</i>	Same approach of “good citizenship”, but slightly more emphasis on strategic engagement according to ‘own priorities’ since the late 1990s/early 2000.	Increasing interest in ML aid. Growing interest for strategy matters and for evaluation with budget support approach, need for more transparent and accountable aid; establishment of aid programme:.	Same approach for many years (with increased role for embassies since 2000), though MLs have come to occupy an increasingly important role since the adoption of the Global Development Policy.		

Policy and Policy-Making

<i>Legislation on development cooperation</i>	No – administrative guidelines	No, legislation consists of different chapters in the financial law.	Not legislation but steering document: Government Bill 2002 – <i>Shared Responsibility: Sweden’s Policy for Global Development</i> (PGD)	No	A number of strategies exist, but they are mostly general, objectives are not verifiable / measurable
<i>Laws/ guidelines on ML versus BL aid</i>	Parliament imposed ceiling of max 1/3 ODA to be ML – not based on systematic evaluation, rather concern about lack of transparency / accountability of MLOs	Will fundamentally change with the new result based approach law (LOLF, from 2006 on); according to these reforms, there will be a specific document on aid (bi and multi).	No legislation on this. Anecdotal evidence suggests division based largely on history.	No	Sweden seen as good practice – Annual reporting under a coherent across-government framework for international development
<i>Overall strategy doc for engagement with MLOs</i>	No	No	No but moving towards having one (an implication of the PGD)	No	Public pressure and expert involvement
<i>Policy documents</i>	BMZ ‘strategies’ for World Bank, RDBs, UNDP and EU publicly available (in German)	Nothing specific to MLOs	SIDA strategy papers for UN (UNDP, UNFPA, UNICEF), publicly available (in English), also government communications - general	Yes – general strategies, but objectives are not verifiable / measurable	Parliamentary involvement
<i>Status of policy / guidance documents on MLOs</i>	Fall-back documents for people to take decisions from – not detailed guidance	NA	Gov’t Bill from 2002/03 guides Sweden’s policies towards MLOs; commitment to involve parliament		

<i>Involvement of Parliament</i>	In mid-1990s, Bundestag Budget Committee imposed ceiling of max. 1/3 of ODA to go through MLOs	None	Approval necessary Foreign Policy Committee active – currently investigating ML aid	Very limited – last Committee hearing 1997	
<i>Involvement of national audit office or other controlling bodies</i>	Not on value-for-money issues, rather quick analysis of coordination within the German admin, not on global scale.	Not on value-for-money issues	NAO's involvement not beyond 'normal' duties for an audit office. Parliament approves aid frame – in the proposed budget – each year. For both MFA and Sida, annual letters of appropriation determine BL/ML contributions.	1992 inquiry of Auditor General on engagement with MLOs. Demanded clearer strategy, indicators and measurable results, evasive answer from MFA. No further developments since then	
<i>Rationale for levels of core and non-core funding</i>	Very low non-core funding – desire to not weaken institution, Commitment to strengthening MLOs governance	Very low non-core funding – desire to not weaken institution Not seen as very effective or not enough visible Budget constraints	Used a lot - seen as way of pushing MLO in desired direction		
<i>How are marginal funding decisions taken? (Is effectiveness a criterion?)</i>	Hardly any space for it – primary aim of catching up to previous levels of funding; partly according to political priorities (rationale as above)	By sector desks in min of Foreign Affairs Opportunity and good functioning of the fund is an important criterion but also influence	Considerable flexibility – MFA can take decisions on marginal funding without Parliament approval; no apparent relation to perceived efficiency of MLOs.	Humanitarian assistance is safeguarded. Then there is a 'competition of ideas' – negotiation and political input e.g. for contributions to Summits	

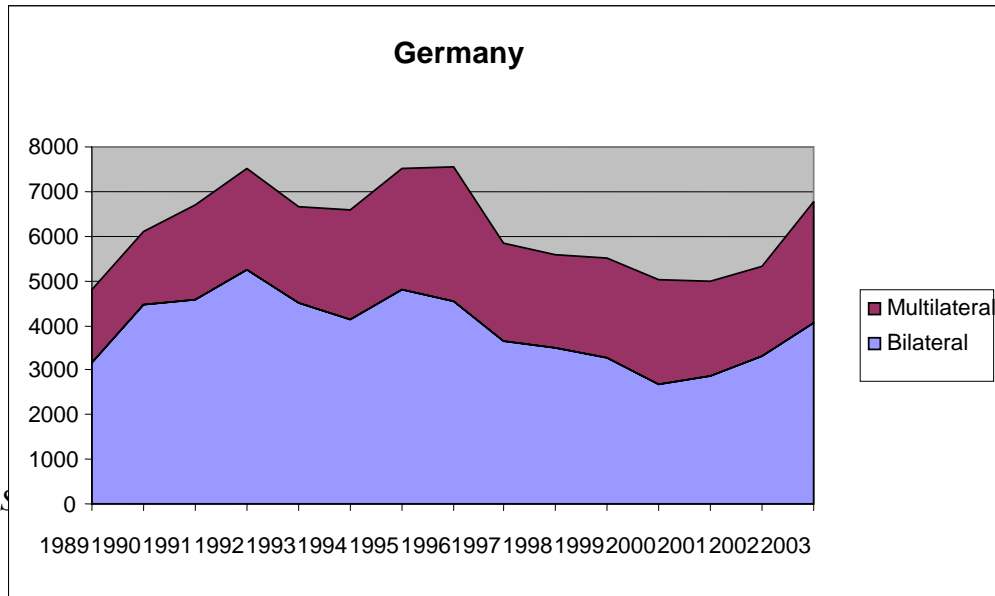
Engagement style					Will depend on the organisation – 'front-door' or 'back-door' engagement Style will also depend on what you are trying to influence
<i>Governing bodies</i>	Key way of engagement, Germany as big donor represented in a number of bodies (big actor in EU, IFIs, slightly less so in UN)	–France is well represented at WB/IMF boards, at UE Big staff works before the boards or councils	Very important in IFIs and UN and increasingly in EU	Most important means of influence – very senior skilled people appointed EDs pursue priority themes No direct instructions given – comments	Very important Within these, personality is key: "If ED is well prepared can be very effective – most other EDs are not well prepared"
<i>Like-minded groups</i>	Utstein: limited use, more forum for exchange; EU as a key international lever	Sharing experience, search for agreement on common positions – being increasingly used Hosting international conferences	Nordic-plus and Utstein – very important – Swedish approach is consensus seeking	Utstein and Philadelphia group	Trust and exchange of information in like-minded groups important Very hard to measure impact

<i>Trust funds and co-funding (incl. Global Funds)</i>	Hardly used, due to little financial space and not in line with rationale of engagement as MLO governance would be undermined. Within limited range of manoeuvre, global funds gain importance.	Linked to French policy priorities Not used so much because of budget constraints	Very important Used to steer MLOs in desired direction Multi-bi contributions @1/4 of SIDA aid	Trust funds in WB/RDBs- decreased importance Global Funds – increasingly important	
<i>Staff seminars or research networks</i>	Core funding for development research institute; funding for conferences and some work with universities.	Staff time to participate in networks	Yes – regular updates for staff	Annual structured consultations around a theme – no seminars	
<i>Supporting NGOs and others</i>	Trying to keep CSOs involved via regular meetings, no specific funding.	Except HCCI creation, very limited support to NGOs	Limited support	Funding for analysis of MLOs by NGOs	Very limited use
<i>Seconding staff</i>	Limited, due to lack of staff; JPO programme for UN; rationale mostly to increase number of Germans in admin, not for pushing issues. JPOs are generally ‘familiarised’ with BMZ line. Also agency for international staff assignments (BFIO).	Limited, but political interest, Secondment is the responsibility of MFA, Strategy for JPO according to France’s priority	Some seconding of senior staff – e.g., people from Sida have been seconded to DAC’s PovertyNet. Also JPO programme for the UN, rationale: increase no of Swedes in admin.	Very ad hoc – used to have support unit. Pro-active support for (permanent) staff assignments in MLs in the past. Unclear at the moment.	Seen as good although concerns – cost, difficult to manage and staff attrition
<i>Location of staff / role of in-country staff</i>	Ministry staff mostly in HQ. Staffing of HQ shrinking each year (1.5%) In the field: implementation agencies have country offices; potential problems of political engagement with MLOs on the ground – usually done by embassies. Funding decisions in HQ	Big and traditional global network (MFA, Min of Fin and AFD have their own agents all under the authority of the ambassador) In-country staff responsible for the implementation of some projects or programmes (currently in flow)	‘Integrated embassies’ – strategic with a lot of autonomy and decision-making power – interact well with MLOs	Embassies interact with MLOs – both CIDA and MOF A staff in embassies Allocation decisions in Canada but energetic embassy can influence	Decentralised decision-making seen as most effective, but practice varies. Coordination on the ground! In partner countries, embassies play an important role for all cases. Much depends on personalities.

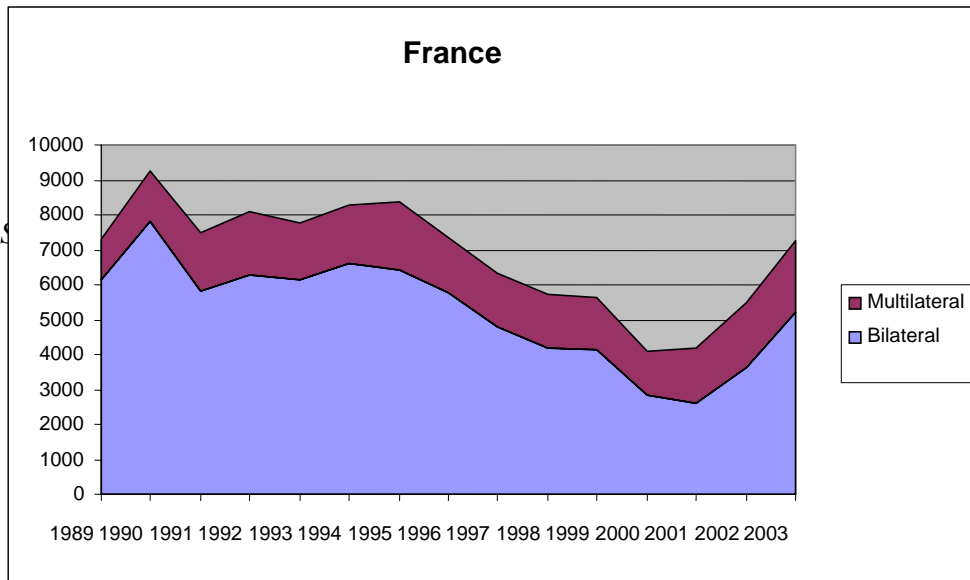
<i>Staff training for engagement with MLOs</i>		Yes, programmes on MLOs exist in all internal training plus annual conference for the network	Training is supposed to be kept up-to-date – in reality not often so	Briefings	
<i>Feedback method for effectiveness of funding and engagement strategy</i>	Funding kept separate from questions of effectiveness – withholding funds due to poor performance not seen as an option Wish to engage concerning governance not prevent the organisation functioning	Feedback a function of staff in the field – but unsystematic reporting to HQ	Evaluation of BL aid a priority Nothing specific to engagement with MLOs	Use of sophisticated evaluation tools but only applied to BL aid	Not high priority as effectiveness is not main criterion for funding to MLOs

<i>Coherent strategic engagement?</i>	Rationale for engagement but disaggregated strategy	Rationale for engagement but disaggregated strategy; emphasis on ideology and historical connection (solidarity)	Aware of need for – moving towards Method is through consensus-seeking with like-minded donors	Rationale for engagement but disaggregated strategy	
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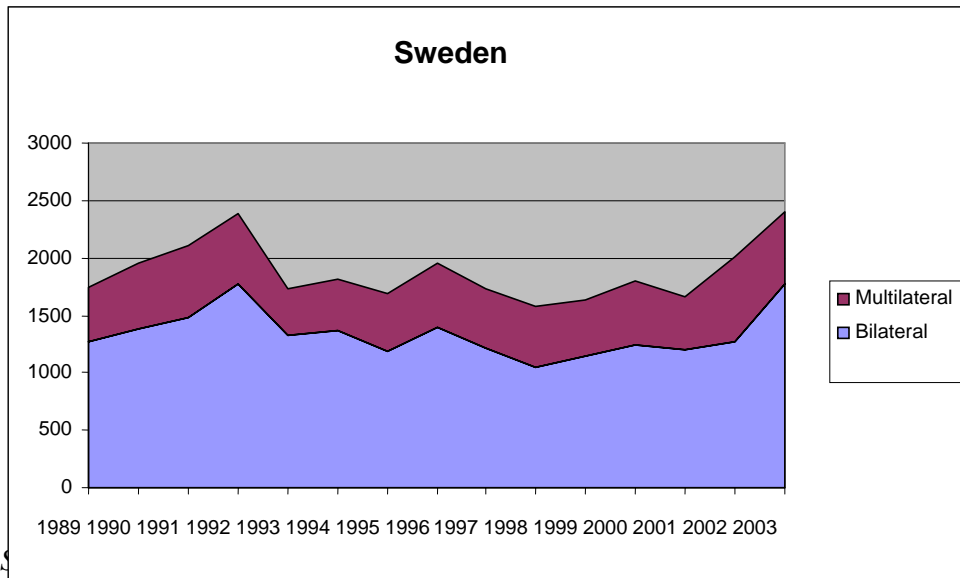
Annex 2: Total ODA, 1989-2003 for case study countries and the UK, million USD



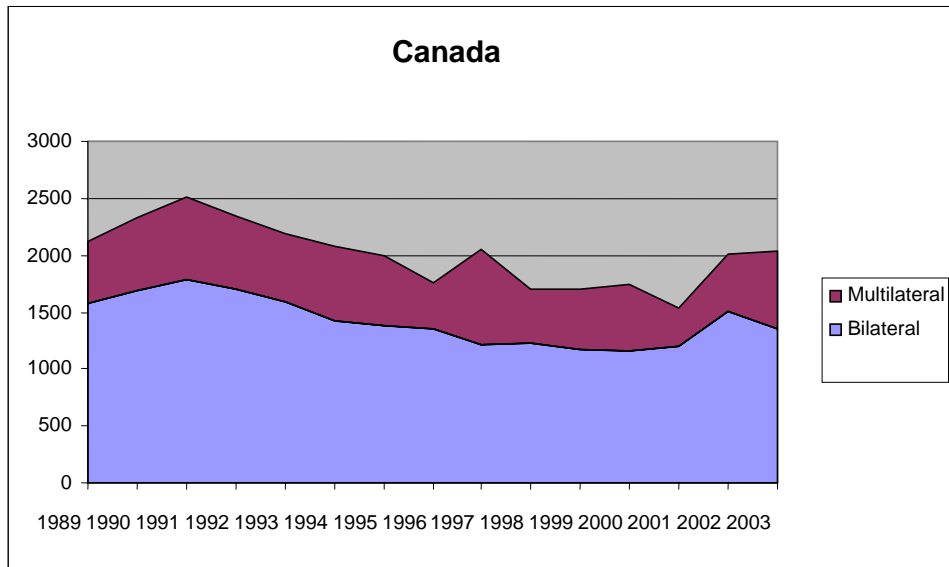
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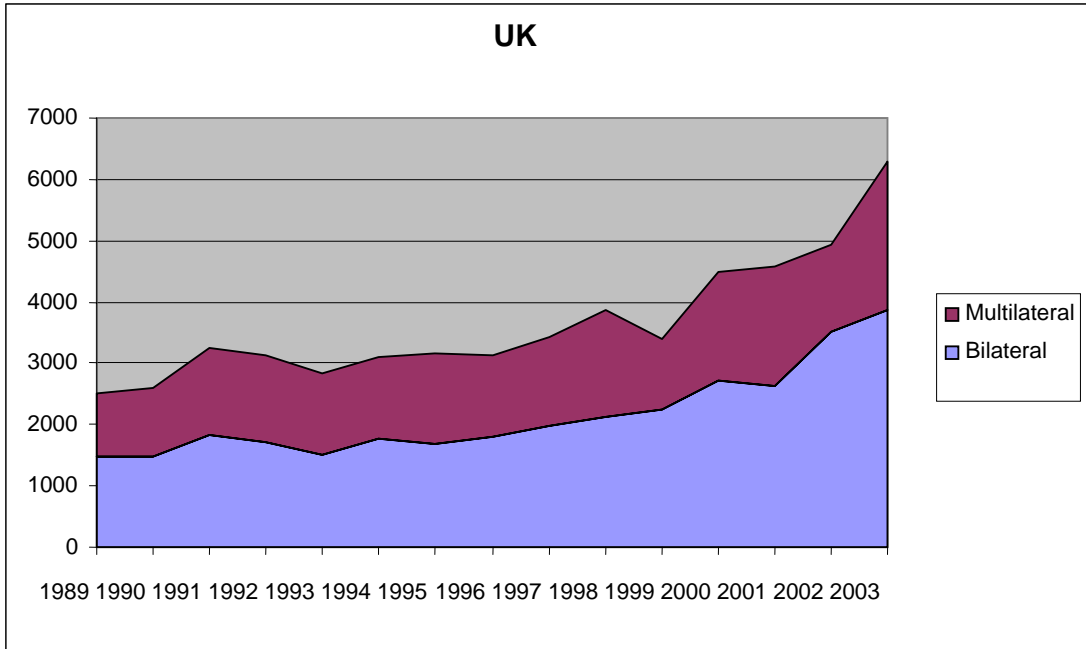
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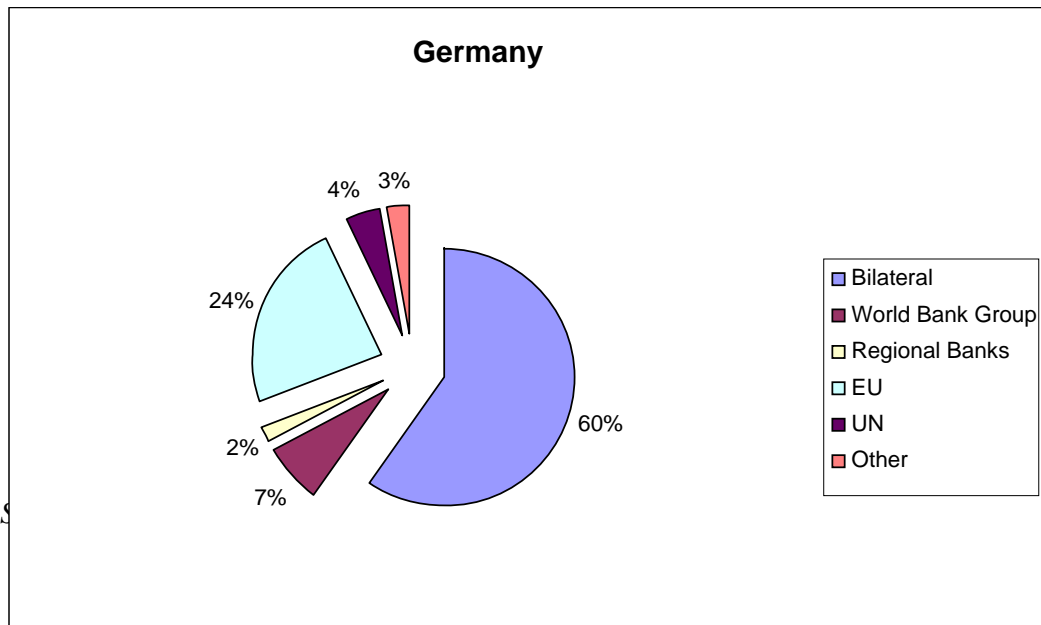


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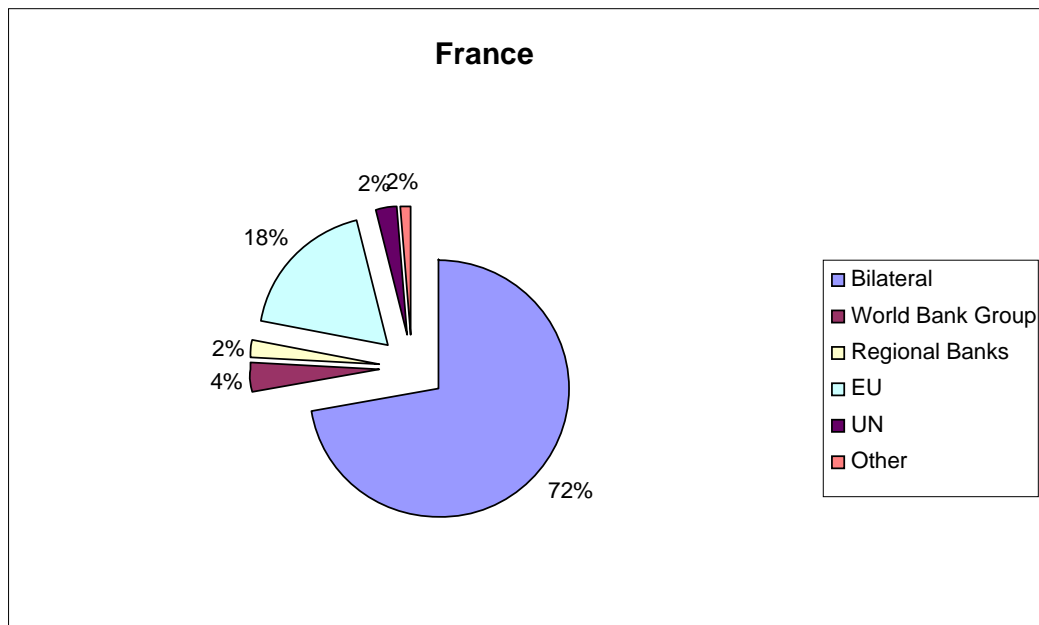


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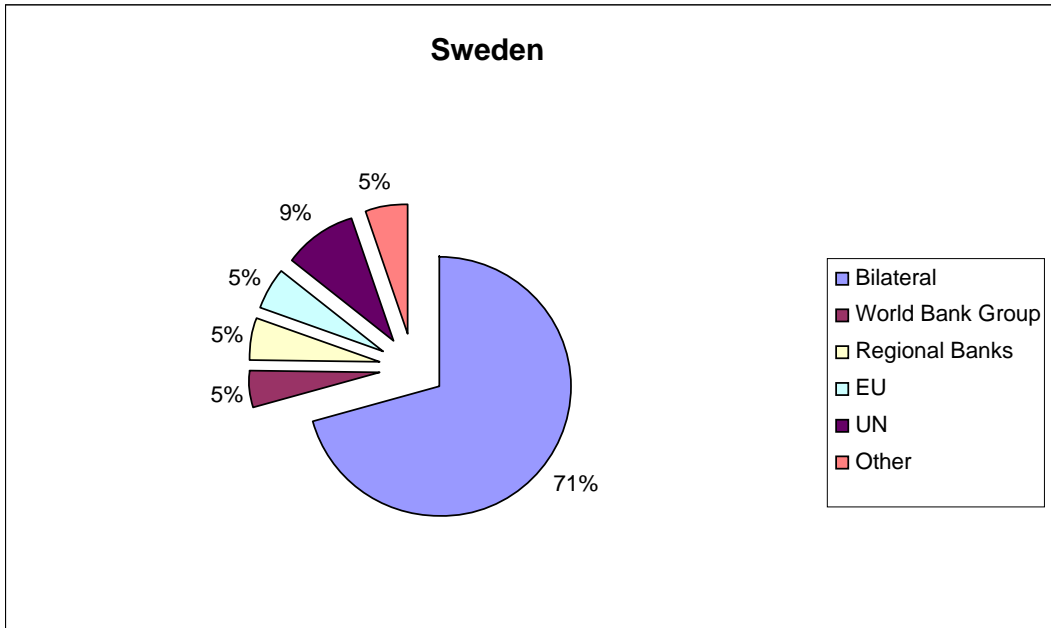
Annex 3: Percentage allocation of total ODA in 2003, case study countries and the UK



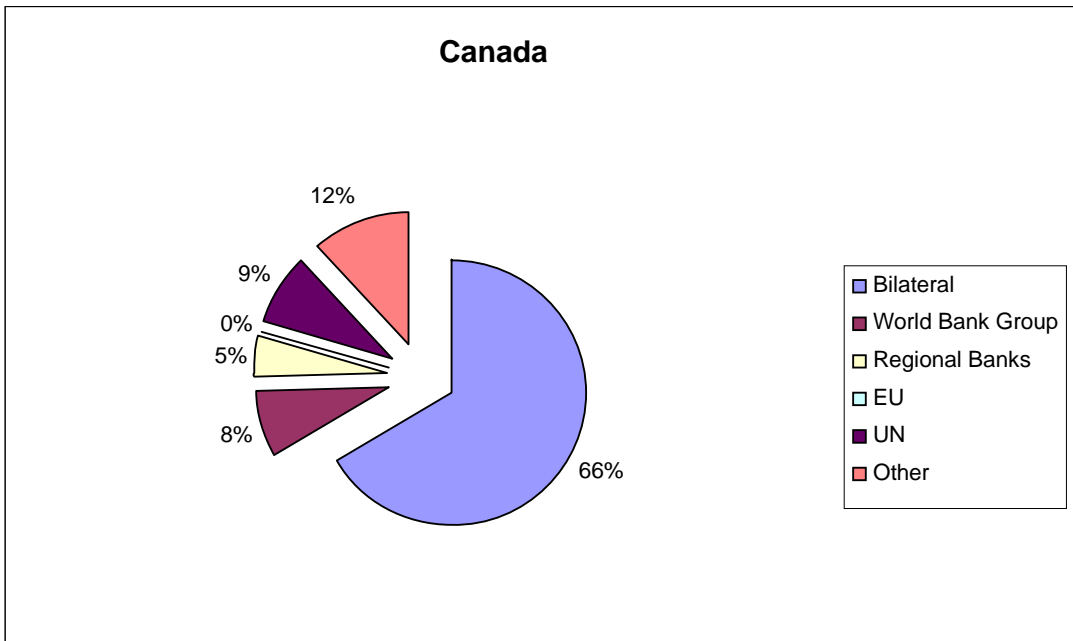
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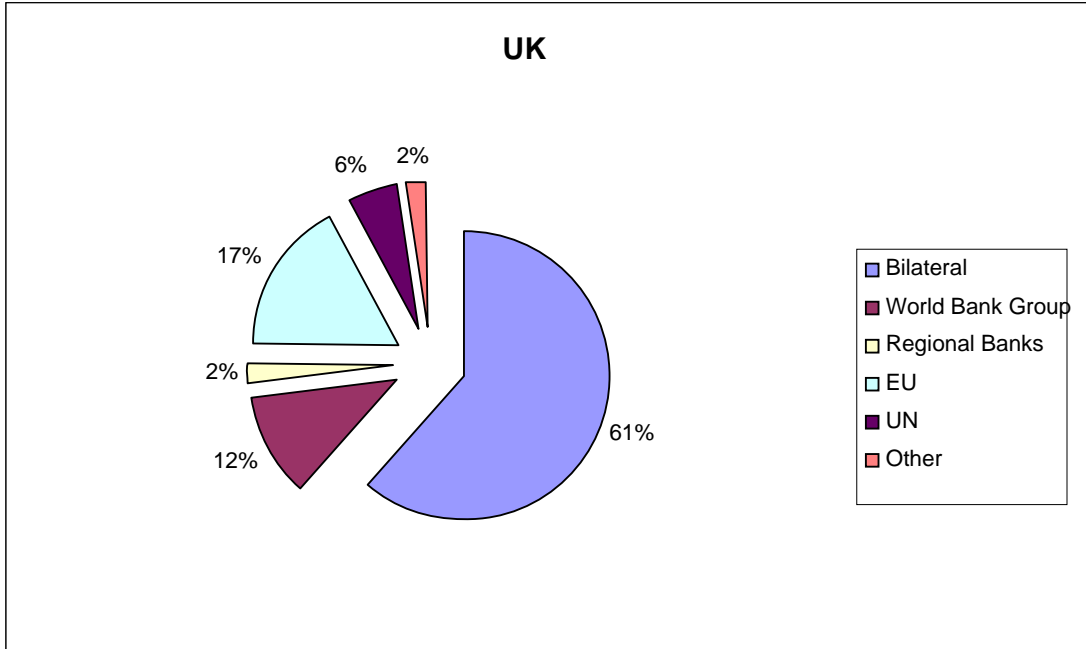
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Annex 4: DAC statistics on German, French, Swedish, Canadian and British aid to Multilateral organisations, 1989 - 2003

German ODA (1989-2003)
(\$USD million)

(-) = not available
x = not applicable

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Total Net ODA	4949	6320	6890	7572	6954	6818	7524	7601	5857	5581	5515	5030	4990	5324	6784
ODA/GNI(GNP)	0.41	0.42	0.41	0.39	0.37	0.34	0.31	0.32	0.28	0.26	0.26	0.27	0.27	0.27	0.28
Total Bilateral	3175	4479	4575	5231	4517	4144	4815	4535	3639	3491	3278	2687	2853	3328	4060
% Multilateral (* = including EC)	*34.3	*32.1	*31.5	*32.2											
Total	1773	1841	2315	2341	2437	2674	2709	3066	2218	2090	2238	2343	2136	1997	2724
World Bank Group															
IBRD	117	-	0	-	11	-	12	11		x	x	x		x	x
IDA	503	524	524	648	612	704	739	1159		341	416	384		14	491
Total	620	524	524	648	622	704	751	1170		341	416	384		22	491
Regional Bank Total	x	x	x	x	x	x	x	x		111	96	209		199	146
IDB															
Ordinary Capital	4	2	2	2	2	-	9	9		x	x	x		x	x
Special Fund	-	11	11	3	2	-	10	10		x	x	x		x	x
Total	4	13	13	5	4	-	19	19		17	15	15		1	1
Asian Dev. Bank															
Ordinary Capital	66	92	92	-	-	-	-	4		x	x	x		x	x
Special Fund	-	-	0	51	75	114	-	40		x	x	x		x	x
Total	66	92	92	51	75	114	-	44		40	76	27		108	46
African Dev. Fund	83	96	96	7	215	109	-	-		51	3	166		90	99
EC															
Total	725	784	1225	1179	1133	1413	1578	1355		1228	1317	1237		1253	1598
of which: EDF	373	412	412	560	494	554	558	314		441	518	432		358	581
UN Agencies															
Total	217	284	360	358	339	287	310	313		340	325	387		426	299
UNDP	69	80	80	85	83	85	93	88		57	46	20		24	29
WFP	23	28	28	31	39	40	31	30		26	25	21		22	26
UNICEF	x	x	x	x	x	x	x	x		20	6	4		5	6
UNHCR	x	x	x	x	x	x	x	x		5	5	5		7	6
Other	58	48	5	93	48	48	52	166		71	84	127		96	189
IFAD	x	x	x	x	x	25x	x	x		11	-	9		10	-
IMF (PRGF)	x	x	x	x	x	x	x	x		9	8	6		4	17

French ODA (1989-2003)
(\$USD million)

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Total Net ODA	7450	9380	7484	8270	7915	8466	8443	7451	6307	5742	5637	4105	4198	5486	7253
ODA/GNI(GNP)	0.78	0.79	0.62	0.63	0.63	0.64	0.55	0.48	0.45	0.4	0.39	0.32	0.32	0.38	0.41
Total Bilateral	6135	7829	5816	6302	6154	6611	6429	5754	4777	4185	4125	2829	2596	3615	5213
% Multilateral (* = including EC)	*18	*17	*21.9	*22.9											
Total	1315	1551	1668	1968	1761	1855	2015	1697	1530	1557	1512	1276	1602	1871	2040
World Bank Group															
IBRD	46	50	0	-	10	11	10	11		x	x	x		x	x
IDA	306	268	436	460	430	434	482	471		234	224	238		244	291
Total	352	318	436	460	440	445	493	481		234	224	242		244	293
Regional Bank Total	x	x	x	x	x	x	x	x		141	142	83		130	156
IDB															
Ordinary Capital	-	3	3	4	2	8	8	9		x	x	x		x	x
Special Fund	-	-	0	-	2	2	20	11		x	x	x		x	x
Total	-	3	3	4	4	10	29	20		16	16	2		2	8
Asian Dev. Bank															
Ordinary Capital	4	-	0	-	-	-	2	-		x	x	x		x	x
Special Fund	51	21	0	53	50	56	56	-		x	x	x		x	x
Total	55	21	0	53	50	56	58	0		32	30	2		49	35
African Dev. Fund	76	94	5	98	103	115	-	61		91	92	80		78	101
EC															
Total	628	764	951	905	835	915	984	845		782	799	792		1286	1311
of which: EDF	338	373	440	507	443	512	524	290		356	286	251		561	504
UN Agencies															
Total	113	145	146	187	168	164	113	146		120	119	125		147	169
UNDP	39	53	52	55	55	47	20	19		9	13	14		15	18
WFP	4	4	5	5	3	4	3	5		3	3	3		3	3
UNICEF	x	x	x	x	x	x	x	x		8	9	7		8	9
UNHCR	x	x	x	x	x	x	x	x		9	10	7		8	8
Other	91	205	127	261	162	150	338	145		280	228	34		64	110
IFAD	x	x	x	x	x	x	x	x		8	7	-		8	9
IMF (PRGF)	x	x	x	x	x	x	x	x		261	208	-21		22	-8

Swedish ODA (1989-2003)
(\$USD million)

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Total Net ODA	1799	2012	2116	2460	1769	1819	1704	1999	1731	1573	1630	1799	1666	2012	2400
ODA/GNI(GNP)	0.97	0.9	0.92	1.03	0.98	0.96	0.77	0.84	0.79	0.72	0.7	0.8	0.77	0.84	0.79
Total Bilateral	1275	1384	1476	1777	1332	1373	1189	1395	1209	1041	1146	1242	1205	1271	1779
% Multilateral (* = including EC)	30.7	30.2	30.8	28.9											
Total	524	628	640	683	437	446	515	604	522	532	484	557	461	741	621
World Bank Group															
IBRD	2	2	4	4	5	7	4	3		x	x	x		x	x
IDA	124	121	155	145	122	104	116	137		124	105	149		359	-
Total	126	123	159	148	127	111	119	139		128	105	151		359	-
Regional Bank Total	x	x	x	x	x	x	x	x		86	64	67		70	133
IDB															
Ordinary Capital	-	4	0	-	-	-	-	-		x	x	x		x	x
Special Fund	-	-	2	-	-	1	3	-		x	x	x		x	x
Total	-	4	2	1	1	1	3	-		2	1	3		-	-
Asian Dev. Bank															
Ordinary Capital	-	-	0	4	-	-	-	0		x	x	x		x	x
Special Fund	14	15	0	16	-	8	3	12		x	x	x		x	x
Total	14	15	0	21	-	8	3	12		23	23	15		0	-
African Dev. Fund	40	46	4	45	39	1	3	26		35	17	31		42	110
EC															
Total	-	-	0	-	-	-	99	105		97	90	83		83	123
of which: EDF	-	-	0	-	-	-	-	-		8	-	-		5	24
UN Agencies															
Total	289	367	391	427	250	267	259	267		212	222	248		225	231
UNDP	98	117	109	127	73	79	65	69		60	59	59		57	34
WFP	51	46	71	75	35	35	34	37		23	11	31		22	26
UNICEF	x	x	x	x	x	x	x	x		31	32	32		31	37
UNHCR	x	x	x	x	x	x	x	x		33	33	45		21	50
Other	55	73	84	41	21	59	29	53		10	3	9		3	134
IFAD	x	x	x	x	x	x	x	x		0	1	3		-	37
IMF	x	x	x	x	x	x	x	x		-	-	-		-	-

Canadian ODA (1989-2003)
(\$USD million)

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Total Net ODA	2320	2470	2604	2515	2373	2250	2067	1795	2045	1707	1699	1744	1533	2004	2,031
ODA/GNI(GNP)	0.44	0.44	0.45	0.46	0.45	0.43	0.38	0.32	0.34	0.3	0.28	0.25	0.22	0.28	0.24
Total Bilateral	1581	1690	1789	1706	1596	1424	1385	1356	1263	1222	1172	1160	1200	1501	1348
% Multilateral (* = including EC)	32.2	31.7	31.4	31.7											
Total	739	780	815	809	777	826	682	439	781	484	527	583	333	504	683
World Bank Group															
IBRD	13	15	16	16	27	19	17	18		x	x	x		x	x
IDA	169	237	276	229	214	202	201	-		132	136	136		129	164
Total	182	252	292	244	241	221	218	18		132	136	136		129	164
Regional Bank Total	x	x	x	x	x	x	x	x		92	70	88		97	102
IDB															
Ordinary Capital	-	8	7	-	17	28	10	10		x	x	x		x	x
Special Fund	-	3	3	5	5	-	-	17		x	x	x		x	x
Total	-	11	10	5	22	28	10	27		2	10	2		1	1
Asian Dev. Bank															
Ordinary Capital	-	-	0	-	-	-	0	6		x	x	x		x	x
Special Fund	89	17	74	73	70	63	65	-		x	x	x		x	x
Total	89	17	74	73	70	63	65	6		34	38	29		32	35
African Dev. Fund	110	111	5	95	85	80	0	0		47	0	29		46	50
EC															
Total	0	0	0	0	0	0	0	0		0	0	0	0	0	0
of which: EDF	0	0	0	0	0	0	0	0		0	0	0	0	0	0
UN Agencies															
Total	274	270	337	299	242	255	190	182		139	136	124		171	173
UNDP	60	62	60	56	42	39	32	32		28	28	28		26	31
WFP	146	135	197	160	137	142	95	68		31	54	38		39	33
UNICEF	x	x	x	x	x	x	x	x		12	9	9		43	21
UNHCR	x	x	x	x	x	x	x	x		7	-	7		7	10
Other	84	118	97	92	116	179	199	206		122	185	234		107	244
IFAD	x	x	x	x	x	x	x	x		6	4	6		3	13
IMF (PRGF)	x	x	x	x	x	x	x	x		58	117	29		9	18

**British ODA (1989-2003)
(\$USD million)**

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	
Total Net ODA	2587	2647	3248	3217	2908	3197	3157	3199	3433	3864	3401	4501	4579	4924	6282	
ODA/GNI(GNP)	0.31	0.27	0.32	0.31	0.31	0.31	0.28	0.27	0.26	0.27	0.23	0.32	0.32	0.31	0.34	
Total Bilateral	1463	1483	1818	1699	1511	1762	1670	1790	1979	2132	2249	2710	2622	3506	3861	
% Multilateral	(* = including EC)	*44.7	*43.7	*44.1	*45.2											
Total		1124	1164	1430	1518	1397	1435	1487	1409	1454	1732	1153	1792	1957	1419	2421
World Bank Group																
IBRD		6	0	21	18	41	11	11	11		x	x	x		x	x
IDA		286	310	363	361	309	303	325	322		441	-	258		-39	699
Total		292	310	384	379	350	314	336	333		441	3	271		20	732
Regional Bank Total		x	x	x	x	x	x	x	x		87	34	130		103	129
IDB																
Ordinary Capital		-	-1	1	1	1	-	2	3		x	x	x		x	x
Special Fund		-	-	7	1	2	-	2	-		x	x	x		x	x
Total		-	-1	8	2	3	-	4	3		2	0	2		-	-
Asian Dev. Bank																
Ordinary Capital		-	1	1	1	-	-	-	1		x	x	x		x	x
Special Fund		47	3	0	31	38	54	-	53		x	x	x		x	x
Total		47	4	1	32	38	54	-	54		28	29	27		33	35
African Dev. Fund		34	37	3	45	39	37	-	0		49	0	101		60	68
EC																
Total		499	587	743	683	708	746	856	707		835	794	977		928	1080
<i>of which: EDF</i>		234	266	309	349	312	352	350	195		287	244	360		199	254
UN Agencies																
Total		190	196	232	313	198	155	192	210		283	242	359		318	346
UNDP		43	48	50	53	44	42	42	41		51	59	57		67	69
WFP		26	7	25	25	32	-7	5	6		26	0	20		8	12
UNICEF		x	x	x	x	x	x	x	x		19	23	26		26	29
UNHCR		x	x	x	x	x	x	x	x		17	17	6		30	26
Other		62	30	59	63	61	129	99	101		84	79	55		50	134
IFAD		x	x	x	x	x	x	x	x		-	3	-		-	3
IMF		x	x	x	x	x	x	x	x		30	28	-		17	14

Notes:

- Regional Bank data is only available from 1997 onwards
- Canada does not have EC data (for obvious reasons)
- Sweden's EC contributions begin in 1995

Annex 5: The ten biggest contributors to UNDP, 1974-2003, in US\$ million and percentage (voluntary contributions received)

Year	1974	1975	1976	1977	1978	1979	1980	1981	1982
1.	USA	USA	USA	USA	USA	USA	USA	USA	USA
US\$ m	72,78	75,90	103,70	97,50	113,80	126,00	126,05	106,00	147,10
Percentage	22,22	17,52	21,76	18,69	19,19	18,54	18,22	15,39	21,64
2.	Sweden	Sweden	Sweden	Sweden	Netherlands	Netherlands	Netherlands	Netherlands	Netherlands
US\$ m	36,36	55,57	54,05	57,12	61,76	73,47	78,49	63,88	67,88
Percentage	11,10	12,83	11,34	10,95	10,31	10,81	11,35	9,27	9,99
3.	Netherlands	Denmark	Netherlands	Netherlands	Sweden	Sweden	Sweden	Sweden	Norway
US\$ m	27,82	48,51	52,30	56,75	61,14	70,26	76,56	62,62	55,06
Percentage	8,49	11,20	10,97	10,88	10,31	10,34	11,07	9,09	8,10
4.	Denmark	Netherlands	Denmark	Denmark	Germany (West)	Denmark	Germany (West)	Japan	Sweden
US\$ m	24,46	38,69	39,11	45,29	49,77	62,59	61,87	58,00	53,14
Percentage	7,47	8,93	8,21	8,68	8,39	9,21	8,94	8,42	7,82
5.	Germany (West)	Germany (West)	Germany (West)	Germany (West)	UK	Germany (West)	Denmark	Norway	Japan
US\$ m	24,38	32,89	30,53	39,21	47,56	58,82	58,64	48,84	47,31
Percentage	7,44	7,59	6,40	7,52	8,02	8,66	8,48	7,09	6,96
6.	Canada	UK	Canada	UK	Denmark	UK	Norway	Germany (West)	Germany (West)
US\$ m	22,37	24,92	29,29	34,42	43,07	58,10	47,97	47,63	46,38
Percentage	6,83	5,75	6,15	6,60	7,26	8,55	6,93	6,92	6,82
7.	UK	Canada	UK	Canada	Canada	Norway	Japan	Denmark	Canada
US\$ m	21,94	24,50	29,25	32,38	34,52	41,14	39,00	41,11	41,82
Percentage	6,70	5,66	6,14	6,21	5,82	6,05	5,64	5,97	6,15
8.	Japan	Norway	Norway	Norway	Norway	Norway	Canada	Canada	Canada
US\$ m	14,00	20,17	24,37	28,21	34,15	35,12	35,20	37,66	39,29
Percentage	4,27	4,66	5,11	5,41	5,76	5,17	5,09	5,47	5,78
9.	Norway	Japan	Japan	Japan	Japan	Japan	UK	UK	UK
US\$ m	13,10	19,00	20,00	22,00	25,00	17,00	34,90	34,18	32,59
Percentage	4,00	4,39	4,20	4,22	4,22	2,50	5,04	4,96	4,79
10.	France	Italy	France	Belgium	Belgium	Belgium	France	Belgium	France
US\$ m	10,00	15,13	10,25	12,85	15,00	16,55	25,07	31,17	25,70
Percentage	3,05	3,49	2,15	2,46	2,53	2,44	3,62	4,53	3,78
All countries									
US\$ m	327,572	433,213	476,615	521,598	593,027	679,460	691,781	688,701	679,664
Percentage	100	100	100	100	100	100	100	100	100

Year	1983	1984	1985	1986	1987	1988	1989	1990	1991
1.	USA	USA	USA	USA	USA	USA	USA	Sweden	Sweden
US\$ m	140,90	154,96	138,84	163,63	111,77	112,87	109,93	111,16	118,28
Percentage	17,23	20,32	17,93	17,77	10,91	10,52	10,24	9,35	9,07
2.	Japan	Sweden	Japan	Sweden	Sweden	Sweden	Sweden	USA	USA
US\$ m	67,50	51,26	83,60	71,11	84,74	92,14	98,11	111,07	115,08
Percentage	8,25	6,72	10,80	7,72	8,27	8,59	9,14	9,35	8,83
3.	Netherlands	Canada	Sweden	Japan	Netherlands	Netherlands	Italy	Netherlands	Netherlands
US\$ m	61,71	50,92	54,71	65,89	78,65	84,029	82,74	104,96	114,86
Percentage	7,55	6,68	7,07	7,16	7,68	7,83	7,70	8,83	8,81
4.	Sweden	Norway	Norway	Netherlands	Japan	Japan	Netherlands	Japan	Italy
US\$ m	56,09	50,78	48,36	64,42	73,45	80,71	81,89	97,95	105,30
Percentage	6,86	6,66	6,25	7,00	7,17	7,52	7,63	8,24	8,08
5.	Norway	Netherlands	Netherlands	Norway	Germany (West)	Norway	Norway	Denmark	Denmark
US\$ m	54,39	49,35	46,22	59,57	70,44	79,11	78,82	88,85	95,11
Percentage	6,65	6,47	5,98	6,47	6,88	7,37	7,34	7,48	7,29
6.	Canada	Germany (West)	Canada	Germany (West)	Denmark	Germany (West)	Japan	Norway	Norway
US\$ m	50,89	41,61	45,46	56,17	69,83	77,59	74,93	83,55	93,35
Percentage	6,22	5,46	5,87	6,10	6,82	7,23	6,98	7,03	7,16
7.	Germany (West)	Denmark	Germany (West)	Denmark	Norway	Denmark	Denmark	Germany (West)	Germany
US\$ m	45,01	40,44	40,81	53,13	67,37	77,07	73,06	80,26	80,77
Percentage	5,50	5,30	5,27	5,77	6,58	7,18	6,80	6,75	6,19
8.	Denmark	Japan	Denmark	Italy	Italy	Canada	Germany (West)	Canada	Finland
US\$ m	36,79	39,10	37,24	51,02	56,21	61,81	69,75	59,99	69,43
Percentage	4,50	5,13	4,81	5,54	5,49	5,76	6,49	5,05	5,32
9.	Italy	France	Italy	Canada	Canada	Italy	Canada	Finland	Canada
US\$ m	32,89	29,43	36,32	49,68	52,51	57,61	57,20	55,63	65,91
Percentage	4,02	3,86	4,69	5,40	5,13	5,37	5,33	4,68	5,05
10.	France	UK	UK	France	France	France	France	France	UK
US\$ m	29,31	26,95	24,41	37,18	43,16	44,35	43,86	54,05	51,81
Percentage	3,58	3,53	3,15	4,04	4,21	4,13	4,08	4,55	3,97
All countries									
US\$ m	817,899	762,633	774,319	920,756	1.024,480	1.073,220	1.073,920	1.188,360	1.304,040
Percentage	100	100	100	100	100	100	100	100	100

Year	1992	1993	1994	1995	1996	1997	1998	1999	2000
1.	Japan	USA	Japan	Netherlands	Japan	Japan	USA	USA	Japan
US\$ m	192,93	140,50	156,39	163,32	110,11	99,27	95,55	94,66	100,00
Percentage	23,40	14,16	9,14	8,83	12,88	12,95	12,62	13,63	15,50
2.	Sweden	Netherlands	USA	Japan	Netherlands	Netherlands	Denmark	Japan	USA
US\$ m	155,98	126,41	142,94	134,78	98,09	87,48	84,55	80,00	77,90
Percentage	18,92	12,74	8,36	7,29	11,48	11,41	11,17	11,52	12,8
3.	Netherlands	Japan	Netherlands	USA	Denmark	Denmark	Netherlands	Netherlands	Netherlands
US\$ m	128,97	119,18	133,04	126,43	97,85	76,33	82,34	75,16	65,92
Percentage	15,64	12,01	7,78	6,84	11,45	9,96	10,88	10,83	10,22
4.	USA	Denmark	Argentina	Denmark	Germany	Norway	Japan	Norway	Norway
US\$ m	119,58	104,83	116,71	122,17	88,53	75,82	79,90	7076	65,81
Percentage	14,51	10,56	6,82	6,61	10,36	9,89	10,55	10,19	10,20
5.	Denmark	Sweden	Brazil	Brazil	Norway	USA	Norway	Sweden	Sweden
US\$ m	108,39	101,37	111,61	108,27	77,77	72,35	74,59	60,13	58,47
Percentage	13,15	10,21	6,52	5,86	9,10	9,44	9,85	8,66	9,07
6.	Germany	Norway	Peru	Norway	Sweden	Germany	Sweden	Denmark	UK
US\$ m	107,49	90,23	104,83	107,28	69,24	69,38	59,97	57,62	53,14
Percentage	13,04	9,09	6,13	5,80	8,10	9,05	7,92	8,30	8,24
7.	Norway	Germany	Sweden	Sweden	USA	Sweden	Germany	UK	Denmark
US\$ m	103,50	87,07	100,49	105,53	49,84	61,16	56,83	56,63	50,16
Percentage	12,55	8,77	5,87	5,71	5,83	7,98	7,51	8,16	7,78
8.	Italy	Italy	Germany	Argentina	Belgium	UK	UK	Germany	Switzerland
US\$ m	99,69	70,43	89,32	102,49	43,53	38,85	50,00	46,50	31,52
Percentage	12,09	7,10	5,22	5,54	5,09	5,07	6,60	6,70	4,89
9.	France	UK	Norway	Germany	Switzerland	Switzerland	Switzerland	Switzerland	Canada
US\$ m	75,16	49,07	87,24	98,64	43,41	38,62	41,79	33,77	28,58
Percentage	9,12	4,94	5,10	5,34	5,08	5,04	5,52	4,86	4,43
10.	UK	Canada	Columbia	Peru	UK	Canada	Canada	Canada	Germany
US\$ m	64,20	46,77	82,61	94,45	36,92	29,78	29,29	27,35	20,05
Percentage	7,79	4,71	4,83	5,11	4,32	3,88	3,87	3,94	3,11
All countries									
US\$ m	824,380	992,417	1.710,450	1.848,750	854,770	766,590	757,18	694,28	645,04
Percentage	100	100	100	100	100	100	100	100	100

Marked in red are so-called "third party cost sharing" or "government cost sharing". Govts in Latin America channel aid money they receive through UNDP admin, i.e. these are not contributions to UNDP.

Year	2001	2002	2003
1.	Japan	USA	USA
US\$ m	96,00	91,13	103,72
Percentage	14,53	13,59	13,47
2.	USA	Japan	Norway
US\$ m	83,98	86,77	91,64
Percentage	12,71	12,94	11,90
3.	Norway	Norway	Japan
US\$ m	68,82	79,27	86,77
Percentage	10,42	11,83	11,27
4.	Netherlands	Netherlands	Netherlands
US\$ m	66,28	70,13	85,88
Percentage	10,03	10,46	11,15
5.	Sweden	UK	Sweden
US\$ m	53,09	56,30	62,45
Percentage	8,03	8,40	8,11
6.	UK	Sweden	UK
US\$ m	52,91	53,69	60,45
Percentage	8,01	8,01	7,85
7.	Denmark	Denmark	Denmark
US\$ m	49,29	47,89	55,27
Percentage	7,46	7,14	7,18
8.	Switzerland	Switzerland	Canada
US\$ m	29,21	33,33	38,85
Percentage	4,42	4,97	5,05
9.	Canada	Canada	Switzerland
US\$ m	26,94	27,67	38,52
Percentage	4,08	4,13	5,00
10.	Belgium	Germany	Germany
US\$ m	22,26	23,73	28,89
Percentage	3,37	3,54	3,75
All countries			
US\$ m	660,72	670,351	769,882
Percentage	100	100	100

Compilation by Prof. Dr. Klaus Hüfner, Berlin

Sources:

1974-1990: United Nations: Report of the Board of Auditors. General Assembly Official Records: 30th Session, Supplement No.7A-7G (A/10007/Add...) and