



# Why do donors delegate to multilateral organisations?

A synthesis of six country case studies

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## Key messages

This report examines the drivers of delegation to multilateral organisations in six case study countries. While noting that the sample is not representative and it covers countries with a variety of characteristics, we find the following:

- Supporting global public goods is a key rationale for delegation.
- Strategic and foreign policy concerns heavily influence delegation decisions.
- Donors appear to delegate to multilaterals who share their priorities rather than to those whose priorities complement their own.
- Delegation decisions are heavily influenced by earlier decisions, leaving limited room for manoeuvre, at least in the short term.
- Donor influence on multilaterals appears to be important for some donors in delegating to some multilaterals, but there is no clear pattern overall.
- The perceived advantages and disadvantages of multilaterals are much less significant than these other drivers, although this may be changing.
- Public and parliamentary opinion is rarely important in the delegation choice.

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# Abbreviations

AfDB/F	African Development Bank/Fund
AMA	Australian Multilateral Assessment
ADB/F	Asian Development Bank/Fund
CGIAR	Consultative Group on International Agricultural Research
CN	Congressional notification
DAC	Development Assistance Committee of the OECD
DFAT	Department for Foreign Affairs and Trade
DFID	Department for International Development
EC	European Commission
EDF	European Development Fund
EDS10	Office of the Executive Director and Staff (10th Constituency)
ED	Executive Director
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
GAVI	Global Alliance for Vaccines and Immunization
GDP	Gross Domestic Product
GEF	Global Environmental Facility
GFATM	Global Fund to Fight AIDS, Tuberculosis and Malaria
GNI	Gross National Income
GPE	Global Partnership for Education
GPGs	Global public goods
IDB	Inter-American Development Bank
IDA	International Development Association
IFAD	International Fund for Agricultural Development
IFI	International financial institution
ILO	International Labour Organization
IOM	International Organisation for Migration
LDC	Least Developed Country
IMF	International Monetary Fund
MAR	Multilateral Aid Review
MDB	Multilateral development bank
MDTF	Multi-Donor Trust Funds
MoFA	Ministry of Foreign Affairs

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MO	Multilateral organisation
MOPAN	Multilateral Organisation Performance Assessment Network
MoU	Memorandum of understanding
NGO	Non-governmental organisation
NICFI	Norway's International Climate and Forest Initiative
ODA	Official development assistance
OECD	Organisation for Economic Cooperation and Development
PA	Principal agent
PEPFAR	President's Emergency Plan for AIDS Relief
RDBs	Regional development banks
SSA	Sub-Saharan Africa
UN	United Nations
UNAIDS	UN Joint Programme on HIV/AIDS
UNCTAD	UN Conference on Trade and Development
UNDP	UN Development Programme
UNEP	UN Environment Programme
UNESCO	UN Educational, Scientific and Cultural Organization
UNFPA	UN Population Fund
UNHCR	UN High Commissioner for Refugees
UNICEF	UN Children's Fund
UNIDO	UN Industrial Development Organization
UNRWA	UN Relief and Works Agency for Palestine Refugees
US	United States of America
WB	World Bank
WFP	World Food Programme
WHO	World Health Organization

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# Executive summary

All donors make decisions about how much to delegate to multilateral organisations (MOs) and how to allocate funding between MOs. They also make decisions about how much should be core funding – which multilaterals can spend as they see fit – and non-core funding, over which donors retain a degree of control. The choices that donors make vary widely. This report aims to understand the drivers of these delegation decisions ‘in practice’. It focuses on six country case studies: Australia, Belgium, Brazil, France, Norway and the United States (US).

The key questions driving the research are as follows:

- What factors drive the process of delegation to MOs, and how do we explain the differing levels of delegation among donor governments? What is the role of public opinion in donor countries in driving such decisions?
- What factors determine which types of MOs donors delegate to, and the kinds of funding they delegate, especially core versus non-core?

The findings need to be interpreted with some caution: six is only a small sample of case studies, and it is not representative of all donors. Moreover, in each country, the drivers of delegation are complex and interact with each other in different ways, making it difficult to isolate individual factors. Nevertheless, some patterns emerge from the case studies:

Donor objectives appear to heavily influence delegation decisions. We found that **supporting global public goods (GPGs) was a key rationale for delegation, and those donors with a stronger focus on GPGs appear to delegate more**, at least in terms of core funding. Government officials across the case study countries confirmed the important role of GPGs in determining delegation decisions. However, it was not always clear whether government interviewees and documents were using a consistent or watertight definition of GPGs.

Priorities around sectors and countries are also important in determining which MOs donors will delegate to: **donors appear to support multilaterals that share their objectives** rather than those with complementary but different focuses, and to do this rather than seeking to influence multilaterals who do not or may not share their priorities.

Across all case studies, foreign policy, and in particular the impact that a country’s support for multilaterals has on its place in the international arena, influences delegation decisions. Delegation is seen less as a technical decision process based on the advantages and disadvantages of multilaterals or of bilateral and multilateral aid, and more in relation to the wider international strategy.

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**Influence emerges as a driver of delegation decisions in some countries and for some MOs, but there is no clear pattern overall.** Influence (i.e. choosing to fund multilaterals over which some control can be exerted) cannot explain the overall level of delegation. Moreover, there is no clear correlation across the case studies between levels of influence and delegation levels. This may be because donors are more inclined to delegate to multilaterals who share their objectives and therefore are less in need of influence.

**The way decisions are made is important, with previous decisions strongly influencing current ones.** Decisions are often made based on previous decisions and commitments, and there is often limited room for change in the short term. This emerged particularly strongly in the two European Union (EU) donors (Belgium and France) – for whom 50% of the multilateral organisation (MO) spend is pre-empted by the EU itself – and may not be representative of all countries. In our view, this may particularly be an issue in the context of cuts to the aid budget, with historical commitments needing to be met and therefore limited room to expand allocations to others. In the case of the US, the structure of the budget (which provides more flexibility for health funding channels, e.g. HIV/AIDS) also partly explains the high allocation to the sector. High-level political support in some countries around sector specific initiatives also explains the high share to relevant MOs in some countries.

**Reacting to other donors' actions or expected actions seems only marginally important in delegation decisions.** Most donors do take into account the behaviour of other donors when making delegation decisions, but in most cases this is about the implications for their influence within particular MOs or their place within the international arena. However, **the role of other donor objectives does appear to be quite important for the smaller donors.** These donors delegate more when they expect others to share their objectives (Belgium and Norway), but don't delegate so much when they don't expect them to do so (Australia).

All donors have a set of beliefs about the **advantages and disadvantages of multilateral aid over bilateral aid** and of different multilaterals, and use a variety of forms of evidence to inform these beliefs. This issue **does not appear to be a significant driver of delegation decisions, although there are signs that it is becoming a more important issue**, with some countries participating in joint performance assessment exercises or undertaking their own reviews and developing evidence-based multilateral strategies. In the US, the ability to demonstrate results and impact is becoming increasingly significant, with transparency and accountability a significant concern with regard to UN agencies. The new Australian Multilateral Performance Process will provide a more streamlined and focused way of assessing multilateral performance. Belgium, as a small donor, also placed quite strong emphasis on MOs' leverage, expertise and legitimacy.

**Parliamentary and public opinion does not appear to have a significant direct influence on delegation in most cases**, although it may inform some of the other drivers identified above. There are two important exceptions. In the US, the strong role of Congress is a significant influencer of delegation. Across a number of case studies, contributions to the Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM) seem to have been significantly and positively impacted by non-governmental organisations' (NGOs') campaigns. The World Bank, historically the target for some hostile NGO-based campaigns, has not been so noticeably affected in terms of delegation decisions, though we cannot see the counterfactual of how much higher delegations might have been, absent any such objections. Public opinion may also influence the other drivers identified, for example donor objectives or a donor's place on the international stage, thus indirectly influencing delegation decisions. Further research would be needed to explore this issue in greater depth.

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# 1 Introduction

All donors periodically make decisions about how much to delegate to multilateral organisations (MOs), how to allocate funding between MOs, and how much to provide as core funding (funding that multilaterals can spend as they see fit) and non-core funding (funding over which donors retain a degree of control). The choices that donors make vary widely even within groups such as the European Union (EU), with some smaller EU states allocating more than 80% of their aid as core funding to MOs, and others such as Germany allocating less than 30% (Organisation for Economic Cooperation and Development (OECD), 2015). The share of non-core contributions also varies widely, ranging from 0% to 63% across OECD donors (OECD, 2015).

While a number of theoretical and econometric approaches have been developed which seek to understand these differences, few studies have focused on decision-making in practice. There is also limited direct knowledge of what donors themselves consider as the main drivers of delegation. The existing evidence tends to focus on revealed preference – seeking to understand donor motivations based on the decisions they take – rather than using direct observation. Moreover, few existing studies consider the role of public opinion as a driver of delegation decisions (see annotated bibliography).

This study aims to fill these gaps. It examines decision-making in practice in six country case studies: Australia, Belgium, Brazil, France, Norway and the United States (US). While these case studies do not claim to be representative of all donors, they include a mix – of high, low and average delegators; EU and non-EU donors; large and small countries; and Development Assistance Committee of the OECD (DAC) and non-DAC donors – and hence capture some of the factors that may impact on decisions.

It is important to note that some contributions to multilaterals are assessed contributions to United Nations (UN) agencies or other non-voluntary contributions such as those provided to the EU. Such funding is often compulsory as a condition of membership and as such is less amendable to decisions about delegation. We take this type of funding into account in our analysis, as we explain in more detail in Section 2.

The key questions driving the research are as follows:

- What factors drive the process of delegation to MOs, and how do we explain the differing levels of delegation among donor governments? What is the role of public opinion in donor countries in driving such decisions?
- What factors determine which types of MOs donors delegate to, and the kinds of funding they delegate, especially core versus non-core?

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To address these questions, a literature review was conducted (see annotated bibliography). From the literature review, an analytical framework was developed, including a set of hypotheses outlining potential drivers of delegation (see Section 1). Case studies were selected to ensure a balanced mix of countries (see above) and access to key governmental stakeholders. Each case study comprised a review of core governmental documents and a series of semi-structured interviews with approximately 12 key informants drawn from government, academia, civil society, think tanks, parliament and the media. A set of common interview questions was prepared to ensure consistency between the case studies. Researchers selected for each country possessed the appropriate language skills such that they were able to access documents and carry out interviews in at least one of the country's languages. Case study visits were carried out in October and November 2015.

The paper proceeds as follows:

- Section 2 briefly summarises the literature on delegation to MOs and draws out the main theoretical approaches taken. More detail can be found in the annotated bibliography.
- Section 3 asks how much funding our study countries delegate, whom they delegate to, and how much core funding they provide.
- Section 4 asks *how* donors make decisions about delegation, and how this influences outcomes.
- Section 5 explores the extent to which donors delegate in order to meet or further their objectives and priorities.
- Section 6 explores what donors perceive to be the advantages and disadvantages of multilateral over bilateral aid, and the evidence base used to make this assessment.
- Section 7 looks at delegation and donor influence
- Section 8 examines whether donors' expectations about the behaviour of other donors influences delegation decisions.
- Section 9 examines the role of public and parliamentary opinion in delegation decisions.
- Section 10 concludes by seeking to identify the main drivers of delegation across the case studies.

The analysis in sections 4 to 9 deals with each of the main categories of drivers of delegation separately, although in reality these drivers have a summative effect and interact with each other. A limitation of this study is that it was not able to fully explore these relationships.

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## 2 Theoretical framework and case study hypotheses

This section only briefly summarises the literature on the determinants of multilateral delegation. See the annotated outline for a full list of documents reviewed for the study.

The literature review identified two theoretical frameworks. The first, based on principal-agent (P-A) theory, sees donors selecting multilaterals that are aligned with their objectives (or are amenable to being aligned, through formal and informal channels of influence), subject to issues such as public opinion and the extent of operational advantages (see, for example, Milner and Tingley, 2012; Milner, 2006; Pollack, 2006) The second, which appears to have been applied far less in research, sees donors as collaborating with one another and with and through multilaterals in the pursuit of solutions to cooperation problems in securing a broad range of global public goods (GPGs) (see Keohane and Martin, 1999, or Martens, 2005).

Taken together, this sees donors seeking a balance between two motivations for the better delivery of aid programmes:

- Influence and shared preference approaches (as utilised by principal-agent type approaches): donors have objectives and they either try to influence multilaterals to pursue these objectives or they identify those multilaterals who already share them.
- Cooperation approaches: donors wish to cooperate with one another to overcome public goods problems, including encouraging a proper share of responsibility, using multilaterals where traditional cooperation fails.

How much priority is placed on each of these two issues is likely to determine (or at least strongly affect) donor decision-making regarding delegation to MOs. So a donor who places a strong emphasis on global cooperation, burden sharing and GPGs may delegate heavily even if it has little influence over multilateral aid, or may see giving up influence as the necessary price of that cooperation. Conversely, a donor who places little emphasis on global cooperation may see influence as its primary concern and hence only delegate to multilaterals it believes it can influence – or limit delegation altogether. In line with Reinsberg et al. (2015) we also suggest that these motivations are not mutually exclusive and can simultaneously effect delegation decisions.

This leads to a number of hypotheses, which have been tested, other things being equal, in the case studies:

- Donors are likely to delegate to MOs more, the greater the donors' focus on GPGs and global challenges which require collective solutions.
- Donors may delegate more when the objectives of MOs are more aligned with their own objectives and where there is greater alignment

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between their own objectives and those of other donors. A significant finding from the literature (although an out of date one) is that donors with a more pro-poor and human rights orientation are likely to have higher levels of delegation, possibly because MOs tend to also have a more pro-poor and human rights based approach (Addison et al., 2003; Allen, 2006).

- Donors are likely to delegate more when the perceived advantages of MO funding are higher. However, the literature is somewhat ambiguous on this point. Expertise advantages and political neutrality are two claims of MO advantage that have some basis in the literature (Raschky and Schwindt, 2012; Versluys, 2007; Ravallion, 2015; Girod, 2008; Lebovic and Voeten, 2009). We might therefore expect to find higher delegation amongst donors that have lower levels of expertise, perhaps because they are smaller or because they place greater weight on areas that require greater levels of specialist expertise. Donors that place a higher premium on political neutrality and legitimacy, perhaps because they are active in fragile states, may also chose more delegation, although no studies were found that test this hypothesis directly.
- Donors may delegate more to MOs when they believe they can exert more influence over them. This may be because the donor has a larger voting share or a seat on the board, or because the MO is generally more responsive to donor influence (Hicks et al., 2008). Thus we may see higher levels of delegation by donors to MOs in which they have higher voting shares, or other forms of influence. Similarly, for MOs in which delegation (e.g. a threshold share of funding) secures donors a governance role (e.g. GFATM or Multi-Donor Trust Funds<sup>1</sup>), levels of delegation may be shaped by such objectives. Another variant of this dynamic is that we may see greater provision of non-core funding where donors' objectives are not naturally aligned and they are not confident of sufficient influence over the MO.
- Theory suggests that donors are likely to take account of the expected behaviour of other donors when making delegation decisions, although the evidence so far is ambiguous about the direction this may take (i.e. whether a donor will respond to increased contributions to an MO from other donors by reducing its own contributions or by increasing them). Such strategic behaviour is likely to depend on the nature of the MO, and in particular the relationship between financial contributions and influence.<sup>2</sup>

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<sup>1</sup> MDTFs involve a number of donors pooling their funding under a single governance structure, which holds their funds in trust and takes responsibility for their management. MDTFs are most commonly used for donor support in post conflict or disaster contexts. Support to MDTFs is not formally defined as multilateral aid by the OECD, but it does share some of the characteristics of multilateral aid and therefore this report does draw on insights relating to delegating through these structures.

<sup>2</sup> So donors are more likely to play such strategic games when considering delegation to multilaterals in which voting share is determined by financial contribution, e.g. the multilateral development banks (MDBs).

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# 3 How much – and to whom – do the case study countries delegate?

This section presents an overview of the pattern of delegation to MOs across the case study countries. It focuses on the overall levels of delegation, delegation through core and non-core funding, and the main multilaterals to which donors delegate.

## 3.1 Assessed and voluntary funding

At the outset, it is important to note some distinctions between the types of core financing provided across MOs. Firstly, a significant proportion<sup>3</sup> of the core contributions made to UN Specialized Agencies<sup>4</sup> is provided in the form of assessed funding. This funding is a condition of national membership in these agencies and is determined by the relative capacity of each country to pay, as measured by its gross national income (GNI). Secondly, there is the funding provided to EU agencies (by Belgium and France), through the EU budget and instruments such as the European Development Fund (EDF). Development funding through the EU budget is formally assessed and calculated on the basis of national income. Although funding to the EDF and other similar instruments is nominally more voluntary in nature, EU member states usually provide funding at a level proposed by the European Commission (EC), and therefore in practice (certainly by Belgium and France) it is treated like assessed funding. This funding to UN Specialized Agencies and EU is therefore distinct from funding to other MOs in being less voluntary in nature. The analysis that follows in this paper does not draw on these less-voluntary forms of financing for evidence on the drivers of delegation to MOs in the same way as it does on the voluntary forms of support. Therefore, where relevant, conclusions drawn based on levels of funding across MOs are checked to see if they are valid given what is known about the composition of their funding.

## 3.2 Patterns of delegation and core and non-core funding to MOs

When considering the overall level of delegation to multilaterals, we look separately at EU and non-EU countries and compare them with the averages from within those groupings,<sup>5</sup> because so much funding to the EU is non-voluntary.<sup>6</sup>

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<sup>3</sup> According to the authors' calculations in the cases of Australia, France and the US, the vast majority of core funding for 'UN other agencies' is provided through assessed contributions. In the cases of Norway and Brazil, most of its support to 'UN other agencies' is voluntary; for Belgium, possibly around half of this funding is voluntary in nature (UN, 2014). Data limitations and inconsistencies make firm conclusions on these trends difficult.

<sup>4</sup> UN Specialized Agencies include WHO, UNEP, UNESCO, ILO, FAO, IFAD, IOM, UN-Habitat and UNIDO, amongst others.

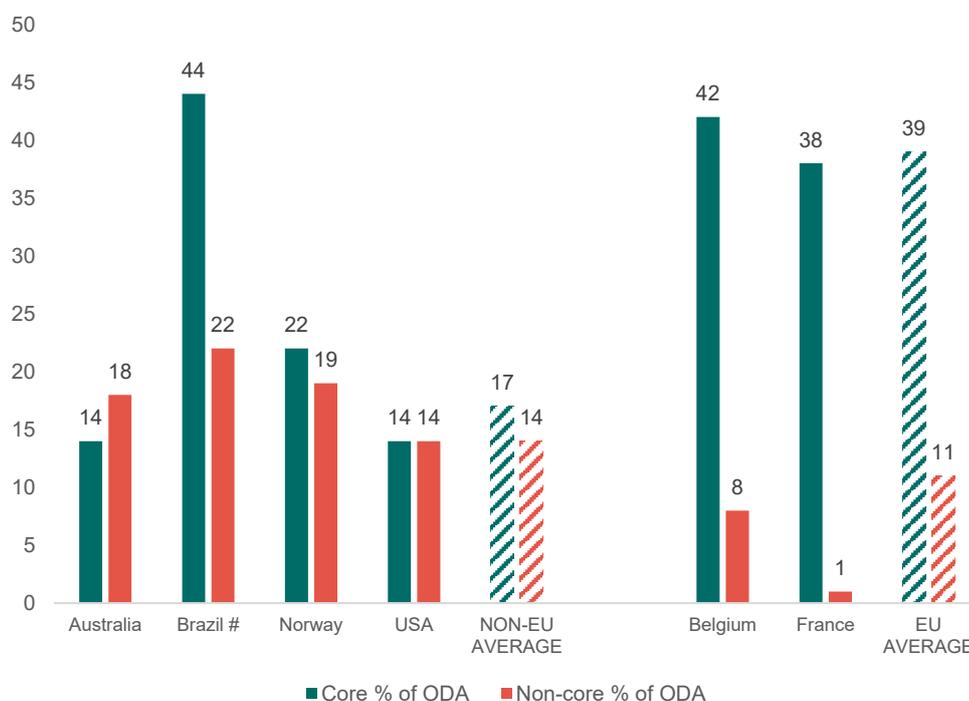
<sup>5</sup> No data is available for the average of non-DAC donors, so we compare Brazil with the non-EU OECD average.

<sup>6</sup> We don't make the same distinction with UN Specialized Agencies, as all countries delegate to those Agencies and so they don't impact on the country comparisons in the same way.

Figure 1 shows delegation of core and non-core funding to MOs as a percentage of total official development assistance (ODA) for each case study country, as well as the EU and non-EU weighted averages. As the figure indicates, at the lower end of the spectrum across the non-EU case study countries are the US and Australia; which each delivered 14% of its aid as core funding through MOs in 2013. This is one of the lowest percentages amongst OECD donors, and is below the OECD non-EU average of 17% in 2013. Next comes Norway, which delivered 22% of core funding through MOs in 2013, putting it above the OECD non-EU average. Finally, Brazil (44%) was some way above the OECD non-EU average, although this is largely because legal provisions of the Brazilian Government prohibit many forms of bilateral aid.

Within the EU group, Belgium and France provided 42% and 38% of core funding through MOs respectively in 2013. This puts Belgium above, and France very slightly below, the EU average of 39%, and puts both countries above the OECD average.

**Figure 1: Core and non-core contributions to multilateral organisations (% of total ODA, 2013)**



Source: OECD (2015); # based on estimate of two thirds of Brazilian aid being delivered through MOs in 2010 (Mello e Souza, 2015) and data on core and non-core contributions from 2009-2013 (quoted in OECD, 2015)

Based on core contributions alone and comparing each country to the weighted average for its EU or non-EU peer group, our case study countries can be ranked according to their divergence from the average, as shown in Table 1:

**Table 1: Delegation of core funding by case study countries in relation to peer group, 2013**

	Core funding, % of ODA, 2013	Weighted average for peer group, 2013	Divergence from peer group average
Brazil	44	17 (OECD)	27
Norway	22	17 (OECD)	5
Belgium	42	39 (EU)	3
France	38	39 (EU)	-1
Australia	14	17 (OECD)	-3
US	14	17 (OECD)	-3

Levels of non-core (voluntary) funding to MOs as a share of total ODA for the non-EU case study countries were above the non-EU OECD weighted average of 14% for Brazil (22%), Norway (21%) and Australia (18%); and at the average for the US (14%). France and Belgium, meanwhile, were both below the EU weighted average of 11% (at 1% and 8% respectively). This may be partly because until recently the EU did not accept non-core contributions, and as these countries both delegate quite heavily to the EU, their non-core share is lower. Including non-core contributions changes the degree to which case study countries diverge from their peer group, as shown in Table 2.

**Table 2: Delegation of core and non-core funding by case study countries in relation to peer group, 2013**

	Total delegation, % of ODA (core and non-core), 2013	Weighted average for group, 2013	Divergence from peer group average
Brazil	66	31	35
Norway	43	31	12
Australia	32	31	1
Belgium	50	50	0
US	28	31	-3
France	39	50	-11

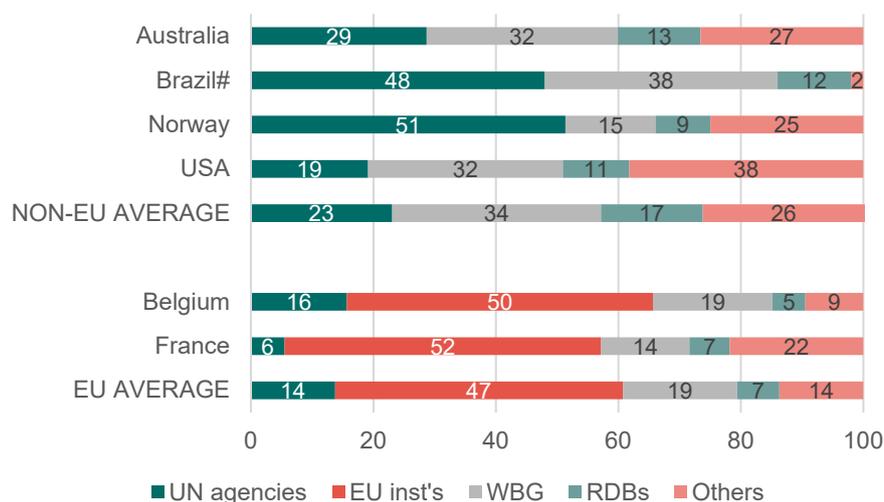
Overall, we consider Brazil to be a (relatively) very high delegator (although note the caveat above on prohibitions relating to bilateral aid), Norway to be a high delegator, Belgium and Australia to be medium delegators, and the US to be a low delegator. In France's case (in comparison with EU partners), whether it is medium or low depends on whether delegation refers to only core, or all funding. It is also important to note that both France and Belgium increase in their ranking considerably if we compare them to OECD countries as a whole.

Amongst the OECD countries in this small sample it appears that those with higher aid to GNI ratios provide a larger share of their aid as core funding through MOs.<sup>7</sup> This may be due to capacity constraints: countries with higher levels of aid in relation to their economic size may find it difficult to spend such volumes of aid effectively bilaterally. However, there is no relationship between levels of aid for each of these countries in absolute terms and the proportion of aid delivered multilaterally. This is consistent with the picture for OECD donors more broadly (OECD, 2015).

### 3.3 Patterns in delegation across MOs

The case study countries vary in terms of the main groups of MOs through which they made core contributions in 2013 (with data for Brazil covering the period 2009-2013). The pattern of core funding by the case study countries across these groups of MOs is detailed below and illustrated in Figure 2. We have also listed, in Table 3, the top five recipients for each agency; this is mainly core support, although in the case of Brazil non-core has been included because of data constraints. Note that to avoid 'lumpy' disbursements impacting the figures, Table 3 is based on a three-year average (2011-2013).

**Figure 2: Percentage share of total core contributions to MOs provided through each main group of MOs (based on average contributions during 2011-2013)**



Source: OECD (2015); # data for Brazil covers the period 2009-2013. WBG: World Bank Group. RDBs: Regional Development Banks.

<sup>7</sup> Amongst the OECD Governments in our sample of case study countries, those with the highest levels of aid to GNI in 2013 were Norway (1.07%) and Belgium (0.45%), and these are also the most significant delegators. Those with the lowest levels of aid to GNI in 2013 – US (0.18%) and Australia (0.33%) – were also the lowest delegators of core funding.

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- **Australia** delegates in a pattern that is similar to the non-EU average. Of its total core funding to MOs, it gives the World Bank 31% (average 34%); the UN 29% (average 23%); the regional development banks (RDBs) 13% (average 17%) and other agencies 27% (26%). So compared to other countries, Australia delegates slightly less to the World Bank and RDBs, slightly more to UN agencies, and is similar to the average for other agencies.
  - **Belgium** provides 50% of its core funding to MOs to the EU, including assessed contributions. This is just above the average delegation of EU countries, which is 47%. Otherwise, the only area in which Belgium's core support to MOs differs substantially from the EU average is in the 'other' category, where Belgium delegates less (9%) than the EU average of 14%.
  - **Brazil** provides a much higher share of its core funding to MOs to UN agencies than the average non-EU donor: 48% compared to 23%. It also provides a larger share of its core funding to the World Bank than the non-EU average (38% versus 34%). The big area in which Brazil's core funding is way below average is the 'other' category (2% versus 26%). As we see in Table 3 below, Brazil's top recipients include two UN agencies (the World Food programme (WFP) and the Food and Agriculture Organization (FAO)) but not GFATM or Gavi, the Vaccine Alliance (GAVI).
  - **France** gives 52% of delegated aid to the EU, also above the EU average. France delegates less than the EU average to the World Bank and UN, and more to the 'other' category. As Table 3 indicates, GFATM is the third largest recipient.
  - **Norway** is an outlier in providing a much higher proportion of its core funding to MOs to the UN: 51% compared to the non-EU average of 23%. In contrast it provides a smaller proportion of its core funding to the World Bank than other non-EU countries (15% compared to a non-EU average of 34%). RDB allocations are also lower (9% versus 17%). Within the UN category, Table 3 shows that the UN Development Programme (UNDP) and the UN Children's Fund (UNICEF) are amongst the largest recipients.
  - The **US** provides a smaller proportion of its core funding to the UN (19% versus 23%) and RDBs (11% versus 17%) than the average for non-EU donors, and considerably more to the 'other' category (38% versus 26%). Table 3 shows that GFATM is the second largest recipient.

**Table 3: The five largest channels of core multilateral aid for the case study countries (based on average contributions 2011-2013)**

Australia	Belgium	Brazil (2009-2013)*	France	Norway	US
World Bank-IDA	EU	World Bank-IDA	EU	World Bank-IDA	World Bank IDA
Asian Development Bank	World Bank-IDA	IDB	World Bank-IDA	UNDP	GFATM
GFATM	African Development Bank	WFP	GFATM	GAVI	Asian Development Bank
GAVI	GFATM	African Development Bank	African Development Bank	GFATM	African Development Bank
World Food Programme	UNDP	FAO	IMF	UNICEF	UNICEF

Source: OECD 2013c, 2015; Note: \* data for 2009-2013, includes non-core support

Some agency-specific trends can also be inferred from Table 3:

The World Bank's International Development Association (IDA) is the most prominent channel across the case study countries. It is the largest single channel of multilateral core funding for Australia, Brazil, Norway and the US, and second only to the EU for Belgium and France.

There is a regional/historical influence over allocations, with EU being the largest channels for Belgium and France, the Inter-American Development Bank (IDB) being prominent (second largest recipient) for Brazil, and the Asian Development Bank (ADB) important for Australia. The African Development Bank (AfDB) is also important for Belgium and France.

All the case study countries have at least one UN agency amongst their largest recipients. Brazil and Norway have two, which is unsurprising given their overall high allocations to the UN. The UNDP and UNICEF are the most prominently featured agencies.

GFATM and GAVI are also prominent recipients. GFATM is amongst the top five recipients for all the countries apart from Brazil, while GAVI is amongst the top recipients for two countries.

### 3.4 Conclusions

The case study countries represent only a small subset of national development cooperation providers, and therefore the findings in this report are not necessarily generalisable across providers. However, as can be seen from Figure 1 above, the case studies represent a diverse group of providers in terms of their patterns of delegation.

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Overall, our analysis suggests that in terms of core contributions, Brazil and Norway are high delegators while France and Belgium are average delegators and the US and Australia are low delegators. The picture is slightly more complicated when it comes to non-core contributions, with France scoring lower than the US and Australia when non-core is taken into account. The picture is also complicated by the fact that we compare EU and non-EU countries against their respective averages (so that, against an overall OECD average, core funding from France is well above average). These nuances are reflected upon in the subsequent analysis.

# 4 How do case study donors make decisions about delegation, and how does this influence outcomes?

The literature exploring the drivers of delegation largely assumes (explicitly or implicitly) that governments make delegation decisions in a unified way: i.e. that one single actor or group makes decisions about how much to delegate and to whom. However, in reality, within donor governments, as well as within most of their agencies, decision-making is typically more widely dispersed, and this has implications for delegation outcomes. For example, it may make it less likely that donors will adjust the pattern of delegation in response to factors such as public opinion. Whether or not countries have a formal strategy for multilaterals and the extent of flexibility in allocations to multilaterals year-on-year are also important. These issues are discussed in this section.

## 4.1 Centralised versus decentralised decision-making

Only two of the case study countries (Norway and Australia) make decisions in a fairly centralised way, with the Norwegian Ministry of Foreign Affairs (MoFA) and Department for Foreign Affairs and Trade (DFAT) respectively overseeing almost all core funding (see Table 4 below).

**Table 4: Ministries involved in and concentration of core aid to MOs**

Country	Number of ministries / departments allocating core funding to MOs	Share of total core funding to MOs allocated by ministry / department allocating the largest volume of core funding	Is there an overarching strategy addressing delegation / multilateral aid?
Australia	2	94% (Department of Foreign Affairs and Trade)	Yes
Belgium	6	62% (Belgian Development Cooperation Department)	Yes
France	10	35% (Ministry of the Economy, Finance and Industry)	No
Norway	2	99% (Ministry of Foreign Affairs)	No
US	5	51% (Department of Treasury)	No

Source: OECD (2015); Note: Brazil is not included as this analysis has only been carried out for OECD-DAC members

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In the other case studies, decisions are much more dispersed. In France, ten different ministries manage the provision of core support to MOs.<sup>8</sup> The most significant are the Ministry of Foreign Affairs and International Development, which oversees France's delegation to the GFATM and other global funds, UN and EU; and the Treasury, which manages relationships with the development banks and international financial institutions (IFIs), including debt relief operations. The two agencies have different budget lines, meaning that reallocations can take place within these budget lines but not between them. A similar division exists in Belgium, although in that case spending is more centralised into the MoFA, with the Ministry of Finance only having oversight for allocations to the RDBs and IDA (Belgium, 2001). In the US, delegation decisions are heavily dispersed, with different ministries leading on different MOs. A similar pattern occurs in Brazil, where the Ministry of External Relations deals with allocations to financial organisations while line ministries handle delegation to the International Fund for Agricultural Development (IFAD), the World Health Organization (WHO) and other sector specific MOs. This means that in only a minority of cases does a single ministry delegate strategically across different MOs (essentially in Norway and Australia).

## 4.2 Delegation and multilateral strategies

The degree to which donors have formal strategies for multilateral delegation also varied across the case study countries (see Table 4 above).

For Belgium, the 2011 Multilateral Strategy was reported by a number of Government officials to be the most important guidance note with regards to multilateral policy and to remain relevant today. The strategy 'mapped' all MOs on the basis of their thematic work – to identify overlaps, lacunas and rivalries on the one hand, and complementarity, synergy and cooperation on the other. The mapping was used for the selection of partners, institutional follow up, quality control and financial allocation decisions (Belgium, 2011a). Belgium has also recently limited the number of MOs that the country can partner with to 15 (Belgium, 2015).

Australia also has a Multilateral Engagement Strategy (AusAid, 2011), which identifies Australia's strategic objectives for engagement with the main MOs. France is in the process of developing a new strategy, expected to be published in 2016. Norway has been criticised under its DAC peer review for lacking a formal strategy, although interviewees both inside and outside the government questioned this assessment, noting that strategies in the Norwegian parliamentary tradition are often expressed in the annual budget proposal rather than in separate documents (OECD-DAC, 2013a). Brazil also has no formal strategy for multilateral aid, although a number of Government officials reported in interviews that there is growing interest within Government in developing a more strategic approach to engagement with MOs.

The US does not have an overarching multilateral aid strategy, which means that there is no explicit policy around how aid is allocated between bilateral and multilateral channels, nor is there a clear strategic agenda for allocations across individual MOs (Morris and Gleave, 2015). This would suggest that the US faces particular challenges in taking a coherent approach to delegation, as it both has a fragmented institutional system for managing multilateral aid and lacks a strategy. Interviews with US Government (USG) officials highlighted that the unpredictable Congressional influence over allocations poses obstacles to taking a more strategic approach. In the US – unlike in other countries, where parliaments are only marginally involved in delegation decisions (see Section 9 below) – the Congress

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<sup>8</sup> Although this may include assessed contributions to UN Specialized Agencies.

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plays a significant role. Authorisation and Appropriations committees in both Houses review the budgets proposed by the President, and commonly adjust funding levels and attach conditions to funding. In some areas of foreign assistance, Congress also requires notification (called ‘Congressional Notifications’ (CNs)) of ongoing disbursements to implementing partners (including MOs). Congress can request more information, putting these disbursements on hold. Interestingly, CNs are not required for humanitarian funding as this requirement would undermine the ability of the USG to respond rapidly to humanitarian crises. The authors suggest that this factor seems to have contributed to the high levels of US humanitarian funding provided through MOs.

### 4.3 The significance of previous delegation decisions

In most of the case studies, it was reported that delegation decisions are heavily influenced by previous decisions, with limited room for manoeuvre, at least in the short term. There is therefore a strong ‘path dependency’. This was particularly important in France and Belgium, possibly because both countries delegate heavily to the EU, for which budgets are mostly decided over a seven-year cycle, leaving little room for adjustments in between. Interviewees in France noted that ministries have genuine discretion over a very limited amount of funding through multilaterals, especially once assessed contributions to many UN Specialized Agencies are taken into account.

A similar point emerged in Belgium, although somewhat less strongly. It was noted that budget planning takes place on the basis of current spending budgets, and so what is given to an MO in the current year is projected into the next budget. Interviewees observed that this leaves relatively little space for adjusting spending according to ministers’ particular political preferences.

In the case of the US, the particularities of the budget process mean that this is an issue for some MOs but not for others. It was reported that GFATM (one of the largest multilateral recipients of US aid) benefits from a very large earmarked budget line under the President’s Emergency Plan for AIDS Relief (PEPFAR) programmes, which can be used quite flexibly for bilateral and multilateral priorities. By contrast, funding for the multilateral development banks (MDBs) comes from a funding line managed by the US Treasury that is dedicated to the MDBs as a group, so increasing funding to any one of these agencies requires either successfully advocating for a larger funding of this area of the Treasury’s budget, which is very hard to achieve, or cutting allocation to another MDB.

For Australia and Brazil, historical relationships and patterns of allocation also emerged as important drivers of current allocations, although the room for manoeuvre appeared to be stronger in these countries than in Belgium or France.

The prominence of this issue is likely to be influenced by the case studies being carried out in a period in which ODA is under pressure: rising aid budgets would presumably allow for greater scope to amend allocations, beyond meeting pre-existing and assessed contributions. Limiting the scope to change funding allocations may also be seen as a positive thing, in the sense that donors are providing predictable, long-term financing to multilaterals, in line with the Paris, Accra and Busan agendas.

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## 4.4 Political-level decision-making

Interviewees reported across the case studies that some decisions are taken at a technical level and some at a more political level, and that this influences delegation decisions. In Norway, multilateral engagement on climate, forestry, energy, health and education have been steered at the political level, often for foreign policy related reasons (see Section 5). Initiatives are decided and led by politicians and their parties, with civil servants making the decisions operational. This may explain the relatively high share of delegated funds to MOs dealing with these sectors (UNICEF, GFATM and GAVI are amongst the top five recipients.) Similarly, in France, in the case of GFATM and GAVI, responsibility for the management of multilateral relationships sits with the MoFA, but decisions on funding allocations are usually taken at the Presidential level. Health is a key sector for France with strong lobbying by NGOs (see Section 9), which may in part explain this level of prioritisation, and hence why GFATM is France's third largest recipient. Similar high-level influence was noted in the US around previous USAID positive stance towards GAVI, leading to significant increases in funding (from \$78 million in 2010 to \$175 million in 2014).

## 4.5 Conclusion

The processes, institutional models and characteristics of decisions to make voluntary contributions to MOs vary across the case study countries. In all our case study countries, decision-making on delegation is more complex and fragmented than theories about the drivers of delegation would suggest. Moreover, how decisions on delegation are made appear to have an important impact on delegation outcomes. Across most of the case studies it emerged that delegation decisions are based on previous years' allocations, with limited room for manoeuvre. This factor may be particularly relevant in the context of falling aid budgets. In the US, the role of Congress emerged as a very significant influence on delegation. Whether decisions are taken at the political or technical level also appears to affect delegation decisions, with political involvement in sector specific initiatives in some countries being associated with higher levels of delegation to the relevant MOs.

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# 5 Delegation and case study donor priorities

There are two main theoretical frameworks emerging from the literature on delegation to multilaterals, one centred on principal-agent theory, the other focused on issues of global collaboration and cooperation (see Section 2). Both strands of theory see donor objectives as critical to delegation decisions, with countries more likely to delegate to MOs who share their objectives. Theory focused on global cooperation and collaboration would predict greater delegation for those donors who put a particular emphasis on GPGs.

## 5.1 Sectoral and geographical priorities

The case studies seemed to identify that donors' sectoral and thematic priorities are drivers of delegation; and there is alignment between thematic and sectoral priorities and multilateral allocations across all case studies. In this sense, multilateral allocations appear to follow donor priorities rather than complement them. In Norway, health and education are amongst the core thematic areas of intervention (Utenriksdepartementet, 2015) and UNICEF, GAVI and GFATM are amongst the five largest recipients of core funding amongst MOs. Belgium's priority sectors when engaging with countries are education, health, agriculture, food security and infrastructure, with gender and equality, and the environment, key cross-cutting themes (Belgium, 2013). Belgium accordingly makes voluntary contributions to all the important MOs working in these sectors, including WHO, the Global Environmental Facility (GEF), UNEP, UN Women, FAO, the Consultative Group on International Agricultural Research (CGIAR), GFATM and UNAIDS. Meanwhile, MOs deleted from the list when Belgium limited the number of MOs to 15 (from the previous 21) include International IDEA and the International Union for Conservation of Nature (IUCN), as they were seen as too removed from Belgian objectives (Belgium, 2011b). France's priorities for development cooperation include fighting poverty and inequality; and supporting GPGs (MoFA 2011). France therefore supports AfDB and IDA because of their strong role in fighting poverty, and supports GFATM and GAVI to meet health-related GPGs (Donor Tracker, 2014). Brazil has a particular priority around agriculture (ABC, 2013), which in our view may explain its contributions to the WFP and FAO (third and fifth largest recipients). The Australian Government was reported by a range of interviewees to support IDA and ADB partly due to their strong focus on infrastructure, which is one of its main thematic priorities.

Recent work by the OECD appears to confirm the findings presented above: the sectoral share of allocations to economic infrastructure were found to be consistent across bilateral and core multilateral channels for all the case study countries except Norway, in which the bilateral share was higher (OECD, 2015).

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The picture when it comes to donors' geographical priorities was more nuanced. Some government interviewees and documents suggested that some donors use MOs to fund countries in which they do not have bilateral programmes. This was highlighted by analysis of Norway's aid (NORAD, 2015), by a Government official interviewed in Belgium and another in France. However, both France and Belgium also seem to prioritise MOs that respond to their priority countries. France places a high priority on support for sub-Saharan Africa (SSA), to which it aims to provide 50% of aid and 60% of all grants (OECD-DAC, 2013b). Interviews with Government officials suggested that one of France's rationales for supporting IDA and the AfDB (second and fourth largest recipients) is their strong focus on this region. France also encourages MOs it engages with to increase their intervention in SSA (MoFA 2013). Thus France appears to use multilaterals both to support priority regions and to target areas in which it does not have bilateral programmes. Belgium also places a strong emphasis on fragile states and least-developed countries (LDCs), particularly in Africa (Belgium, 2013). New memorandums of understanding (MoUs) to be negotiated between Belgium and different MOs (see below) will include questions about whether the MO is active in LDCs or fragile states.

The issue of geographical prioritisation emerged particularly strongly in Australia. Australia places a very strong emphasis on the Asia-Pacific region, for obvious geographical reasons. Focusing greater attention on the Asia Pacific region is one of four key priorities in the Multilateral Engagement Strategy. For example, on the ADB, DFAT's website says the bank is 'the principal international development finance institution for the Asia-Pacific region and its strategic priorities align with the objectives of Australia's aid programme' (DFAT, 2015). On the World Bank group, DFAT notes that 'an ongoing objective of our relationship is to ensure that the activities of the World Bank group recognise and actively target key development priorities in the Indo-Pacific region' (DFAT, 2015). Furthermore, the Australian government has MoUs with 17 MOs, a key element of which is the support these organisations will provide in the region.

This finding is also consistent with the literature: Schneider and Tobin (2011) find a statistically significant correlation between the level of aid a government provides to an MO and the degree of similarity between that government's bilateral aid allocations across countries and those of the MO, implying that donors are primarily 'forum shopping' – i.e. they are seeking multilaterals that have objectives in line with their own, rather than seeking to influence multilaterals to move into line with their objectives. It is also possible that donors are seeking multilaterals on the basis of comparative advantage – i.e. focusing on those multilaterals that are relatively better than the bilateral at doing certain things – but this did not emerge strongly from the case studies and would need to be a subject for further research.

## 5.2 Global public goods

Global public goods (GPGs) are defined as goods that are public – that is, they are non-rival and non-excludable<sup>9</sup> – and global, in the sense that their benefits extend to more than one country, people, and/or generation (Kaul et al., 1999). Economic theory suggests that GPGs are undersupplied as a result of these characteristics, and therefore international collective action is required to ensure they are supplied at optimal levels (World Bank, 2007). The following discussion – on the degree to which delegation decisions by the case study countries have been driven by the imperative to deliver GPGs – utilises this broad definition. It is important to note,

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<sup>9</sup> A good is described as non-rival when one person benefitting from the good does not prevent someone else from benefitting from it, for example security. A good that is non-excludable means that it is difficult to exclude some people from benefitting from it, for example clean air.

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however, that the material that follows draws heavily on perspectives from interviewees and from government documents on the importance of GPGs, not all of which may have been utilising the same definition, and the findings therefore need to be interpreted with some caution.

A pattern appeared to emerge in the degrees of priority the different donors placed on GPGs in their strategies and the levels of delegation, at least for core financing. This would support the hypothesis noted above, that ‘donors are likely to delegate to MOs more, the greater the donors’ focus on GPGs and global challenges which require collective solutions.’ Three of the higher delegators in terms of core funding (Norway, France and Belgium) place strong emphasis on GPGs in their core strategy documents, while the two lowest delegators in terms of core funding (Australia and the US) place much less emphasis on these issues. While this finding may not necessarily be robust over a larger group of countries, and although we must bear in mind that donors may be using divergent definitions of GPGs, it does appear to emerge from these case studies.

Norway doesn’t explicitly use the term GPG in its latest foreign policy budget proposal. However, the document does include an emphasis on promoting the international rule of law and addressing the challenge of climate change, both of which are classic GPGs (Utenriksdepartementet, 2015). In Norway, support to MOs, and in particular the UN system, is rooted in ‘the fundamental creed of Norwegian foreign and development policy that builds on respect for international law, universal human rights, and the promotion of an international order where the use of power is regulated’ (Utenriksdepartementet, 2012). The recent 2016 budget proposal from MoFA stated that ‘Norway’s UN policy is based on values as well as interests. The role of the UN as global norm-setter and guarantee of international law... is of fundamental significance for Norwegian sovereignty, resource management, and interests in a rule-based international system. Norwegian support to the UN, as an arena, a normative and an operational actor, is a cornerstone in the foreign and development policy’ (Utenriksdepartementet, 2015: 16). In our view, this belief may explain the very high allocation of Norway to the UN in particular.

Similarly, in France, tackling GPGs is one of the four priorities in the 2011 Development Cooperation Strategy (MoFA 2011). GPGs are of particular importance in the health sector. Interviews with government officials indicated that the largest part of aid to the health sector is delivered by MOs because of what they perceive to be their GPG nature.<sup>10</sup> This may explain the support given to GFATM, the third largest recipient of French delegated aid. Key documents back up these arguments: the 2014 Rapport bisannuel by MoFA is very explicit on the role of the IFIs in terms of the production and protection of GPGs such as financial stability, health, knowledge and climate change, all sectors that require coordinated action from countries (MoFA, 2014).

In Belgium the picture was more nuanced. A number of GPGs are important elements in Belgium’s aid objectives, but they are not explicitly stated to be objectives for multilateral delegation per se. Under the 2013 Law on Development Cooperation, environmental protection, deforestation and climate change are listed as important cross-cutting themes (Belgium, 2013). The 2014 Government Policy Declaration on Development Cooperation outlines that Belgium’s development cooperation policies aim to address GPGs including the environment, climate, peace and security, health, and water (Belgium, 2014). However, these GPGs are not identified as direct drivers for multilateral cooperation.

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<sup>10</sup> Although noting that only some elements of healthcare can be defined as GPGs under a strict definition of the term.

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At the other end of the spectrum, the US places little emphasis on GPGs in its strategy documents, only referencing them in passing. The US is at the bottom of the ranking when it comes to the share of core financing that is delegated.

Brazil is an increasingly global actor, and in recent years has displayed some important leadership in responding to humanitarian and other global issues. However, interviews carried out for this study suggested that its development cooperation strategies and discussions are not advanced enough for us to make a judgement as to whether GPGs are a driver of its delegation or not.

### 5.3 Commercial and 'geopolitical' objectives

The literature emphasises that it is not just donors' developmental and GPG-related objectives for aid that influence delegation decisions. Commercial and more 'geopolitical' priorities can also be important (Raschky and Schwindt, 2012; McLean, 2015). There was little evidence from the case studies that economic and commercial objectives are drivers for (or against) delegation. However, 'geopolitical' and 'geostrategic' objectives emerged as key drivers of delegation across all the case studies, and again emerged particularly strongly in the medium and high delegators. In some cases this was also linked to the provision of GPGs. In case study countries, delegation to multilaterals was not seen as a technocratic exercise or simply a way of spending funding more effectively, but as a core part of a wider foreign policy strategy.

In Norway, promotion of international law and international cooperation is seen as important in itself (see previous section), but also as the best way to protect the interests of a small state which is geographically close to areas (the Arctic) where main world powers also have strong interests. Informants both in and outside the government affirmed that support through the multilateral system should be understood in light of these 'geopolitical' interests. The UN has traditionally been seen as having a strong role in this area, which may explain why 57% of Norway's delegated ODA goes to the UN. Interviews with Government officials confirmed that Norway also sees supporting MOs as a way to 'punch beyond its weight.' New coalitions, such as the G7, G20 and EU, are seen as increasingly significant players both thematically and in broader political terms, while the UN has lost ground. Norway, as a small, non-EU state, has limited formal access to many of these forums. As a result, it is seeking new multilateral channels of influence through initiatives such as GAVI, GFATM, Global Partnership for Education (GPE) and Norway's International Climate and Forest Initiative (NICFI) partnership. Informants both inside and outside the government expressed the view that this perceived fear of marginalisation was a key driver of Norwegian engagement in such initiatives or funds, spearheaded by the Prime Minister. This view is also supported by Norway's 2016 budget proposition, which states that 'effective engagement in policy opens the doors of important global actors, and gives Norway a positive visibility that means a lot in the work to promote Norwegian interests' (Utenriksdepartementet, 2015).

The other small country in our sample, Belgium, was also reported by a wide spectrum of interviewees to be using MOs to help scale up Belgium's role and voice on the international stage. It was reported that Belgium considers multilateralism to be an essential cornerstone of Belgium's foreign policy.

In Brazil, multilateralism is a founding block of Brazilian foreign policy, and according to informants it will continue to be so. Brazil's commitment to multilateralism was reported by interviewees to be part of Brazil's overall strategy as a medium-sized country. Cabral and Weinstock (2010) suggest that Brazil wants to be an influential player in international relations by winning a permanent seat on

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the UN Security Council. Brazil also has a goal of strengthening the role of the UN in global affairs (Costa Leite et al., 2014), which in our view may explain why the UN receives 31% of all delegated ODA, much higher than the OECD non-EU average, and Brazil is a major contributor to the UN in absolute terms. There was a perception amongst Government officials interviewed for this study that Brazil also sees the World Bank as a vehicle to exert more influence on global affairs, and therefore establishing, promoting and increasing Brazil's voice in the Bretton Woods Institutions and MDBs is seen as particularly relevant. This may explain the very high levels of delegation to the World Bank (see Section 3).

Foreign policy objectives also emerged in the US and Australia. In the US, Government officials confirmed that during the budgeting process they need to appeal to Congress by making a strong case for how the MO will help to promote US national security and foreign policy interests, representing public interests in such objectives. In Australia, the policy statement regarding Australia's engagement with the UN states that 'engaging with the multilateral system is a key pillar of Australia's foreign policy. This is because we live in a complex, inter-connected world where countries cannot address on their own some of the major challenges we face today' (DFAT, 2015). Non-Government interviewees further suggested that there was increased political emphasis on engagement with the UN by the Australian Government during its bid for a seat on the UN Security Council, although this was not verified in government interviews.

## 5.4 Conclusion

Donor priorities appear to emerge as key drivers of delegation decisions, as the literature suggests. Donors seem more likely to support MOs that share their objectives: they 'forum shop' to identify multilaterals that support their objectives rather than seeking complementarity of objectives (or seeking to influence them – see Section 7). Supporting GPGs appears to be a key driver of delegation, with donors that place strong emphasis on GPGs delegating more core funding than those that do not, at least based on our small sample, although further research is needed to confirm this finding. Foreign policy and 'geopolitical' objectives also emerge as key drivers across all case studies. Sectoral and country priorities were also important, with Australia in particular placing significant emphasis on country/regional prioritisation.

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# 6 Delegation and the perceived advantages and disadvantages of MOs

Both theory and common sense would suggest that donors delegate more, the greater the perceived advantages of MOs over their own aid programmes. In this section, we consider the advantages and disadvantages of MOs highlighted by each donor; the evidence base used to make this assessment; and the importance of these advantages as drivers of delegation.

## 6.1 Perception of the advantages and disadvantages of MOs

As one might expect, all donors listed advantages (as well as disadvantages) of MOs within multilateral strategies, in other core documentation and in interviews. Key advantages and disadvantages are listed in Table 5, below. It should be noted that some of these categories overlap, meaning that this table should not be considered exhaustive and the overall 'count' of mentions should not be taken too literally. The main aim here is to get a broad understanding of the perceived advantages and disadvantages according to each donor.

**Table 5: Overview of advantages and disadvantages of MOs expressed by case study Government in policy documents and interviews**

	Aus	Bel	Br	Fr	No	US
<b>Advantages</b>						
1 Global reach and universal presence	X	X		X	X	
2 Volume of funding and ability to pool funds	X	X		X	X	
3 Normative legitimacy and universality		X			X	
4 Efficiency and effectiveness			X		X	
5 Knowledge advantages/expertise	X	X	X	X		
6 Lower transaction costs		X				
7 Ability to set standards and 'rules of the game'	X	X				X
8 Ability to work in challenging contexts and insulate risks, particularly in conflict/post-conflict situations	X	X				X
9 Ability to tackle GPGs		X				X
10 Innovation	X					
11 Leverage/influence	X		X			
12 Fiduciary control				X		
13 Predictability		X				
14 Ability to demonstrate results						X
15 Coordination	X					
<b>Disadvantages</b>						
16 Inefficiency					X	
17 Lack of control over core contributions	X			X		
18 Variations in effectiveness & difficulty assessing				X		X
19 Complexity of international aid architecture		X				
20 Lack of vision and clear mandates		X				
21 Politicisation		X				
22 Transparency, accountability and results orientation	X					X
23 Lack of expertise in specific regions	X					

Source: *Direction generale de la mondialisation, du developpement and des partenariats, France (2013); MoFA France (2014); DGD, 2011; DFAT, 2015; interview evidence*

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The table above illustrates how much diversity there is across the six case study Governments in their views on the advantages and disadvantages of MOs. The advantages of ‘global reach’, ‘volumes of funding’ and ‘knowledge and expertise’ were emphasised in the policy documents and interviews by four of the case study countries, with the role in setting standards and rules referenced by three. Some clusters of areas were also highlighted frequently – for example, the ability to work in challenging contexts and knowledge expertise, alongside ability to set ‘rules of the game’ alongside normative legitimacy. These advantages (and clusters of advantages) of MOs therefore seem to be the most prominent in the view of donors. However, the other advantages and disadvantages were emphasised by only one or two donor countries, and a clear narrative on the disadvantages is not apparent from this analysis.

## 6.2 Evidence base used

The evidence base used by donors to assess whether MOs did offer these advantages, and if so which were the most significant, varied considerably across the case study countries. At one end of the spectrum, Australia has undertaken its own review of the major MOs it contributes to. The Australian Multilateral Assessment (AMA), carried out in 2012, assessed 42 agencies, 30 of which receive core funding from the Australian government. Key components assessed relate to results and relevance, as well as organisational behaviour (AusAid, 2012). Belgium also carried out formal assessments in 2012 and 2015, during which partner MOs were evaluated against weighted indicators. In 2012, alignment with Belgian policy objectives and priority sectors and themes was weighted most strongly, while others indicators – e.g. the score under the UK’s Multilateral Aid Review (MAR), normative function and results based management – were less strongly weighted. A similar exercise was done in 2015, where initially the criteria were weighted equally. Norway also made its own assessment of 29 MOs in 2013 (Utenriksdepartementet, 2013), although it has no plans to repeat the experience. At the other end of the spectrum is Brazil, which interviewees confirmed has no formal way of assessing the advantages and disadvantages of MOs, and which has a more qualitative, demand driven approach to allocating funding.

All countries apart from Brazil are members of Multilateral Organisation Performance Assessment Network (MOPAN), but the degree to which MOPAN assessments are used in delegation decisions varies. Norway is an active member of MOPAN, and Government officials confirmed that MOPAN assessments are used to inform decision-making. Australian Government interviewees noted that MOPAN assessments were amongst a number of sources used to assess MOs. Belgium also cited MOPAN as a key source of information (DGD, 2011), but has now ended its financial contribution, even though it was reported by a Government official that the overall feeling within the administration was that Belgium’s experience with MOPAN had been quite positive. France and the US did not appear to heavily use MOPAN: it was not mentioned by US interviewees, while French Government interviewees reported that MOPAN has little influence on decision-making, and limited human resources are allocated to this portfolio.

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Apart from donor specific assessments and MOPAN, a number of other information sources were also reported to be used:

- Donor specific and MO specific evaluations, e.g. France's unit evaluating the GFATM (Treasury, 2010)
- Participation in MO boards, UN representations and Executive Directors (EDs) of the IFIs
- Information from staff, particularly agencies/embassies in country
- Assessments and evaluations by other donor countries, e.g. the UK's MAR
- External and internal audits
- Agencies own reporting, including on results.

### **6.3 The importance of operational advantages and disadvantages as drivers of delegation**

Despite the efforts being made by donors to collect information about the performance of MOs, this information appeared not to have a significant impact on delegation decisions. Even in Australia, which has conducted a formal assessment of MO performance, and where there seems to be some correlation between agency performance and allocations,<sup>11</sup> a number of Government interviewees noted that long-standing historical and political drivers of allocations of MOs were important and these would take time to change. However, the new Multilateral Performance Process will provide a more streamlined and focused way of assessing the performance of key delivery partners, including multilateral organisations. A summary of the findings is published in the annual 'Performance of Australian Aid' report, which helps inform annual budget allocations and ensures a strong focus on results and value for money.

In France, Government interviewees reported that evaluations were not substantially influencing allocation decisions because of the small discretionary budget (as noted in Section 4), the lack of flexibility in altering previous commitments, and a policy of keeping a significant threshold presence in UN organisations independently of performance.

In the US, agency performance appeared to be a stronger driver of delegation, but the main criteria for assessing performance were, according to interviewees, around transparency and reporting requirements rather than other operational advantages. This may be due to concerns around public opinion about multilaterals, discussed further below. In recent years Congress has required transparency regarding audit reports, evaluations and other key information as a condition of funding for UN agencies. It was reported by a Government official that UNDP has not provided this information systematically, which is a key factor behind the USG's decisions to cut its funding by about 20% in recent years. It was also reported that although UNICEF's management standards are not thought to be fundamentally different from UNDP's, the agency has been more forthcoming in sharing audit reports and evaluations, a factor which has helped to maintain its funding levels.

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<sup>11</sup> Of the five MOs receiving the largest contribution from the Australian government, four were in the top group of 13 agencies receiving the highest score overall (AusAid, 2012).

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## 6.4 Conclusion

The analysis in this section suggests that in recent years donors have been placing more emphasis on understanding the advantages and disadvantages of working through MOs. Australia, Belgium, France and Norway have recently undertaken formal reviews of MOs, which are being used alongside a diverse range of other formal and informal information sources to track the performance of MOs. However, increased emphasis on the tracking of MO performance is in most cases yet to widely influence funding levels to MOs, although this may be changing. Analysis and interviews also suggest that the case study donors value MOs largely for their global reach, volumes of funding, knowledge and expertise and rules / standard-setting role, ability to work in fragile contexts and their normative legitimacy, but there was much less consensus on the disadvantages of delegation through MOs.

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# 7 Delegation and donor influence

Principal-agent theory suggests that donors will delegate more when they have greater influence over delegated aid (Hicks et al., 2008). This means that we would expect to see higher levels of delegation overall from donors with greater influence, and where funding contributions can help to leverage a formal role in the governance of an MO (as is the case for GFATM or Multi-Donor Trust Funds (MDTFs)). Within the multilateral share of aid, more would therefore go to those MOs that donors believe they can already influence more heavily (assuming there is some misalignment of goals or potential for this to develop), or donors choose MOs according to donor's belief that extra funding will guarantee more influence. We assume that influence can come both from formal voting shares or seats on the board, or through more informal channels, such as having nationals in leadership positions (Anwar, 2006; Schneider and Tobin, 2011), while recognising that the extent to which such positions actually confer influence is unclear.

By their nature, the extent of donor 'influence' within MOs, and how this factor influences decisions to delegate to MOs, are sensitive and intangible subjects. They are therefore not commonly referenced in donor strategies/policies, nor are they extensively addressed in the research (with the exception of attempts to assess the influence of the US in the IFIs). As a result, the analysis presented in this section is largely sourced from interviews from country stakeholders, especially those outside government who were more eager to address this issue. It is recognised, however, that relying on such sources introduces a significant degree of subjectivity, and the conclusions from this section should therefore be viewed in this light.

This section first considers whether there is any correlation between allocations and influence in each country, and asks what donors report regarding the importance of influence as a driver of delegation. We then look at measures that donors have taken to increase influence, including the issue of core and non-core funding.

## 7.1 The relevance of influence as a factor driving delegation

In France, there seems to be some correlation between delegation and influence. Votes in the UN are based on one-country-one-vote, meaning that France, a large country, has a smaller say in the UN than it would if voting were based on population or national income. In our view, this may explain the relatively small share of ODA going to the UN (6%, compared to an EU average of 14%). France would appear to have stronger influence in the GFATM, with its own seat on the GFATM board,<sup>12</sup> and the Director of the GFATM between 2007 and 2012 being French. France delegates significantly to the GFATM, which is its third largest

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<sup>12</sup> There are 20 members in total, with other donor countries e.g. Italy sharing voting with other EU countries.

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recipient, and through which it delivers virtually all of its HIV/AIDS funding.<sup>13</sup> However, French interviewees reported that influence is a less significant driver of delegation than are alignment with bilateral aid, provision of GPGs and foreign policy objectives, and path dependency.

There also appears to be a correlation between influence and delegation in Norway. Norway has a seat on the board of GAVI, whose first director was Norwegian, and it plays an active role in subcommittees on policy and governance, which enables it to influence decisions. In our view, these factors may explain why GAVI is the third largest recipient of core funding. The RDBs, where Norway has much less influence, receive only 9%. According to informants, however, allocation to MOs is not related to the formal share of votes. Influence is pursued through active work in the negotiations on boards, on relevant subcommittees and through the personal involvement of the Prime Minister.

A potential correlation between influence and delegation was also observed with regard to GFTAM and IDA in the US. The GFATM is the second largest recipient of core funding from the US. This may in part be explained by the fact that the US has a permanent seat on the board, funds one third of the GFATM budget and currently supplies the ED, which we might assume would confer some influence. IDA is the largest recipient of core funding from the US. The fact that the US has the largest voting share of any Government in World Bank-IDA (currently 10.36%), has its own seat on the Board, and traditionally appoints the World Bank President may indicate that influence is an important factor in this delegation decision. Independent research backs up the suggestion that the US has historically had notable influence over the World Bank (Andersen et al., 2006; Fleck and Kilby, 2006; Kilby, 2013).

Interviewees in the US reported that influence was important in driving the overall (low) level of delegation. Interviewees inside and outside of the USG reported that Congress members are not supporters of MOs because the USG hands over control of aid provided through these organisations and then has limited influence over how the funds are used. Finally, the issue of influence was reported by interviewees to be a major factor behind the high proportion of earmarked funding in US contributions to UN institutions, as these operate a one-country-one-vote governance system, which gives the US limited influence over their decision-making.

Belgium also delegates quite heavily to the World Bank (20% of its core funding to MOs). Although holding a small voting share, Belgium is represented at the World Bank by an ED, who represents the so-called EDS10<sup>14</sup> group of largely European countries. One interviewee noted that this role allowed Belgium to punch considerably above its weight. Several interviewees confirmed that the significant levels of Belgian contributions to the World Bank are due to the fact that, as a founder member of the World Bank, Belgium's role has grown historically, and it has been able to gather a group of smaller countries around itself and maintain an influential role. Belgium does appear to place importance on control: its 2011 Multilateral Strategy notes that the 'concentration effort' to focus on fewer MOs was aimed at forming a closer relationship between Belgium and those MOs, and increasing Belgium's political weight (DGD, 2011).

In Australia, there appeared to be a limited correlation between influence and delegation. The single largest recipient of core funding is the World Bank-IDA, in

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<sup>13</sup> This is in contrast to the US (and the UK) which retains very significant bilateral programmes on HIV/AIDS.

<sup>14</sup> This group of countries consists of Austria, Belarus, Belgium, Czech Republic, Hungary, Kosovo, Luxembourg, Slovak Republic, Slovenia, and Turkey; officials from these Governments take it in turn to represent their grouping as an ED, with the current ED a Belgian national.

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which Australia has a voting share of just 1.24%. Nevertheless, interviewees reported that the significant contribution made to the ADB was a function of Australia's influence (it has the third largest voting share amongst non-borrowing members). Interviewees also reported that Australia delegates heavily to the health multilaterals (GAVI and GFATM, the third and fourth largest recipients of core funding), because it perceives that it has more influence over those agencies. Australia was reported to work closely with other donors and bilateral partners to seek to influence the GFATM.

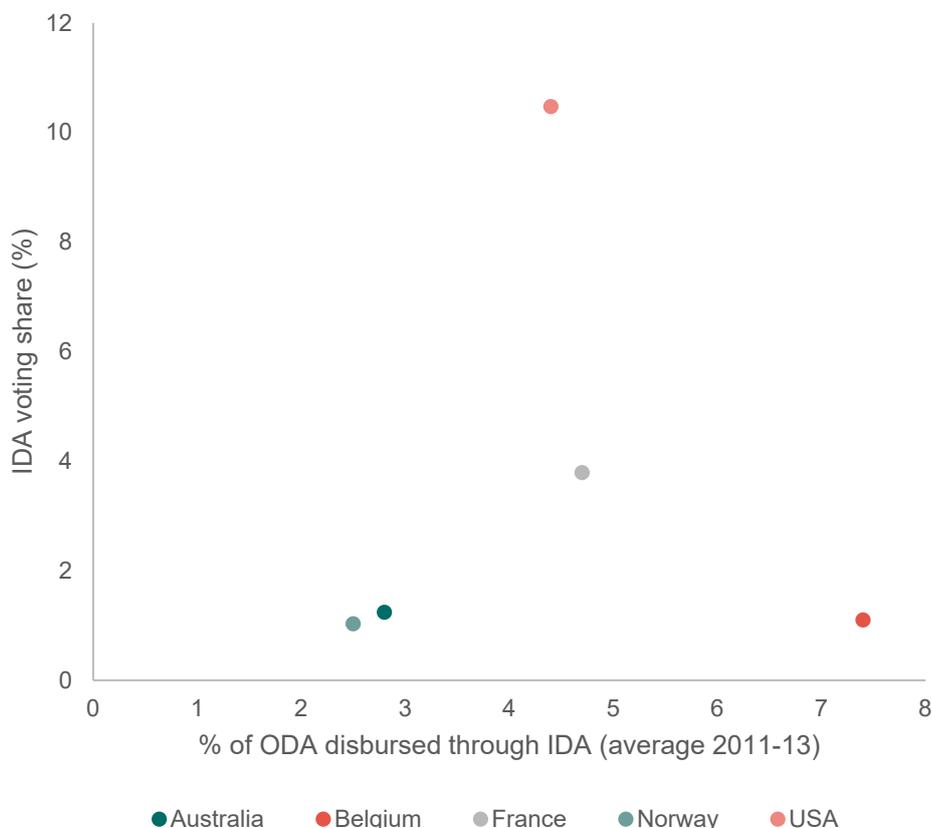
Brazil also does not appear to delegate in line with influence: a large share of multilateral ODA is allocated to the World Bank despite Brazil's small voting share, which is below its economic weight in the global economy.<sup>15</sup> However, interviews suggested that this did not mean influence is unimportant to Brazil. A number of Government officials interviewed suggested that one of Brazil's goals in keeping up its contribution to the World Bank was to increase the voice of southern partners. Brazil is currently co-chairing with the Netherlands a governance group, with the goal of contributing to a global reform of the World Bank and other IFIs. In our view, this may suggest that, rather than seeing influence as unimportant, Brazil may be playing a long-term view with regard to its influence in the IFIs. Brazil also delegates quite heavily to the IDB (the second largest recipient of contributions from Brazil amongst MOs), where it has a voting share of 10.75%, which is the second largest (after the US) amongst IDB members. The FAO is the fifth largest recipient of funding from Brazil amongst MOs, which one author suggests can be explained by the fact that the head of FAO is Brazilian (Cabral, 2014).

Looking across all case studies, there appears to be no clear pattern when it comes to delegation to the World Bank and voting share, as illustrated in the graph below. Belgium has one of the lowest voting shares amongst the OECD case study countries, but made the largest contribution as a share of its total ODA during 2011-2013. Similarly, the US has by far the highest voting share in IDA, but contributed less to IDA as a share of its ODA during 2011-2013 than Belgium or France. This could potentially be because donors tend to delegate to those multilaterals which already share their objectives, and so have less need for influence. Further research would be needed to ascertain whether this is the case.

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<sup>15</sup> It is important to note that in the case of all the other case study countries except the US, their vote share in IDA is higher than their share of the global economy  
<https://www.quandl.com/collections/economics/gdp-as-share-of-world-gdp-at-ppp-by-country>

**Figure 3: Contribution to IDA 2011-2013 as share of total ODA and voting share**



Source: OECD Creditor Reporting System Table 3; World Bank (2011)

In summary, influence appears to impact on delegation decisions in some cases, but the relationship is not always straightforward. One donor delegates more to MOs over which it has greater influence, but reports that influence is not that important (France). One country reports that influence is important in determining its allocation to some MOs, and that influence in this context is viewed broadly as encompassing not only voting share but also the nature and quality of policy engagement (Australia). One of the largest donors, with high voting shares on some key MO boards, is amongst the lowest delegators (US). In short, influence is not unimportant, but the pattern that emerges is less clear than with some of the other potential drivers. This may be because influence is only important when delegating to multilaterals that don't already follow donor objectives, but as noted above, further research would be needed to ascertain this.

## 7.2 Measures taken to increase influence

Despite this unclear overall picture, a number of donors have taken steps to seek to increase their influence within key MOs, suggesting they do place some emphasis on this issue.

Belgium aims to strengthen engagement with partner MOs through the negotiation of MoUs, or so-called framework agreements. This is an attempt to ensure a greater degree of influence and visibility for Belgium's multilateral aid in the context of its 'full-core' policy - i.e. its policy of providing as much multilateral aid as possible as core financing. As one government official noted, 'the problem of core funding is

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lack of control and visibility, so through negotiating the MoUs we're trying to get a minimum of Belgian objectives to the forefront.' Australia similarly has partnership agreements with 17 MOs, including the World Bank and ADB, particularly driven by interests in leveraging support in the Pacific.

The US regularly applies conditions to the funding of MOs through Congress, in order to increase the leverage of policies and reform efforts. This also applies to organisations such as GFATM. For example, the 2008 Act re-authorising funding for HIV/AIDS stipulated that 20% of funding for GFATM was to be withheld on condition of a range of reforms and reporting practices being introduced (Lantos and Hyde, 2008). France has also influenced MOs to ensure they better meet its objectives. Interviewees reported that during the 15<sup>th</sup> IDA replenishment, France was influential in winning a commitment by the World Bank to increase resources to SSA from 49% to 52-54%, to increase resources by 15% to the 14 priority countries for French cooperation; and to increase the focus on fragile states.

### 7.3 Core and non-core funding

In three of the case study countries, a significant proportion of delegation to MO is undertaken in the form of non-core funding (see Figure 1). This is the case for Australia (56%), the US (50%) and Norway (49%). Brazil provides 33% in non-core funding. The share in both Belgium and France is very small due to their 'full-core' policies, and because of very high levels of delegation to the EU.

Influence seems to be an important determining factor in the cases of high non-core funding. In Australia, non-core funding has been used to ensure that MOs focus attention on the Pacific. The 2013 DAC Peer Review of Australia noted that 'non-core funding to multilateral organisations is expected to increase; Australia sees non-core funding as especially important to target small-island developing states of the Pacific, which it feels are neglected by the wider international community' (DAC Peer Review, 2013). The US's non-core funding is heavily concentrated on UN agencies, which receive only 15% of their funding as core (compared to 84% for the World Bank group, 83% for other agencies and 80% for the RDBs) (OECD, 2015). This was reported in interviews to be partly due to the limited influence that the USG has over UN institutions, given their one-country-one-vote governance system (Graham, 2012).

Both France and Belgium, by contrast, have adopted 'full-core' policies, although this may be changing somewhat in the case of France. However, this does not mean that influence is unimportant for these donors. Belgium is seeking to agree MoUs with each MO to ensure influence and visibility. In France, allocations to MOs seem to strongly respond to France's influence in the different organisations.

### 7.4 Conclusion

The overall role of influence-seeking in determining delegation decisions is somewhat mixed. As noted in Section 6.1, levels of influence appear to explain core funding decisions for some donors and some MOs, while in other cases core funding patterns of delegation are not closely correlated with perceived levels of influence. If influence determined overall levels of delegation, we would expect larger countries with a greater say in multilaterals to delegate more. In fact, Belgium, a very small country, and Brazil, a non-DAC donor with a limited say in key MOs, are the highest delegators in terms of core funding, whereas the US, with a large amount of influence over key MOs, provides the lowest share of aid as core funding to MOs amongst OECD donors. Having said this, the issue of influence does seem to be a factor driving high levels of non-core funding to MOs by some

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of the case study donors. In interviews donor officials are ambiguous on the importance of influence, although many of them have taken steps to increase their influence within the agencies they fund. Overall, we find that influence seems to be of lesser significance in delegation decisions than P-A theory would suggest.

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# 8 Delegation and the behaviour of other donors

Economic theory suggests that when making delegation decisions, donors will be influenced by the way other donors behave or are expected to behave. Similarly, a donor may take account of the expected impact of its behaviour on others (Eichenauer and Hug, 2014). So, even a donor that has combatting infectious diseases among its objectives may ‘free ride’, giving nothing to an MO pursuing this cause if others make generous donations (Mavrotas and Villanger, 2006). In some cases, such strategic games may result in suboptimal allocations of funding to MOs across donors.<sup>16</sup> Roelfsema (2007) uses ‘game theory’ to identify potentially perverse outcomes from such behaviour; for example, action on an issue like climate change by one donor may create incentives for less action by others, who are instead able to ‘free ride.’ Other approaches stress multilateralism as a way to overcome collective action problems, although the literature is more limited on this topic.

## 8.1 Impact of other donor behaviour on delegation decisions

Donors may change their delegation decisions in response to the actual or expected behaviour of other donors. This certainly seemed to be occurring in the DAC donor case studies with regard to core contributions to MOs, but appeared to relate to concerns about maintaining their influence. According to interviews with French Government officials, the country aims to keep its ranking in the shareholding (which is linked to funding levels) of key organisations that it supports, although this is not the case in organisations whose governance structures are based on one-country-one-vote such as the UN (which may help explain France’s very low contributions to the UN, in our view). Maintaining the French ranking in the organisation means that it can still have a say in the strategy of the MO, especially at times of budget cuts. Belgium also seeks to maintain a certain position amongst contributing donors. One senior diplomat noted that Belgium aims to be in the group of the top 10-15 MO donors, given that its relatively small budgets mean it can never be part of the top 5. ‘Rules of thumb’ reportedly inform the level of financial allocations to maintain this position, for example aiming to contribute at least 1.5% of the funding to MOs, in line with Belgium’s share of total ODA. Interviewees noted that there is an implicit assumption that a certain level of contributions is needed to keep an influential voice in the MOs supported by Belgium. A similar picture emerged in the US with regards to the MDBs, in which voting shares are linked to funding levels. Government interviewees reported that highlighting concerns about the voting share of the US being weakened, or the US no longer being the largest contributor to the MDBs, was helpful in securing Congressional support for these institutions.

This issue emerged less strongly in Australia. There was little suggestion from interviews with Government officials that the Australian Government looks to the

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<sup>16</sup> The ‘prisoner’s dilemma’ is commonly referenced to support this assertion. This is a standard example of a game analysed in game theory, showing why two completely ‘rational’ individuals might not cooperate even if it appears that it is in their best interests to do so.

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actions and commitments of other countries in making multilateral funding decisions. Non-governmental stakeholders did however suggest that the Australian government looks at what others are contributing during the replenishment process. They reported that it seeks to maintain its position as the second largest regional contributor to the ADB, and benchmarks itself according to its ranking amongst aid providers.

Norway also appears to be influenced by others, although the degree of its own influence within MOs did not emerge as strongly as a driver. In 2015, Norway decided to reduce core funding to UNDP, a decision which Government officials reported was made because other donors were not responding – Norway had, in its own perception, come too far ahead of the others. The US also had a similar view on ‘burden sharing’ with regards to GFATM; Congress set a ceiling that it will not fund more than one third of GFATM’s total budget.

In Belgium, it was also noted, the country draws on other donors’ practices and assessments to inform its own decisions. For example, in the context of formulating MoUs with partner MOs, Government officials suggested that Belgium aims to build on existing forms of framework agreements used by other donors, including like-minded countries such as the Netherlands. The UK’s Multilateral Aid Review was also noted as an important source of information on multilateral performance. One senior government official said that ‘DFID [Department for International Development] is the model. A negative assessment by DFID will certainly reverberate in our [allocation] decisions.’ However, in Belgium’s case, this does not appear to be about ‘strategic games’ or ‘collective action problems’ as much as the practicalities of not duplicating work and of learning from larger donors.

Brazil was something of an outlier on this topic, possibly because it is a non-DAC donor. It was reported that Brazil doesn’t really take account of other donors’ delegation decisions, as it is led by a demand-driven agenda.

## 8.2 Role of other donors’ objectives

Principal-agent theory would suggest that donors will delegate more to an MO when other donors share their objectives for that organisation, making it more likely that the MO will be influenced to perform in line with the donor’s priorities. The case studies seemed to support this hypothesis, at least for the DAC donors. In both of the small medium/high delegators (Norway and Belgium), the importance of a shared set of objectives with other donors emerged quite strongly from interviews. Officials in both Belgium and Norway highlighted the relevance of the views of the ‘Utstein Group’ of like-minded donors (including Belgium, Denmark, Finland, the Netherlands, Norway, Sweden, and the UK) to their delegation decisions. In the case of Belgium, the EU also provides the country with a strong common policy agenda with other countries when engaging with the MOs (not just the EU), through the Agenda for Change and the European Consensus on Development, a point which is explicitly acknowledged in policy statements and documents, e.g. the 2011 Multilateral Strategy. This shared agenda may explain why both countries delegate significantly, despite their small size and lack of influence on their own.

In Brazil, informants claimed that the objectives of other donors do not influence their allocation decisions. However, one of Brazil’s goals in keeping up its contributions to the World Bank is to increase the general voice of southern partners, as opposed to a historically northern oriented governance model. This suggests to us that Brazil may be seeking to increase the influence in the World Bank of those with a shared set of objectives.

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This point did not emerge strongly in either France or the US, which in our view is not surprising given that these are large donors and G8 members, and thus less in need of other donors to influence MOs.

### **8.3 Belief about donor impacts on others**

Delegation not only involves adapting one's own behaviour to that of others but expecting one's own behaviour to influence others and acting accordingly. We did find some limited evidence of this kind of behaviour in the case studies. In Norway, recent high-profile engagements in climate, energy, health and education have deliberately used multilateral channels to incentivise other countries to join by being a strong 'first mover'. Belgium is also reported to have sought to build a coalition to support its 'full-core' approach to multilaterals, although government officials interviewed noted that they had had limited success in this effort. In the US, with regard to MDTFs (usually managed by the UN and World Bank) an official reported that political support had been successfully mobilised for US contributions on the basis of arguments that they encourage other donors to provide funding, particularly given the US's strong stance on fiduciary risk. However, these are rather isolated examples and do not appear to provide a strong justification for delegation or to have significant impacts. Moreover, this issue did not emerge as significant in three of the case studies (Australia, Brazil and France).

### **8.4 Conclusion**

Donors do appear to be influenced by the behaviour of other donors when making delegation decisions. This is mainly because they want to maintain their influence, which in some cases is linked to funding, meaning that if other donors contribute more, a donor will need to follow suit or risk losing influence. There is less evidence that donors are directly trying to influence others through their actions, (for example, encouraging others to contribute more, or less, to a certain organisation by varying their own contributions).

More significant is the issue of collaboration with other like-minded donors. This is to be relatively important for small countries that otherwise could not expect to have significant influence.

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# 9 Delegation and parliamentary and public opinion

This study explored the influence of three elements of public opinion over decisions to delegate to MOs: general public opinion, expert public opinion and elected representatives. General public opinion can influence delegation decisions through shaping the views of elected representatives about funding decisions relating to MOs and also national objectives for aid. By ‘expert public opinion’ we refer here to the views of non-government actors who are closely involved with the aid sector, such as contractors, NGOs, the media and academics/researchers.

## 9.1 General and expert public opinion

Across the case study countries it was reported that the general public had limited knowledge about multilateral aid, and expert actors weren’t found to be proactive in promoting funding to MOs. As a result there was very little direct engagement of these actors with major policy issues relating to MOs, and their views only marginally shaped funding decisions relating to multilateral aid. There are, though, some exceptions to this picture, including in the US, France and Australia concerning GFATM and in Norway concerning the UN.

With regard to GFATM, public and expert mobilisation has been notable in the case of the US. This mobilisation has been led by development NGOs but has also involved domestic HIV/AIDS groups, with whom development NGOs have developed a strong cooperative relationship. A group called ‘Friends of the Global Fund’ has also been influential and it was reported to have actively lobbied Congress to protect US funding to GFATM following a corruption crisis in 2010. In the case of Australia, NGOs have also been active in promoting support to GFATM; a recent campaign led by the Pacific Friends of the Global Fund and Results International was referenced as influential. It was also reported that in France, Oxfam and other NGOs have been active in campaigning for funding increases to GFATM in recent years, which may help to explain the strong political prioritisation given to this sector (see Section 4).

In the case of Norway, the UN association was reported to be very active in promoting the values and operations of the UN system and to have leveraged some influence in promoting Norwegian Government funding to UN agencies.

It was also clear from interviews with NGOs in Australia and Norway that NGOs often prioritise advocacy relating to overall levels of aid or their own funding streams (especially during periods of aid cuts) rather than issues relating to MOs, which is a factor limiting NGO engagement regarding the funding of MOs. Negative campaigns on MOs were not found to be common; such campaigns have focused mainly on the World Bank.

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The case studies did, however, provide an indication of the views of the general public with regard to multilateral aid in general, which may influence the degree of overall delegation to the extent that policy-makers are aware of these views. It was reported by a media interviewee that in general the Belgian public supports multilateral aid, as they see MOs as having an important role to play in development and ‘the general public has not yet been negatively sensitised about MOs’.

There is no consistent polling data across all the case study countries that would enable us to correlate the degree of overall support for aid in general, and multilateral aid in particular, with delegation decisions. However, scattered data from different polls suggest some correlation between support for multilaterals and delegation levels. In 2010, the Eurobarometer survey reported that Belgian and French citizens believe that MOs such as the UN, World Bank and EU were in a better position to help developing countries than their own Government (EC, 2010). This is associated with average levels of delegation through core funding in the two countries. Recent polling data in Norway also suggests that in general the public believe that UN agencies (and voluntary organisations) are the most effective organisations in managing aid, with the World Bank polling at much lower levels (SN, 2011). This is associated with higher levels of core funding for the UN (49% of core funding to MOs) versus the World Bank (15% of core funding to MOs) in Norway. In public opinion surveys carried out in the US, respondents identified concerns about limits to the control the US Government has over support to MOs (Milner and Tingley, 2011), which is consistent with the US’s low level of delegation. The lack of consistent polling data makes it difficult to draw firm conclusions on the role of public opinion, but there is at least some correlation between opinion and levels of delegation, although whether there is any causation, and the direction in which it runs, is unclear.

In general, media attention on multilateral aid is very limited, and the media only really show an interest when issues such as corruption emerge (e.g. with regard to GFTAM, in the case of the US).

Public opinion can also influence delegation decisions indirectly by shaping the objectives of both the executive and the legislature. For example, as noted above, the US Congress is interested in the extent to which delegating to multilaterals will help to promote foreign policy and security interests, which presumably reflects public concern around these priorities, although no direct evidence on this was found. Similarly, issues around influence and transparency, for example those highlighted above regarding US concerns about UNDP transparency, presumably arise from public concern around how taxpayers’ money is being used. These more indirect relationships were not covered in the case studies and would need to be explored during further research.

## 9.2 Elected representatives

The degree to which elected representatives shape decisions to delegate aid to MOs, and the ways they do it, differ markedly across the case study countries. This outcome is largely driven by the differing nature of the countries’ national legislatures, which in turn determines the role that elected representatives are expected to play in the funding of MOs (and wider public spending).

Amongst the case countries, the US stands out as the one where the role of the legislature is most prominent. The budget process in the US involves Congress

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members scrutinising a budget the President presents to relevant Committees,<sup>17</sup> which leads to negotiation over funding provided to individual MOs. In the course of this process, USG departments managing funding to MOs have to justify their budget requests and there is also extensive discussion about conditions to be applied to the funding (see above for more) that is eventually appropriated for individual MOs. This lengthy and contested process provides Congress members and their advisory staff<sup>18</sup> with extensive opportunities to influence the process of appropriating funds for MOs.

A number of Government officials reported that in general, Congress members are cautious towards the funding of MOs as such funding is not directly under the control of US institutions. Debates about and conditions applied to funding for MOs suggest that Congress members hold concerns about the accountability, transparency, cost-effectiveness and impact of these organisations, especially in the case of UN agencies and the MDBs. Government officials said that Congress is most positive about the role of UN humanitarian agencies given their strong comparative advantage in this area (which may also explain why CNs do not apply for this funding – see Section 3.2) and GFATM, due to its strong results focus).

The other case study country in which the legislature is reported to closely engage in the process of decision-making in relation to multilateral aid is Norway. The Norwegian parliament not only officially approves the allocation of funding to MOs but is engaged in decision and policy regarding individual MOs. However, a range of interviewees also reported that there is a broad consensus among all parties from the left and right on the main elements of Norway's involvement with the MOs.

In contrast to these cases, a long-standing member of the Belgian parliament reported that there is little to no debate in the Belgian parliament about delegation to multilateral organisations, which gives Government a substantial degree of flexibility in making decisions about their funding. The parliamentarian also reported that in general the Belgian parliament is very positive about support to MOs, especially to UN agencies and the EU.

In the case of Australia it was reported by Government and non-Government interviewees that interest in MOs within parliament is very low, and the general knowledge of parliamentarians regarding multilateral aid is limited. As a result the Australian parliament has little engagement around funding decisions relating to MOs, which are addressed largely by DFAT.

### 9.3 Conclusion

Overall it appears that public opinion and national parliaments do not significantly impact delegation decisions. There are two important exceptions. Across a number of case studies, public campaigns and advocacy around GFATM were found to have significantly increased or protected funding for the agency. Secondly, in the US, the involvement of Congress tends to mean that less is delegated to multilaterals. In other countries the public, NGOs and parliament are much less involved.

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<sup>17</sup> Following the presentation of the President's budget to both houses of Congress (the Senate and House of Representatives) relevant Authorising Committees in each review the proposed budget and conclude by presenting their own proposals; then the process is handed over to the relevant Appropriations Committees in both Houses, who review the budget and conclude with their own proposals; if (as is usual) the budgets of the Appropriations Committees differ then further negotiations take place in order to reconcile them.

<sup>18</sup> Interviews with Government officials highlighted the important role played by the staff of Congressional committees, many of whom have been in their roles overseeing funding for MOs for many years and have much more extensive knowledge and expertise related to MOs than Congress members.

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# 10 Conclusions: what are the main drivers of delegation to multilaterals?

This paper has examined possible drivers of delegation to multilaterals across a group of six case study countries. Inevitably the findings need to be interpreted with some caution: six is only a small sample of case studies, and it is not fully representative of all donors. Moreover, in each country, the drivers of delegation are complex and interact with each other in different ways, making it difficult to isolate individual factors.

Nevertheless, some patterns emerge from the case studies:

**Donor objectives appear to heavily influence delegation decisions.** There is some evidence that Global Public Goods are a driver of delegation, and donors that state they place a stronger emphasis on GPGs appear to delegate more, at least in terms of core funding. Government officials across the case study countries confirmed the important role of GPGs in making delegation decisions. The wide definition of ‘GPGs’ used, and the fact that donors may have had different understandings of this term, suggest that further research would be useful to investigate this relationship in more detail. Priorities around sectors and countries are also important in determining which MOs donors delegate to: **donors appear to seek to support multilaterals that share their objectives**, rather than those with a complementary focus, and seem to do this rather than seeking to influence multilaterals who do not or may not share their priorities.

Across all case studies, foreign policy, and in particular the impact that a country’s support for multilaterals has on its place in the international arena, is seen to influence delegation decisions. Delegation is seen less as a technical decision process based on the advantages and disadvantages of multilaterals or of bilateral and multilateral aid, and more in relation to the wider international strategy.

**Influence emerges as a driver of delegation decisions in some countries and for some MOs, but there is no clear pattern overall.** Influence cannot explain the overall level of delegation. Moreover, there is no clear correlation across the case studies between levels of influence and delegation levels. This may be because donors are more inclined to delegate to multilaterals who share their objectives and are therefore less in need of influence.

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**The way decisions are made is important, and there is limited scope to alter delegation decisions year-on-year**, at least in the short term. Decisions are made based on previous decisions and commitments, often with little room to manoeuvre. This emerged particularly strongly in the two EU donors (Belgium and France), for whom 50% of the MO spend is pre-empted by the EU itself, and it may not be representative of all countries. In our view, this may particularly be an issue in the context of cuts to the aid budget, with historical commitments needing to be met and therefore limited room to expand allocations to others. In the case of the US, the structure of the budget (which provides more flexibility for funding channels regarding HIV/AIDS) also partly explains the high allocation to GFATM. High-level political support around sector specific initiatives also explains the high share to relevant MOs in some countries.

**The actual or expected behaviour of other donors is only marginally important in delegation decisions.** Most donors do take into account the behaviour of other donors when making delegation decisions, but in most cases this is about the implications for their influence within particular MOs or their fit within the international arena. However, **the ‘fit’ with other donor objectives does appear to be quite important for the smaller donors.** These donors delegate more when they expect others to share their objectives (Belgium and Norway).

All donors have a set of beliefs about the **advantages and disadvantages of multilateral aid over bilateral aid** and of different multilaterals. Each has an evidence base, more or less elaborate, that is used to make these assessments. This performance assessment calculus **does not appear to be a significant driver of delegation decisions in our small sample, although there are signs that it is becoming a more important issue.** In the US, the ability to demonstrate results and impact is becoming increasingly significant, with transparency and accountability a significant concern with regard to UN agencies. An assessment of MOs carried out by the Australian Government in 2012 is currently being repeated, and it is reported that this assessment will link much more closely to allocations. Belgium, as a small donor, also placed quite strong emphasis on MOs’ leverage, expertise and legitimacy, and cited the UK’s MAR as an important benchmark for its own decisions.

**Parliamentary and public opinion is not a significant direct influence on delegation in most cases.** There are two important exceptions. In the US, the strong role of Congress is a significant influencer of delegation. Across a number of case studies, contributions to GFATM seem to have been significantly and positively impacted by NGO campaigns. The World Bank, historically the target for some hostile NGO-based campaigns, has not been as noticeably affected in terms of delegation decisions, though we cannot see the counterfactual of how much higher delegations might have been, absent any such objections. Public opinion may also influence the other drivers identified, for example donor objectives or a donor’s place on the international stage, thus indirectly influencing delegation decisions.

The limited nature of this study, and the small number of case studies involved, suggest that the findings should be treated with some caution. These early findings do, however, suggest some interesting areas for further research. For example:

- How public opinion may indirectly influence delegation decisions, including by impacting on other drivers of delegation, such as a desire to demonstrate results or promote a donor’s place in the international arena.
- How donors see the balance between supporting multilaterals who share their objectives versus identifying those who have a comparative advantage in relation to the donor.

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- The importance of donor influence, and how this varies according to whether multilaterals already share donor objectives. One hypothesis would be that influence is only important when objectives are not already shared. A more disaggregated analysis may be able to identify clearer patterns.
  - A more detailed examination of the relationship between delegation and objectives around Global Public Goods, based on a more precise definition of GPGs.

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# Appendix A: Annotated bibliography

## Typology for 'type of study'

- **Theory** – Theoretical models which are intended to explain or predict behaviour. The theory may be motivated by stylised facts drawn from data, or parameters in the model may be selected with reference to empirical research, but otherwise the model has no empirical content.
- **Applied theory** – A theoretical model is presented and its empirical implications are developed. The theoretical model is tested or estimated on data. There is a tight connection between theory and estimating equation.
- **Empirical research (quantitative and qualitative)** – Research based purely on observed and measured phenomena. Quantitative empirical research generates numerical data to test causal relationships between two or more variables. Qualitative empirical research analyses behaviours, beliefs etc. on the basis of little or no numerical data.
- **Secondary research (quantitative and qualitative)** – This involves the summary, collation and/or synthesis of existing research, whether quantitative or qualitative.

**Typology for 'type of publication'** – This indicates whether the study is formally peer reviewed or not (and also identifies the publisher).

Addison, T., McGillivray, M. and Odedokun, M. (2003) 'Donor Funding of Multilateral Aid Agencies: Determining Factors and Revealed Burden Sharing'. UNU-WIDER discussion Paper 2003/17

- Type of study – Empirical research (quantitative)
- Type of publication – Not peer reviewed (UNU-WIDER Discussion Paper)
- Findings quoted – Statistically significant positive relationship between a measure of the donor's pro-poor orientation in its bilateral programme and the donor's share of the burden of IDA, regional development banks and UN agencies (defined as each donor's contribution as a fraction of total contributions by all the DAC donors)

Allen, J.E. (2006) 'Aid and delegation: The logic of agent selection by donor countries'. Seminar paper, 11 May 2006

- Type of study – Applied theory
- Type of publication – Not peer reviewed (Seminar paper)

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- Findings quoted – Statistically significant positive relationship between the proportion of the total aid of a donor that is provided through MOs and the donor’s preferences for political freedom, low income and high rule of law in recipient countries

Barro, R.J. and Lee, J.W. (2001) ‘IMF Programs: Who Is Chosen and What are the Effects?’ November 2001

- Type of study – Applied theory
- Type of publication – Not peer reviewed (University research paper)
- Findings quoted – Statistically significant (at the 10% level) correlation between a measure of the consistency of a country’s voting with the US at the UN and the level of funding it receives from the IMF

Broz, J.L. and Hawes, M.B. (2006) ‘US domestic politics and International Monetary Fund policy’, in Hawkins, D.G., Lake, D.A., Nielson, D.L. and Tierney, M.J. (eds), *Delegation and Agency in International Organisations*. Cambridge University Press

- Type of study – Applied theory
- Type of publication – Not peer reviewed (Chapter of academic book)
- Findings quoted – Statistically significant (at the 1%) positive correlation between the level of campaign contributions to US Congress members from US ‘money centre’ banks and the likelihood of them voting to increase the US’s IMF quota contribution

Dollar, D. and Levin, V. (2006) ‘The Increasing Selectivity of Foreign Aid, 1984-2003’, *World Development* 34(12)

- Type of study – Applied theory
- Type of publication – Peer reviewed (academic journal)
- Findings quoted – During 1984-1989, both bilateral and multilateral aid had significant negative relationships with rule of law; by 2000-2003 this had shifted to a significant positive relationship for multilateral aid, and a positive but statistically insignificant relationship for bilateral aid

Easterly, W. and Pfitze, T. (2008) ‘Where Does the Money Go? Best and Worst Practices in Foreign Aid’, *Journal of Economic Perspectives* 22(2), Spring 2008

- Type of study – Empirical research (quantitative)
- Type of publication – Peer reviewed (academic journal)
- Findings quoted – Notably higher levels of overheads within multilateral agencies than within bilateral agencies

Girod, D. (2008) ‘Cut from the Same Cloth? Bilateral vs. Multilateral Aid’. Paper presented at the Annual Meeting of the International Political Economy Society, Philadelphia.

- Type of study – Applied theory
- Type of publication – Not peer reviewed (conference paper)
- Findings quoted – Statistically significant (at the 5% level) correlation between a measure of progress on country reform and the level of multilateral aid the country receives

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Graham, E.R. (2012) 'Money, Power, and Accountability at the United Nations: Examining the Causes and Consequences of Voluntary Funding', Paper prepared for presentation at the International Relations Faculty Colloquium, Princeton University, 26 March 2012

- Type of study – Empirical research (qualitative)
- Type of publication – Not peer reviewed (conference paper)
- Findings quoted – Suggests that the case study analysis illustrates that donors use voluntary contributions to UN agencies in order to sidestep the governance processes of the UN

Gulrajani, N. (2015) 'Advantages and Disadvantages of Multilateral and Bilateral Delivery Alternatives – Final Report', Report for DFID through the Governance, Social Development, Conflict and Humanitarian PEAKS Consortium

- Type of study – Secondary research
- Type of publication – Not peer reviewed (Consultancy report)
- Findings quoted – Evidence on the veracity of a wide range of claims about the advantages and disadvantages of multilateral and bilateral aid

Hicks, R.L., Parks, B.C., Roberts, J.T. and Tierney, M.J. (2008) *Greening Aid? Understanding the Environmental Impact of Development Assistance*. Oxford: Oxford University Press

- Type of study – Applied theory
- Type of publication – Not peer reviewed (academic book)
- Findings quoted – Non-statistically significant relationship between a measure of the cost of delivering aid bilaterally for a donor and the level of aid it delivers multilaterally; a substantive statistically significant positive relationship between a measure of the expertise of a multilateral and the level of environmental aid it receives

Hlavac, M. (2007) 'Determinants of Multilateral Official Development Assistance: Evidence from a Panel Study of Countries in Sub-Saharan Africa', Munich Personal RePEc Archive, Paper no 24243, 2007

- Type of study – Applied theory
- Type of publication – Not peer reviewed (University research paper)
- Findings quoted – Weak statistically significant positive correlation between mortality rates in a country and levels of multilateral aid it receives

Lebovic, J.H. and Voeten, E. (2009) 'The Cost of Shame: International Organizations and Foreign Aid in the Punishing of Human Rights Violators', *Journal of Peace Research* 46(1): 79-97

- Type of study – Empirical research (quantitative)
- Type of publication – Peer reviewed (academic journal)
- Findings quoted – Strong statistically significant negative relationship between the application of a UN High Commissioner for Refugees (UNHCR) condemnation of human rights violations in a country and the level of multilateral aid it receives

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Maizels, A. and Nissanke, M.K. (1984) 'Motivations for Aid to Developing Countries', *World Development* 12(9): 879-900

- Type of study – Applied theory
- Type of publication – Peer reviewed (academic journal)
- Findings quoted – Finds that a model assuming that all aid is given to compensate for shortfalls in domestic resources provides a reasonable explanation for the distribution of multilateral aid but does not provide a robust explanation for the allocation of bilateral aid

Martens, B. (2005) 'Why Do Aid Agencies Exist?', *Development Policy Review*, 23(6): 643-663

- Type of study – Theory
- Type of publication – Peer reviewed (academic journal)
- Findings quoted – Theory based assertion that the role of multilateral organisations is to reduce ex-ante transaction costs and to mediate between the diverging preferences of donors and recipients

Martin, L. (2006) 'Distribution, information and delegation to international organisations: the case of IMF conditionality', in Hawkins, D.G., Lake, D.A., Nielson, D.L. and Tierney, M.J. (eds), *Delegation and Agency in International Organisations*. Cambridge University Press

- Type of study – Empirical research (qualitative)
- Type of publication – Not peer reviewed (academic book)
- Findings quoted - Suggests that the case study analysis illustrates that increased donor demands for high quality information leads to higher levels of autonomy/delegation to IMF staff

McLean, E. (2012) 'Donors' Preferences and Agent Choice: Delegation of European Development Aid', *International Studies Quarterly* 56(2): 381-395

- Type of study – Empirical research (quantitative)
- Type of publication – Peer reviewed (academic journal)
- Findings quoted – Statistically significant (at the 5% level) positive relationship between a measure of the preference homogeneity of World Bank-IDA and UN member states and the level of aid they provide to these organisations

McLean, E. (2015) 'Multilateral Aid and Domestic Economic Interests', *International Organization* 69(1), Winter 2015

- Type of study – Empirical research (quantitative)
- Type of publication – Journal (peer reviewed)
- Findings quoted – Statistically significant (at the 10% level) positive relationship between the level of competitiveness of the firms in a country in producing/trading environmental protection goods and the level of environmental aid their Governments deliver through MOs

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Milner, H. V. (2006) 'Why multilateralism? Foreign aid and domestic principal-agent problems', in Hawkins, D.G., Lake, D.A., Nielson, D.L. and Tierney, M.J. (eds), *Delegation and Agency in International Organisations*. Cambridge University Press

- Type of study – Empirical research (quantitative)
- Type of publication – Not peer reviewed (academic book)
- Findings quoted – Statistically significant (at the 1% level) negative correlation between a measure of public support for aid in the US and the US's level of multilateral aid commitments as a proportion of its total aid commitments

Milner, H. and Tingley, D. (2011) 'The choice for multilateralism: Foreign aid and American foreign policy', *The Review of International Organizations* 6(3-4) (September-December 2011)

- Type of study – Empirical research (quantitative)
- Type of publication – Journal (peer reviewed)
- Findings quoted – Statistically significant (at the 1% level) relationship between measures of ideology and the direction of support for multilateral aid

Mishra, T., Ouattara, B. and Parhi, M. (2012) 'International development aid allocation determinants', *Economics Bulletin* 32(2)

- Type of study – Applied theory
- Peer reviewed (academic journal)
- Suggests that income per capita, regulatory burden, rule of law, military expenditures, former colonies, population, diplomatic relation with Israel and exports to the recipient countries are robust predictors of total aid allocation

Neumayer, E. (2003) 'The Determinants of Aid Allocation by Regional Multilateral Development Banks and United Nations Agencies', *International Studies Quarterly* 47(1): 101-122

- Type of study – Empirical research (quantitative)
- Type of publication – Peer reviewed (academic journal)
- Findings quoted – UN agencies only weakly reward countries based on their human rights records; the IDB rewards stronger human rights records with higher levels of assistance, but not for other regional development banks

Oatley, T. and Yackee, J. (2000) 'Political Determinants Of IMF Balance of Payments Lending: The Curse of Carabosse?', Department of Political Science, University of North Carolina at Chapel Hill, May 2000

- Type of study – Applied theory
- Type of publication – University research paper (not peer reviewed)
- Findings quoted - Statistically significant positive correlation between measure of the exposure of US 'money centre' banks in a country and the level of financing it receives from the IMF

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OECD (2011a) '2011 OECD report on division of labour: Addressing cross-country fragmentation of aid'. Paris: OECD

- Type of study - Secondary research
- Type of publication – Not peer reviewed (OECD-DAC Report)
- Findings quoted – Data showing that the expansion in multilateral aid has been accompanied by increases in the fragmentation of aid

OECD (2011b) 'First ever comprehensive data on aid for climate change adaptation' Paris: OECD

- Type of study - Secondary research
- Type of publication – Not peer reviewed (OECD-DAC Report)
- Findings quoted – Data illustrating how only a small proportion of aid for climate change adaptation and mitigation has been delivered through multilateral organisations

OECD (2012) 'Multilateral Aid Report 2012'. Paris: OECD

- Type of study – Secondary research + empirical research (quantitative and qualitative)
- Type of publication – Not peer reviewed (OECD Report)
- Findings quoted – Review of main themes focused on by donors in their assessments of multilaterals; statistics on concentration of multilateral aid across the main multilateral organisations

OECD (2015) 'The 2015 Multilateral Aid Report: Enhancing Partnership in a Post-2015 World'. Paris: OECD

- Type of study – Secondary Research
- Type of publication – Not peer reviewed (OECD Report)
- Findings quoted – Cross-donor data on the share of their aid provided through multilateral organisations; data illustrating the increasing trend in non-core earmarked funding to multilateral organisations

Pollack, M. (2006) 'Delegation and Discretion in the European Union', in Hawkins, D.G., Lake, D.A., Nielson, D.L. and Tierney, M.J. (eds), *Delegation and Agency in International Organisations*. Cambridge University Press

- Type of study – Empirical research (qualitative)
- Type of publication – Not peer reviewed (academic book)
- Findings quoted - Suggests that the case study analysis illustrates that European member states delegate functions relevant to promoting their 'policy commitment', but don't do so for functions relating to 'information gathering'

Raschky, P.A. and Schwindt, M. (2012) 'On the channel and type of aid: The case of international disaster assistance', *European Journal of Political Economy* 28(1): 119-131

- Type of study – Applied theory
- Type of publication – Peer reviewed (academic journal)

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- Findings quoted – Mixed statistical relationship between measures of the strategic interest of donors in a country and the level of international disaster assistance it receives through MOs

Ravallion, M. (2015) *The World Bank: Why It Is Still Needed and Why It Still Disappoints*. Working Paper 400. Center for Global Development

- Type of study – Secondary research
- Type of publication – Not peer reviewed (think tank research paper)
- Findings quoted – Mainly interpretations of secondary sources by the author, suggesting the World Bank has strengths as knowledge provider (although it is not maximising its capacities in this area)

Reinsberg, B., Michaelowa, K. and Knack, S. (2015) ‘Which donors, which funds? The choice of multilateral funds by bilateral donors at the World Bank’, 8 February 2015

- Type of study – Applied theory
- Type of publication – Not peer reviewed (conference paper)
- Findings quoted – Strong statistically significant positive relationship between a measure of the preference homogeneity of donor with other donors and its propensity to support multi-donor trust

Rodrik, D. (1997) ‘Why Is There Multilateral Lending?’, in Proceedings of the 1995 Annual Conference on Development Economics. Washington, D.C.: World Bank

- Type of study – Theory + empirical research (quantitative)
- Type of publication – Not peer reviewed (conference paper)
- Findings quoted – Theory based assertion that multilateral organisations have a comparative advantage in gathering information on aid recipients and in addressing collective action problems

Schneider, C.J. and Tobin, J. (2011) ‘Eenie, Meenie, Miney, Moe? Institutional Portfolios and Delegation to Multilateral Aid Institutions’. 1 June 2011

- Type of study – Empirical research (quantitative)
- Type of publication – Not peer reviewed (conference paper)
- Findings quoted - Substantive and statistically significant positive correlation between a measure of the preference similarity between a donor and an MO and the level of aid the donor delegates to the MO

Sippel, M. and Neuhoff, K. (2009) ‘A history of conditionality: lessons for international cooperation on climate policy’, *Climate Policy* 9(5): 481-494

- Type of study – Secondary research
- Type of publication – Peer reviewed (academic journal)
- Findings quoted - Finds that there is greater compliance with multilateral than with bilateral conditionality and that there is greater stringency in multilateral than bilateral reactions to non-compliance with conditionality provisions

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Steele, C. (2011) 'Disease control and donor priorities: The political economy of development aid for health'. PhD 3496673, University of Illinois at Urbana-Champaign

- Type of study – Empirical research (quantitative)
- Type of publication – Not peer reviewed (degree dissertation)
- Findings quoted – Statistically significant positive correlation between measures of disease burden of a country and the level of multilateral aid it receives

Thacker, S.C. (1999) 'The High Politics of IMF Lending', *World Politics* 52 (1)

- Type of study – Empirical research
- Type of publication – Peer reviewed (academic journal)
- Findings quoted – A statistically significant (at 10% level) positive relationship between the consistency of a country's voting record at the UN with the US and the level of financing it receives from the IMF

Thompson, A. (2006) 'Screening power: International organisations as informative agents', in Hawkins, D.G., Lake, D.A., Nielson, D.L. and Tierney, M.J. (eds), *Delegation and Agency in International Organisations*. Cambridge University Press

- Type of study – Empirical research (qualitative)
- Type of publication – Not peer reviewed (academic book)
- Findings quoted - Suggests that the case study analysis illustrates that MOs in which members have more diverse preferences and whose memberships are more representative are able to more effectively gather sensitive information from aid recipients

Tortora, P. and Steensen, S. (2014) *Making earmarked funding more effective: Current practices and a way forward*. Report no 1:2014, OECD Development Co-operation Directorate

- Type of study – Secondary research + empirical research (quantitative and qualitative)
- Type of publication – Not peer reviewed (OECD Report)
- Findings quoted – Results of a survey of OECD-DAC donors exploring their motivations for providing non-core earmarked funding to multilateral organisations, which highlighted the significance of donor interests in shaping the agenda of these organisations and externalising the administration costs of aid

Versluys, H. (2007) 'Explaining patterns of delegation in EU humanitarian aid policy', *Perspectives* 28 (2007): 63-84

- Type of study – Empirical research (qualitative)
- Type of publication – Peer reviewed (academic journal)
- Findings quoted – Assertion based simply on analysis of human capacity of the EC's humanitarian aid and civil protection entity, ECHO



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