

Portfolio Overview

Sida's Multi-Bi Support 2013

Sweden is one of the largest funders to the United Nations (UN) and International Financial Institutions (IFI). In recent years, Swedish development assistance channelled through multilateral organisations has increased to more than 60% of the total budget. Sida's Multi-Bi support has increased from about 20% to 36% of the total portfolio between 2005 and 2013. By region, Africa is clearly the largest recipient.

Scope

This overview intends to give a brief aggregated overview of the multilateral support managed by Sida, so called Multi-Bi. Separate overviews for the 15 largest recipient organisations of Sida's Multi-Bi support are also available through Sida. To put Sida's support to multilateral organisations in context, the overview also includes references to the total multilateral aid volume, which includes core support and possible Multi-Bi support provided by the Ministry for Foreign Affairs (MFA) and other Government Offices, as well as to overall priorities and work carried out jointly by Sida and concerned Government Offices. A limitation of the overview is that Sida's available statistics provide annual figures on disbursements. For some organisations, such as the World Bank, disbursements covering several years are made at one occasion which implies that a review of one year's disbursement does not cover all active programmes that are co-financed by Sida. Possible discrepancies in figures between Sida and MFA are mainly due to the fact that MFA's statistics also include refunded unspent balances from previous years.

Introduction

Sweden's Strategy for Multilateral

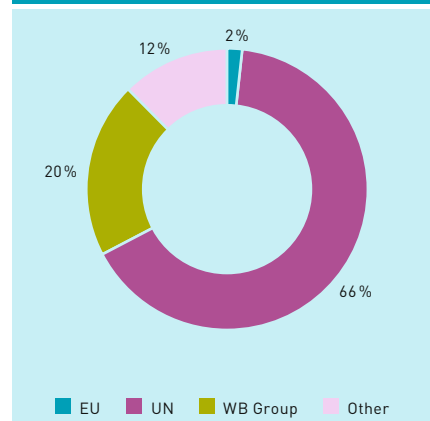
Development Cooperation (2007) has been the main policy document guiding Swedish multilateral support. The strategy stipulates that global challenges need global solutions. One aim of Sweden's multilateral development cooperation is to make a greater impact on the contributions to common development goals, such as the Millennium Development Goals (MDGs). In 2013, the Swedish Government decided on new guidelines for results strategies, and in 2014 on a new platform for development cooperation. These steering documents stress the importance of multilateral cooperation based on relevance and effectiveness, e.g.:

- Cooperation through multilateral organisations that decreases the administrative burden on both recipient countries and donor countries.
- Common work that gives access to a greater knowledgebase.
- Joint efforts to influence on Swedish concerns, not least human rights, democracy, gender equality, sexual and reproductive health and rights, inclusive growth and environmental sustainability.
- Multilateral organisations, and in particular the UN, are considered to have a comparative advantage to operate in fragile and weak states.

Definition of Multilateral and Multi-Bi support (Core and non-Core Contributions)

Contributions to multilateral organisations for specific purposes, programmes and projects are entitled "Multi-Bi" (multilateral bilateral) support or earmarked, non-core contributions. Multi-Bi contributions are mainly managed by Sida but in some cases also allocated by MFA or other Government Offices. Multi-Bi should be distinguished from non-earmarked contributions to the organisation's regular budget, usually called core support and also labelled "multilateral aid". The latter type of support is processed and decided upon by the Government Offices. In a few exceptional cases, the core support is delegated to and managed by Sida (WHO, ITC, OHCHR).

Chart 1:
Distribution of Multi-Bi Support 2013



Sweden is among the largest donors to the multilateral systems and actively promotes reform and efficiency in the governing bodies. Sida contributes to efforts promoting greater coherence by close cooperation with the MFA and other relevant Government Offices, often referred to as “Team Sweden”. As an example, Sida contributes to the Swedish multilateral dialogue by gathering and systematizing evidence from the field level on how the multilateral agencies perform in countries and regions as well as in global cooperation.

Cooperation through the United Nations

The UN plays an important role in international development cooperation with a focus on poverty reduction, including achieving the Millennium Development Goals and advancing Human Rights. Within the UN system, the largest recipients of Sida’s Multi-Bi support are UNDP, UNICEF, UNOCHA, UNHCR, UNFPA, WHO, FAO, WFP, OHCHR, UNOPS, UNESCO, UN Women and UN-RWA. Sweden actively promotes the UN-reform Delivering as One, at headquarters as well as at country-level, aiming at increased coordination, transparency and effectiveness.

Cooperation through International Financial Institutions

International Financial Institutions, such as the World Bank Group and the African, Asian and Inter-American Development Banks, also represent important channels for promoting the Swedish development policy with a focus on poverty reduction. The World Bank Group works to reduce poverty and promote economically sustainable development by providing credits and expertise. Sida’s Multi-Bi contributions to the World Bank Group are primarily provided to IDA, IBRD and IFC, where IDA is the main beneficiary. The support is channelled through the World Bank’s so called Trust Funds for different development programmes and projects.

Overall Trends

The figures in chart 2 show that multilateral support constitutes a substantial part of Swedish aid and has been on the increase during the past eight years. For Sida, the trend is even clearer, with Multi-Bi contributions, as share of the total portfolio, having increased from 20% in 2005 to 36% in 2013. Overall (Multi-Bi and core support), Sweden is often among the top 3-5 contributors to the multilateral agencies (e.g. UNDP, UNICEF, UN Women, UNFPA).

In some cases, the Multi-Bi proportion is as large as, or larger than, the core support (table 1). In 2013, Sida’s Multi-Bi support to the World Bank Group alone amounted to about 8% (1.3 billion SEK) of the total aid budget managed by Sida.

Chart 3 illustrates trends in Sida’s support to nine UN agencies and the World Bank Group over time. Despite occasional deviations, the overall trend clearly shows a substantial increase in support to these multilateral organisations since 2005. The trend is especially evident for UNDP, the WB Group and UNICEF.

There are several possible explanations for this development:

- It reflects political priorities on global funding.
- Support to Multi Donor Trust Funds (UNDP and WB) and joint programming have increased as well as support to One UN, administered by the UNDP.
- There has been a shift in aid modalities in line with the Paris agenda on aid effectiveness. The Multilaterals have a capacity to absorb large volumes of aid and they provide donor coordination mechanisms.
- This increase is registered during the same period as Swedish general budget support and sector programme support have decreased and/or been phased out.
- The support to UNFPA peaked in 2012 due to a large contribution focused on MDG 4 and 5, channelled through and administered by UNFPA. This particular contribution somewhat skews the picture as only a part of the contribution remains with UNFPA. Nevertheless, there is still a general trend towards increasing support.
- The sharp increase in support to UNICEF in 2013 is due to an enhanced focus on Water, Sanitation and Hygiene and a Sida decision to support UNICEF’s global fund for this thematic area.
- UNOPS have taken over the management of large funds for water and sanitation from the World Bank, which is the main reason for the sharp increase of Sida support to UNOPS.
- The increased support to UN Women reflects that the Agency is considered an important partner in promoting gender equality and women’s empowerment, including its role to hold the UN system accountable for its own commitments on gender equality.

Chart 2: Trends for Swedish Multilateral and Sida’s Multi-Bi Support 2005-2013 (%)

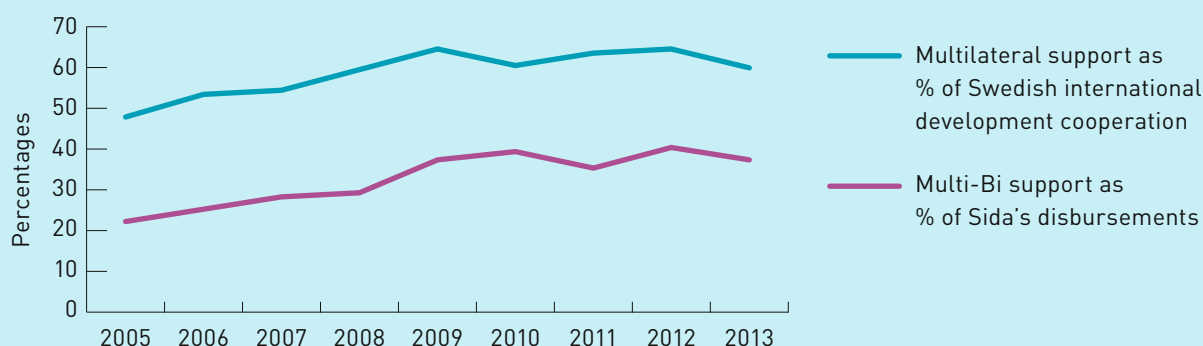


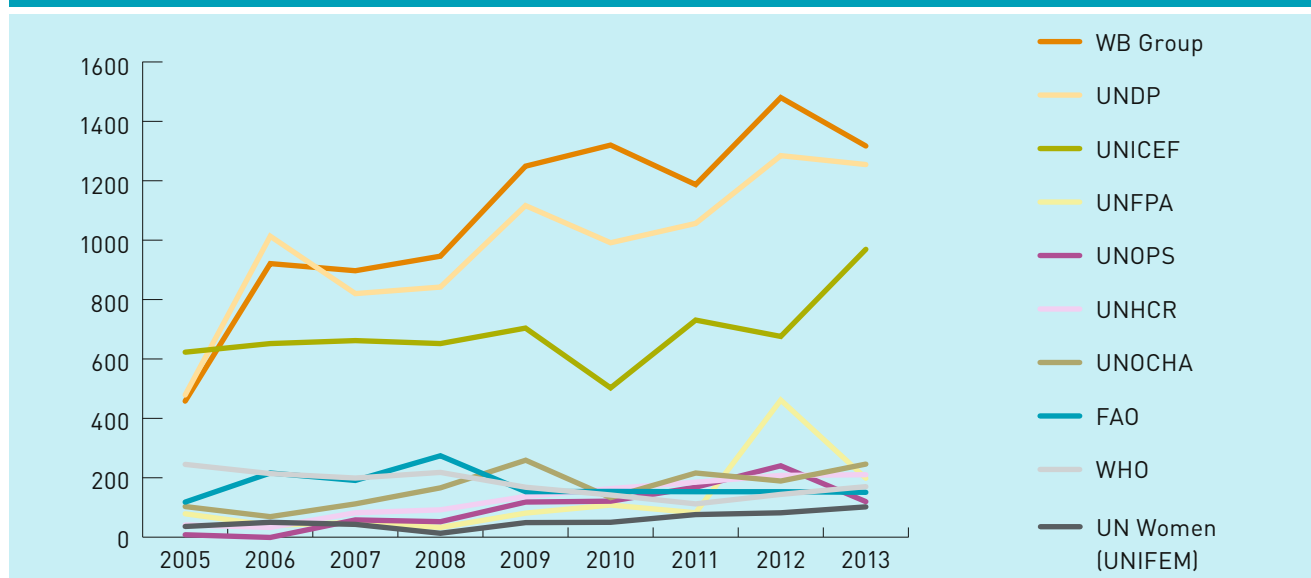
Table 1: Multi-Bi and core support for selected UN agencies and the WB Group 2013 (disbursed, MSEK)

Organisation	UNDP	UNICEF	UNFPA	UNHCR	UN Women	WB Group
Core support	616	464	431	582	125	2389**
Multi-Bi MFA*	56	0	0	0	0	379**
Multi-Bi Sida	1254	970	199	211	103	1318
Total	1926	1434	630	793	228	4086

*) Multi-Bi support is sometimes also provided by the MFA (and other Government Offices)

**) Figures provided by the MFA

Chart 3: Trend Sida's support to most important UN organisations and the World Bank Group (MSEK)



- Furthermore, the trend also illustrates Sweden's position to recognize the comparative advantage of multilateral actors, especially in the context of fragile states and countries with weak institutional capacity.

Geographical Distribution

Multi-Bi support is channelled to activities and through agreements at global, regional and country level. As illustrated in chart 5, Africa is the predominant recipient continent of Sida's Multi-Bi support, with 35% of the contributions being allocated to that continent, followed by Asia (26%), while global programmes received 29%. This outcome is in line with Sweden's political priorities with regards to development cooperation, emphasizing a strong focus on Africa. At country level, as illustrated in table 2,

the largest recipient of Sida's Multi-Bi contributions is Afghanistan, followed by DRC, Somalia and Kenya. In Afghanistan, Multi-Bi support constitutes around 68% of the total Sida portfolio and the corresponding figure for DRC is 55%. This distribution illustrates Sweden's focus on post-conflict countries and difficult contexts in which multilateral actors are considered to have comparative advantages for delivering effectively.

Thematic Distribution

The thematic spread of Multi-Bi support has a clear focus on Democracy, Human Rights and Gender Equality, Humanitarian Assistance and Sustainable Infrastructure. This is in line with thematic priorities laid down by the Government.

Chart 4: Multi-Bi support by Geographical Levels 2013

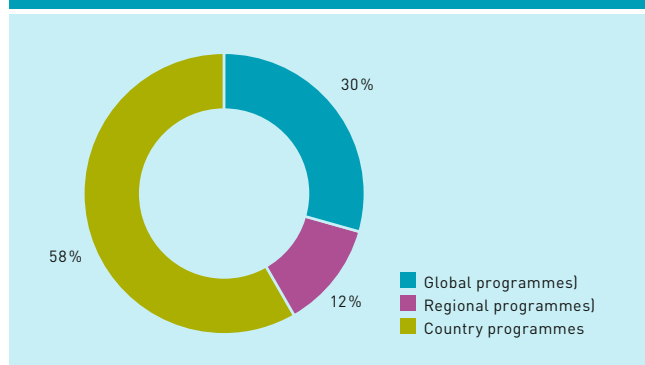
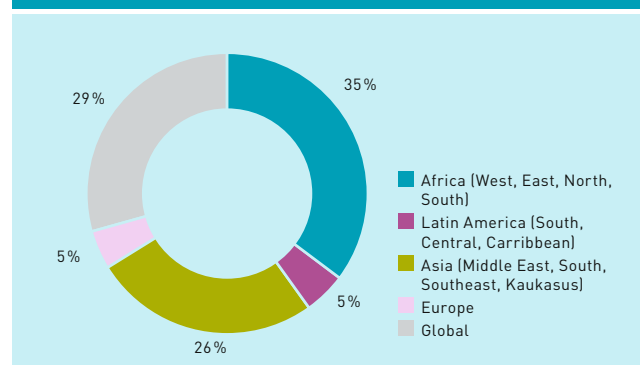


Chart 5: Multi-Bi support by Continent 2013



Looking over time, this thematic focus has remained quite stable over the past eight years. There has however been a significant increase in support for sustainable infrastructure, which is partly explained by increased funding to the World Bank and an increased focus on inclusive growth and poverty reduction through socially and environmentally sustainable solutions. The aforementioned new large global support to UNICEF's programmes within Water, Sanitation and Hygiene also contributes to this sector. Support to activities defined as environmental has decreased in relative terms, which could be explained by environmental issues increasingly being tackled within other sectors. Support to the health sector through multi-lateral channels showed a sharp increase in 2012 (14%), but has decreased to 10% in 2013. This development can be explained by the earlier mentioned contribution to UNFPA. Support to humanitarian assistance as a percentage of multilateral aid has remained constant. The absolute volume has nevertheless been continuously growing, reflecting the increased humanitarian needs around the world. The final financial outcome of humanitarian multi-lateral support by year-end, as well as its geographical and thematic distribution, depend on the location and nature of crises, as well as the needs of people affected.

Looking Ahead

The multilateral systems have been criticised for weak coordination and limited harmonisation, causing duplication and fragmentation of its activities. Therefore, the UN reform process towards increased coordination and division of labour among agencies, Delivering as One (DaO), has strong Swedish support. Sweden also underlines the importance of flexible funding of the multilateral organisations' core mandates, i.e. soft earmarking towards programmatic or thematic support. Sweden has always given high priority to the policy work of the World Bank Group. As Sweden contributes to about 100 World

Table 2: Largest Recipients of Multi-Bi Support by Country 2013 (MSEK)

Country	Multi-Bi 2013	Multi-Bi in percent of total Sida Support
Afghanistan	529	68%
DRC	296	55%
Somalia	240	65%
Kenya	198	38%
Mali	179	61%
Palestinian territory	160	43%
Syrian Arab Republic	145	58%
Bangladesh	143	49%
Yemen	133	85%
South Sudan	130	31%
Colombia	127	53%
Guatemala	112	52%
Zimbabwe	108	45%
Sudan	100	67%

Chart 6: Multi-Bi Support by Sector 2013

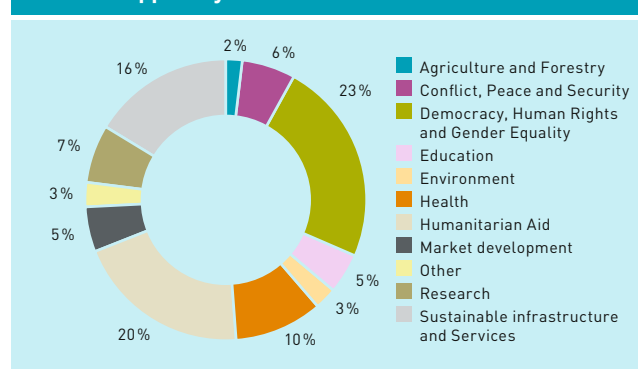
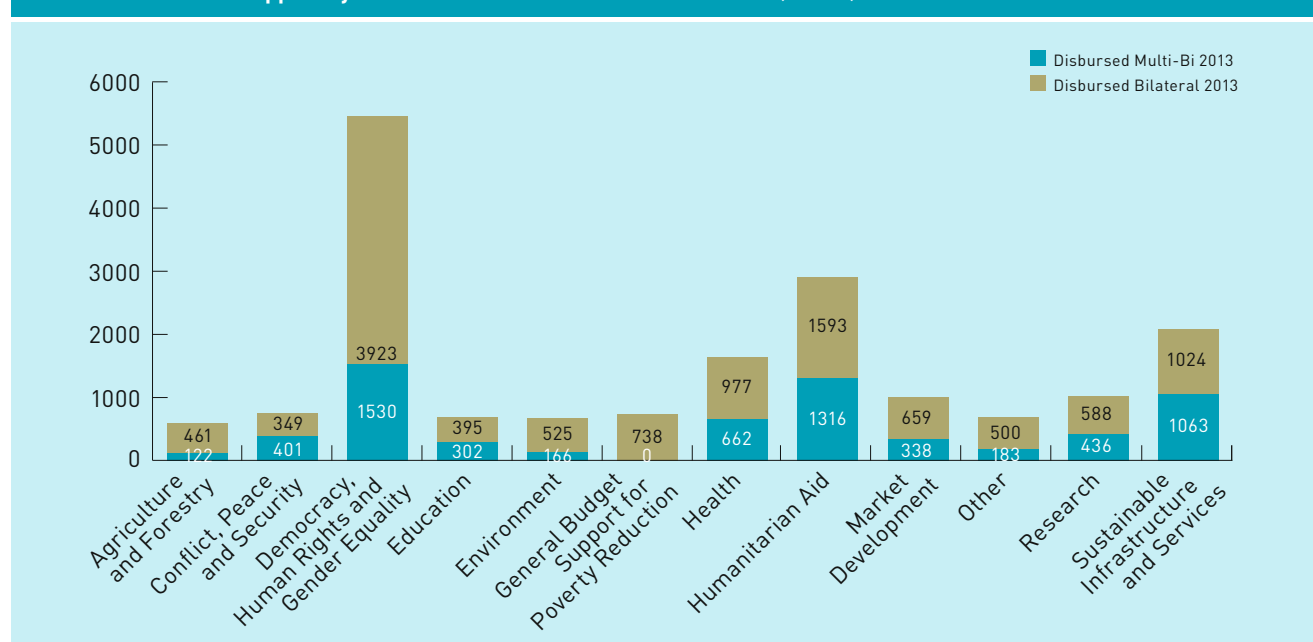


Chart 7: Sida's Total Support by Sector in Multi-Bi and Bilateral Aid 2013 (MSEK)



Bank Trust Funds, the strategic orientation and focusing of Trust Fund operations is an important topic for Sweden's dialogue with the Bank. Closely related to the call towards more programmatic/thematic support and core support is the issue of accountability of multilateral systems. Sida contributes continuously to Swedish cooperation and dialogue with likeminded donors and multilateral organisations on continued results orientation, transparency and improved risk management.

Examples of improvements include the new strategic results frameworks of the main UN bodies and the trust fund reform in the World Bank. Reforms of disclosure policies have continued and internal audits are to an increasing extent being presented in the public domain.

Concluding Reflections

Sida's increased multilateral support poses challenges on both competence development and the ability to utilise the comparative advantages between global, regional and country strategy levels. Efforts between Sida and MFA to systematically gather evidence from the multilateral organisation's performance at country level and use it in HQ strategic dialogue has contributed to this work and created links between bilateral, regional and global levels of support. Feeding back conclusions from HQ dialogue to the country and regional levels has in the same way contributed to link the global arena with the local ones, and served as input to local dialogue on improvements and further cooperation with the multilaterals. This work needs to continue as it is in line with the Government guidelines on results strategies, calling for utilising synergy potentials between the various strategy levels of Swedish support and avoiding conflict between individually set strategy goals. A challenge for effective and sustainable financing of multilateral development cooperation is to find financing modalities that combine a strengthened results focus and enhanced accountability with flexibility and predictability. Several of the UN funds and programmes are currently undertaking such work under the label of "structured financial dialogues", supported by Sweden and with reference to WHO as a best practise. UNDP and UNICEF shall report on this work to their respective Executive Boards in September 2014.



Photo: Boaz Paldi/UNDP Indonesia

RESULTS

Global Trends and Results

With regards to global development trends, the UN's 2012 and 2013 Progress Reports towards the Millennium Development Goals highlight several milestones. The target of reducing extreme poverty by half has been reached five years ahead of the 2015 deadline, as has the target of halving the proportion of people who lack dependable access to improved sources of drinking water. Conditions for more than 200 million people living in slums have been ameliorated – double the 2020 target. Primary school enrolment of girls has equalled that of boys, and accelerating progress in reducing child and maternal mortality can be noted. Nevertheless, more than 2.5 billion people still lack improved sanitation facilities and it is estimated that about one billion will be living on an income of less than \$1.25 per day in 2015. Hunger remains a global challenge and too many women still die in childbirth. Ensuring that all children are able to complete primary education remains a fundamental target that has an impact on all the other Goals.

The largest multilateral cooperation partners to Sida have reported the following examples of overall results (i.e. beyond Swedish support):

UNDP (2013)

- 6.47 million jobs created, over half for women, in 109 countries.
- Over 4 million people in 117 countries experienced improved access to justice and legal aid, 49% women.
- 3.5 million people in 12 countries benefited from access to modern energy services from 2,900 rural energy enterprises, creating employment and transforming lives.

WB Group

- 1.8 million people in Tanzania accessed improved water sources in 2012, up more than 400 percent from 350,000 in 2005.
- 1 million people in Sri Lanka affected by conflict have seen their livelihoods improved through the Reawakening Project since 2004.
- 3,050 traditional seed varieties were collected in the Republic of Yemen and stored in gene banks between 2008 and 2010 to preserve agro-biodiversity.



Photo: UNICEF Zimbabwe/2014

UNICEF (2013)

- 123 countries now penalize all forms of sexual violence against girls and boys – an increase from 120 countries in 2012.
- UNICEF worked in 76 countries during the year to improve access to universal and free birth registration, contributing to the registration of 30.6 million new-borns.
- More than 7,300 children associated with armed forces or armed groups were reintegrated into their families and communities in at least 10 countries.

UNHCR

- Over 189,300 refugees returned to their countries of origin during the first half of 2013, some 84,700 of them with UNHCR's assistance.
- Some 33,700 refugees were resettled during the first half of 2013, almost all of them (33,500) with UNHCR's assistance.

Sida-funded Projects and Programmes

WB Group

Sida have been supporting the Afghanistan Reconstruction Fund (ARTF) and its programmes for several years, contributing to the following results between 2002-2013: the number of children attending school has increased from 1 million to 7.7 million, the number of girls going to school has increased from 191,000 to 2.9 million, a total of 180 000 teachers have received teaching training, 930 schools have been established across the country, and 3 500 female teachers have received scholarships.

UNFPA

During 2013–2017, Sida is supporting the global maternal health thematic fund (MHTF). With the support of MHTF in 2013, UNFPA helped to improve the teaching and life-saving skills of over 1,000 midwifery tutors and provided support for over 190 midwifery schools through the provision of clinical training models, equipment and supplies. In Ethiopia, the availability of midwives increased 35%; from 4,700 in 2012 to 6,325 in 2013.

UN Women

Thanks to Sida's support, UN Women has for the very first time provided high level gender expertise to UN mediation teams and Special Envoys. In Colombia, where Sweden's support to UN Women is approximately 20% of the total budget,

UN Women has in collaboration with civil society, successfully pushed the Government to increase the number of women as official peace negotiators from zero to two, as well as the inclusion of a gender perspective in peace accord discussions.

UNHCR

Among those countries where Sida supported UNHCR's operations in 2013, some 688,000 Internally Displaced People (IDPs) returned home during the reporting period, many with UNHCR's assistance. The highest numbers of IDP returns were reported in the Democratic Republic of the Congo (421,000) and Yemen (97,000). Meanwhile, Somalia reported some 1.1 million IDPs protected and/or assisted by UNHCR.

People First – Results at the Individual Level

UNDP

In Chambok, Cambodia, a pipe water system funded by Sida has come to the rural homes of 600 families. The pipe system is part of a project that assists rural communities in Cambodia to adapt to climate change. By the end of the programme, around 100,000 ha of irrigation systems will be in place, boosting livelihoods and increasing food security. Helping to reduce the villagers' reliance on rainfall for farming is also an objective of the pipe system, a component of the Sida-funded Cambodia Community Based Adaptation Programme. Nuon Sareun, 47, is now able to grow vegetables in her garden. "I am so glad now to have water to grow vegetables again and to use for all purposes," she says, adding that she also hopes to save money by selling the vegetables.

UNICEF

UNICEF's country programme in Zimbabwe includes a social cash transfer programme designed to alleviate the impact of poverty among poor and labour-constrained households. The programme benefits households like Gogo Antonia Chirumbo's (64), who lives with her two grandchildren Reuben (11) and Jane Mary (12) in Nyabadze Village in Buhera district, Manicaland province. Gogo Chirumbo is one of the 5,270 households receiving the cash grants in the district. She has been single-handedly taking care of her two grandchildren as her husband died in 1998. With the USD 20 she receives every month, Gogo Antonia has managed to pay school fees for one of her grandchildren, buy school books, food and other basic commodities.

Sida works according to directives of the Swedish Parliament and Government to reduce poverty in the world, a task that requires cooperation and persistence. Through development cooperation, Sweden assists countries in Africa, Asia, Europe and Latin America. Each country is responsible for its own development. Sida provides resources and develops knowledge, skills and expertise. This increases the world's prosperity.

**Department for International Organisations and Policy Support
Multilateral Coordination Unit**

For more information about the portfolio and Sida's overall multilateral cooperation, please contact Per Knutsson, per.knutsson@sida.se.

