



Shaping policy for development

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Why do donors delegate to multilaterals?

A synthesis of six case studies

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Background

- Commissioned and funded by DFID - but ODI views
- Not yet final – DFID senior management and country feedback still to be incorporated
- Will be published after the UK's Multilateral Aid Review

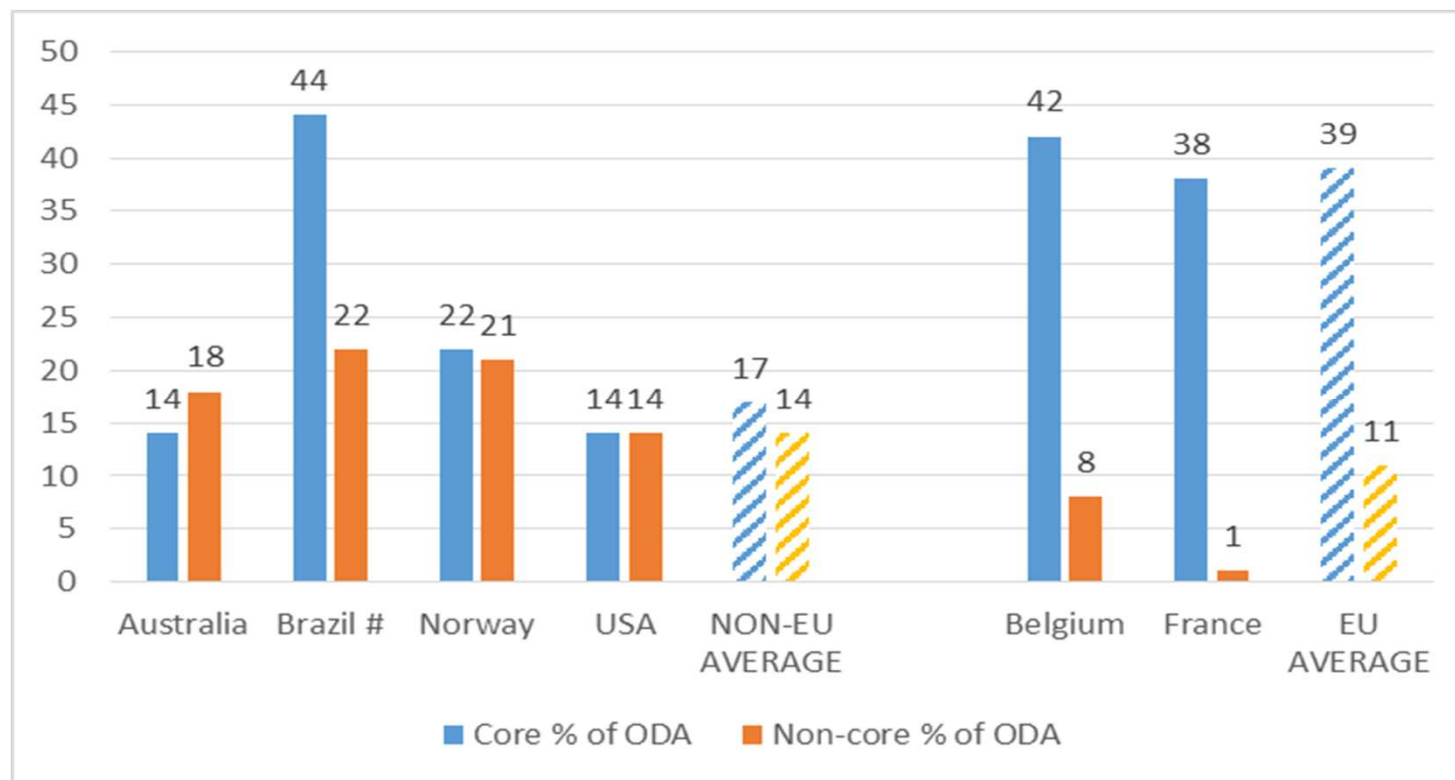


Key questions and approach

- Questions:
 - *What drives delegation, and how do we explain different levels of delegation among donor governments? What is the role of public opinion?*
 - *What factors determine which types of MOs donors are delegating to, and the kind of funding they delegate?*
- Approach
 - *Focus on decision making 'in practice', and seeking to understand donors' own perceptions*



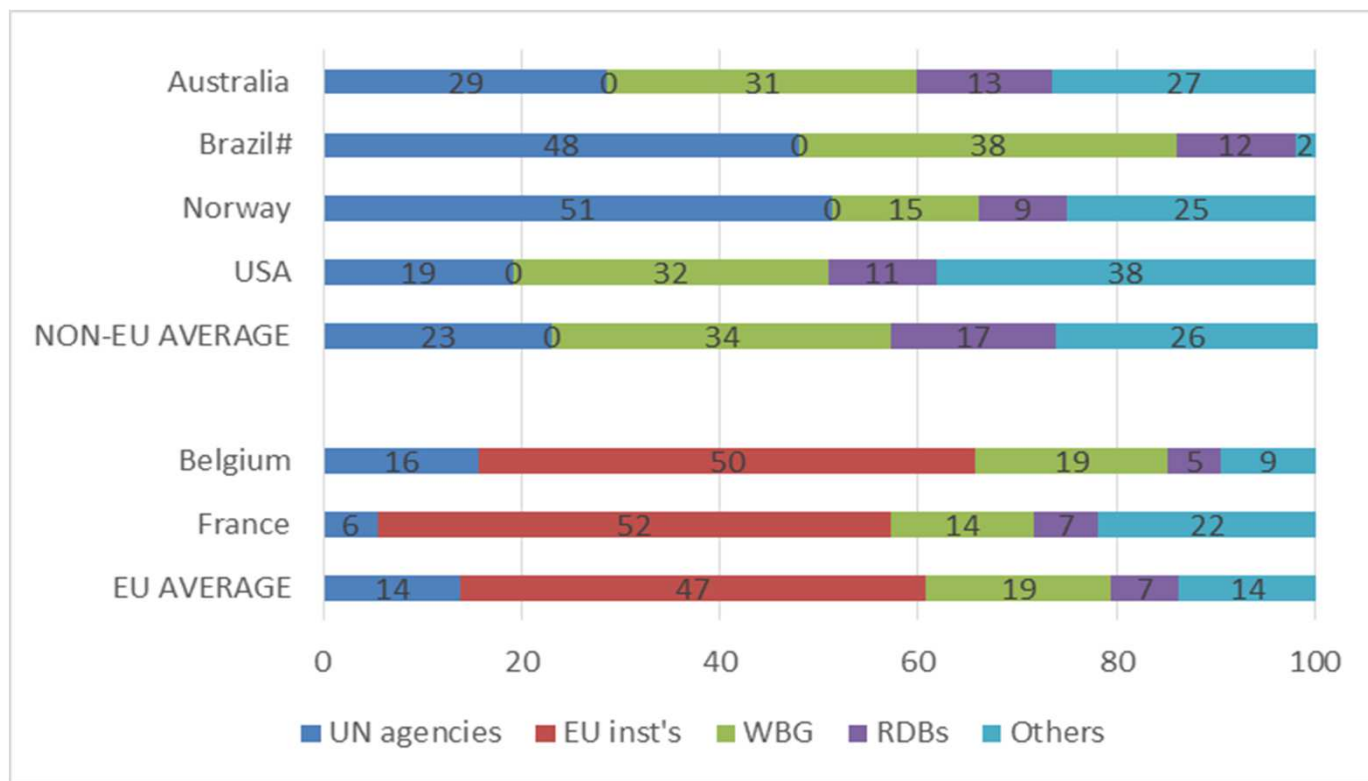
A case study based approach



All data is for 2013. Source, OECD (2015) and Mello e Souza 2014



Patterns of delegation





Supporting global public goods

- Donors state that supporting GPGs is a key rationale for delegation
- Donors with a strong focus on GPGs appear to delegate more core funding
- France:
 - GPGs amongst 4 priorities in the 2011 Development Cooperation strategy
 - 2014 Rapport bisannuel by the MFA explicit on role of IFIs for GPGs
 - GPGs important for health



Donor ‘forum shopping’

- Donors tend to delegate to multilaterals who share their objectives, rather than complement them
- Alignment between sectoral/thematic priorities and delegation is strong
- France:
 - AfDB and IDA supported to reduce poverty and because of focus on Sub-Saharan Africa
 - GFATM and GAVI for health GPGs



Strategic and foreign policy concerns

- Place on international stage and foreign policy seen to influence delegation decisions
- Delegation less of a technical process, more in relation to foreign policy strategy



Path dependency is important

- Path dependency limits room for manoeuvre, particularly in short term
- More important when aid budgets under pressure
- France
 - EU allocations decided on 7 year cycle
 - High levels of assessed contributions to the UN
 - Genuine discretion over a small proportion of funding
- The way decisions are made, and the role of politics is also important

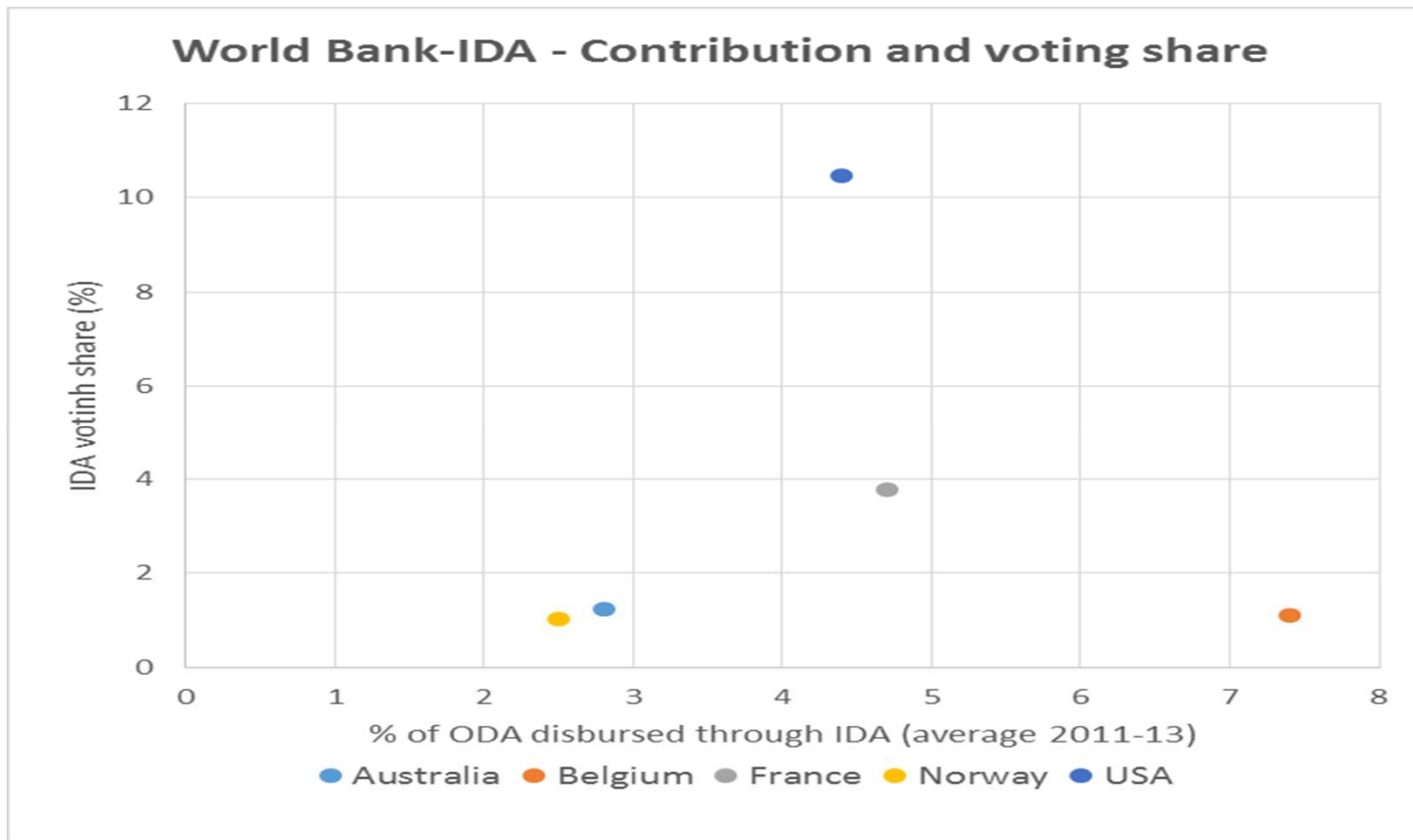


Influence is less significant

- Theory would suggest influence is a strong driver of delegation
- Some relationship between influence and delegation in France
 - Strong influence in GFATM, and high delegation
 - Influence in UN lower in relation to country size, and lower delegation
 - However, interviewees stated influence less important than other drivers
- No clear pattern across all case studies



IDA: no clear relationship between contribution and voting share





Advantages and disadvantages are not a significant driver

- All donors list advantages and disadvantages of multilaterals
- Evidence base varies, and use of MOPAN is mixed
- Information appears to have limited impact on delegation decisions
- France
 - Interviewees reported that evaluations not substantially influencing allocation decisions
- This common across countries, even where more formal assessments in place



Public and parliamentary opinion rarely important

- Limited general knowledge on multilaterals
 - GFATM key exception, including in France
- No clear finding on the importance of 'flag planting' or minimising donor risk
- Role of elected representatives varies
 - Congress important in the US
 - Parliament in Norway quite active



Conclusions

- Supporting GPGs is a key rationale
- Donors 'forum shop'
- Strategic and foreign policy concerns important
- Strong 'path dependency'
- Influence: no clear pattern overall
- Advantages/disadvantages less significant
- Public and parliamentary opinion is rarely important



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