Multilateralism in a time of COVID-19

A ‘perspectives’ paper of the Global Partnership

How a once-in-a-century pandemic is shaping partners’ efforts toward the effectiveness principles, and how the UN system can respond

With the 2020–21 session of the General Assembly we mark 75 years of unprecedented global cooperation. Yet one of its greatest outcomes – the global effort to drive human development – is facing profound headwinds, from growing inequality, to a global pandemic. Only collective action, multilateral and multi-stakeholder, will see us through these challenges.

This imperative on collective action is what makes how we partner and work together – based on shared principles and led by evidence – so important to achieving the 2030 Agenda. The effectiveness principles, and our efforts to monitor progress toward them, provide a shared basis for working better together. And it is in this spirit, of mutual learning and principle-based action, that we are pleased to share experiences from different types of development stakeholders on what they are learning from COVID-19, and how the UN system can help:

- Mr. Shreekrishna Nepal, Joint Secretary at the Finance Ministry in Nepal, talks about the importance of data-sharing to country ownership, and the role the UN can play in coordinating and convening data at country level.

- Ms. Carin Jämtin, Director General of Swedish International Development Cooperation Agency (Sida), describes how their effort to focus on results has been supported by flexible funding models, and how subsidiarity and flexibility can help UNCTs deliver.

- Ms. Beverly Longid, Co-chair at the CSO Partnership for Development Effectiveness, makes the case for inclusive partnerships, and the role the UN can play in supporting these; a cause now more important than ever as the most vulnerable are hardest hit by the pandemic.

- Ms. Ulrika Modeer, Director of External Relations & Advocacy at UNDP highlights the role of mutual accountability, and how the ‘Funding Compact’ can play a central role in sustaining trust & partnerships through the current challenges.
This remains true in the COVID-19 context as data on resource commitments is necessary for the design and implementation of relief, recovery and resilience strategies. In this vein, the Ministry of Finance of Nepal established a COVID-19 portal within its Aid Management Information System, which aims to collect information on interventions related to the pandemic. When this data is available, the government is able to identify gaps and direct resources in a way that ensures an inclusive and sustainable recovery that leaves no one behind. However, incomplete reporting to the portal is negatively affecting the ability of the government to take full ownership of ongoing efforts, and will also impact development planning for coming years. It is understood that resources are often being repurposed for the pandemic; now it is important to know how COVID-19 will affect past commitments and impact on progress made towards the SDGs.

As such, while recognizing the challenges in providing such information, this contribution calls for increased responsiveness to data requests. The UN system, not least at country level, has an important role to play in this. The OECD’s 2019 Development Co-operation Report notes that development resources are increasingly being channelled through multilateral organizations. This finding is also seen in Nepal, where 60 percent of ODA was provided by multilateral development partners in 2019.

In this light, with its global network and convening power, the UN system can play a role in providing, and persuading others to provide, development data and sharing knowledge and facilitating peer learning.

Collecting and disseminating evidence on successful country-led relief, recovery and resilience measures can be helpful as governments continue to react and adjust to the changing crisis. This can also include evidence on how to increase ownership when engaging with different development partners, including ‘Southern’ providers, and the private sector.

The principle of country ownership signifies that development can succeed only if partner countries create demand and lead the formulation and implementation of programmes, as per country context and needs. This spirit is highlighted in the 2030 Agenda for Sustainable Development, which stresses the importance of strengthened national ownership and leadership at the country level.

Country ownership is critical as the world is responding to the COVID-19 pandemic. This crisis is a global threat that requires a collective response through even more multilateralism. At country level, governments and development partners are taking swift action. However, as the crisis continues to evolve, country needs are changing fast, requiring upscaled support to government-led relief, recovery and resilience plans. Maintaining country ownership in a time of crisis depends on the extent to which the government receives predictable and flexible resources, allowing for targeted interventions.

Through its International Development Cooperation Policy 2019, the Government of Nepal prefers to budget support, as it inherently ensures alignment of resources with national priorities. The tendency of disbursing resources through implementing partners other than the government seemingly breaches the spirit of alignment. However, the recent increases in budgetary support in Nepal is a welcome step.

Further, high-quality and timely data on development resources – including forward-looking information – is vital to the realization of country ownership. In the hands of government, this data is a powerful tool that allows for evidence-based decisions for effective resource planning, while reducing duplication and fragmentation.
Sida’s response to COVID-19 focused mainly on results at country level, close to the ground and close to our partners. Flexibility was given to implementing partners to adjust, re-programme and fit with the context and other initiatives. Sida avoided moving resources in a way that would potentially have severe adverse effects and also avoid that resources be locked into short term and siloed COVID-19 projects. Core contributions to the multilateral organisations, which in Sweden are managed by Ministry for Foreign Affairs, were the most important financial support from Sweden in response to COVID-19. It became the first resources available in the very first response to the situation.

In summary, Sida’s approach to COVID-19 was to:

1. Promptly make funding available for the most immediate and urgent health action(s). This entailed focus on maintaining humanitarian operations and ensuring that key partners in the multilateral system, WHO in particular, had resources necessary to respond to the Corona pandemic.

2. Build on existing partnerships, avoid diversion of funding for critical development and humanitarian activities and protect local capacities. The best fit implementing partners with capacity on the ground were encouraged to repurpose funding for the immediate response and all partners were given flexibility to adapt to circumstance. Siloed and top heavy funding arrangements and with multiple layers of bureaucracy were avoided.

3. Focus attention on context-appropriate actions and results and let expertise and subsidiarity guide decision-making. Long-standing partnerships with a tradition of loosely ear-marked programme and core support allowed partners to adjust and engage swiftly.

Some of the things we noted in the UN response to the pandemic.

The very first phase of crisis mode revealed both strengths and weaknesses in the UN. UN entities mobilized quickly, delivered as a platform for multilateral exchange, continued to function on the ground, and new COVID-related actions were initiated. We saw strong leadership, manifesting the UN founding principles, and impressive determination and dedication among staff around the world. However, we also saw shortsighted opportunism, competition over resources and difficulties to engage across humanitarian and development pillars. High attention to fundraising was noted across the system.

Time will tell more about how well UN country teams functioned, and how the reinvigorated UN resident coordinator (RC) role should best evolve. Influence over resources may help empower the RCs, but may also skew attention and skills in resident coordinators offices (RCOs) and the Development Coordination Office (DCO). We risk to diverge from relations management, thought leadership and vision for development results on the ground, to fund management, a project approach to development and fund-raising. The UN entities and member states need to work together to reduce the proliferation of stand-alone projects and funds as these create unnecessary layers of bureaucracy and inherent transaction costs.

Looking ahead to the Decade of Action

The COVID-19 pandemic and its consequences reveals the absolute necessity of the multilateral system and its entities as global public goods. We need to continue investing in it. It needs to serve both as platform for policy-making and exchange of views and knowledge between member states, and to support countries to realise their development aspirations and international commitments.

In light of increasing pressure on ODA resources, the multilateral organisations should become more forward-looking and prudent in how they prioritize and spend. Durable change through concrete results, especially for those furthest behind, should be at the forefront. Despite difficulties to establish direct attribution, the UN and its entities need to better communicate a narrative on their results, and how they make a difference for people and planet.

In focusing on key results in relation to the reform of the UN Development System, we would expect from the UN at country level to:
Adopt a principled, transformative and inclusive leadership at all levels. This would support more durable and holistic development results, preventing “islands of success” and that some results are reached at the expense of others.

Prioritizing and sharing of information and expertise across organisations, funding arrangements and projects. In countries with significant development cooperation the development partners within the UN and beyond should engage more ambitiously in country level results groups and sector coordination. Country-level financing dialogues could be held with relevant partners to discuss funding priorities and arrangements in relation to the UN Sustainable Development Cooperation Framework.

Place greater emphasis on holistic and transformative results and in-country capacities for development using a whole of society approach to development. Empowering experts and middle management through more subsidiary decision-making will likely foster collaboration and better results at country level.

The multilateral system is both an ends and a means. We need to focus attention on tangible and transformative results for people and planet, while safeguarding the capacities of the multilateral system are at par with the daunting tasks we have given it.

Inclusive partnerships – the CPDE

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Ms. Beverly Longid is Co-chair of the CPDE responsible for membership and governance, and coordinator of the Indigenous Peoples’ sector. Among other roles, she is active in Katribu and SANDUGO, national Indigenous peoples’ platforms in the Philippines, and Global Coordinator of the International Indigenous Peoples Movement for Self-Determination and Liberation (IPMSDL) and Secretariat Coordinator of the Asia Indigenous Peoples Network on Extractives and Energy (AIPNEE).

The COVID-19 crisis has exacerbated the challenges already confronting the development community, and is likely to reverse progress that has been made, by throwing millions back into poverty and deepening inequalities that have plagued societies the world over. Its impact on the Agenda 2030 is likely to be significant and it will seriously jeopardise the delivery of the Sustainable Development Goals. New forms of what are essentially business-as-usual approaches will be of little help if we want to achieve progress on the SDGs in the context of the ‘new normal’.

We need to make human rights central to COVID-19 response and recovery. Further, the response to COVID-19 must be as effective as possible in order to maximize the impact of resources that are available, which are very likely to be scarce as against the real needs. This is echoed in the UN Secretary General’s call for an inclusive and effective response to the COVID-19 pandemic, ensuring that we keep the most vulnerable populations front and centre of our response efforts. The EU, in its most recent ‘Council Conclusions’ on the pandemic, called on international development partners to align with partner countries and align with their response plans. The Global Partnership’s recent declaration on COVID-19, is a remarkable example of such positioning, along with the CPDE’s statement on this very topic.

Now it is time to dig deeper and unpack, at the very least, the arguments about why effectiveness matters for a sustainable and durable response to the pandemic, and why it should be at the core of the ‘new normal’, hence our contribution to this volume. From the CPDE’s perspective, as part of the effort on inclusive partnerships, we also need to incorporate the ‘Leave No One Behind’ pledge, with its obvious implications in terms of both effectiveness (focusing on results and inclusive partnerships) and the realization of human rights.

Inclusive Partnerships

Strengthening civil society’s participation in COVID-19 response, so that the communities that are bearing the brunt of the pandemic are heard, is essential. In some countries, civil society has witnessed aggressive authoritarian responses, including media censorship and massive surveillance measures, pointing to a growing pattern of shrinking civic space amid the pandemic. This prevents CSOs from playing a crucial role in the pandemic response (through service delivery, monitoring, advocacy, etc.). CSOs need an enabling environment (including access to affordable technology) to effectively perform their work in the current context; work that government and societies alike are often depending on them to do. National laws and measures on COVID-19 response must uphold human rights norms – freedom of assembly and ma-
bility, the right to privacy, and opportunities to participate. In this regard the UN and local UN Country Teams can play a fundamental role to support the enabling environment for Civil Society. Concretely, the UN can support efforts to convene different partner-types and can help ensure civic actors are part of policy development, for more responsive policy, and greater buy-in.

**Leave No One Behind**

But this country-level effort needs to be guided, and girded, by principle: foremost, our shared commitments to leaving no one behind. The trends already set in motion by the pandemic have made this more pressing than ever. And as such we call on the UN system to continue its advocacy around this work, and on governments to respond with the power of policy, to:

**Fulfill and surpass long standing aid commitments** on quantity and quality to respond to the immediate and long-term impact of the COVID-19 pandemic. This includes meeting the 0.7% commitment, removing conditionalities, and enhancing support to countries in need, especially LDCs.

**Ensure access for the vulnerable and marginalized** to ensure that the provision of relief and services in response to the pandemic guarantee and prioritize access for poor and vulnerable sectors.

**Put human rights at the core of the pandemic response** with stringent accountability systems to ensure COVID-19 measures are consistent with human rights laws and norms.

**Show solidarity in the form of grants over loans** to limit the debt vulnerabilities of developing countries.

**And work toward distinct and additional funds for COVID-19 response** to avoid diverting aid resources from critical sectors in developing countries.

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**Mutual accountability & transparency – UNDP**

**Ms. Ulrika Modéer**
Director, External Relations & Advocacy, UNDP

Ms. Ulrika Modéer previously served as Sweden’s State Secretary for International Development Cooperation and Climate and combines a strong policy background with parliamentary and civil society experience. She has worked on development effectiveness issues in these different capacities for nearly 20 years.

One year ago, together with my colleague Ahunna Eziakonwa, UNDP’s Regional Director for Africa, we made the case that multilateralism matters. Today’s global challenges, be they climate change, poverty and inequality, displacement, or disaster preparedness, all call for trust and cooperation between nations, for collective, coherent, action.

One year later we find ourselves in a world changed by COVID-19. More than 265 million people are facing acute food insecurity, while half of the world is trying to survive without any form of social protection. FDI is projected to drop by up to 40 percent, while remittances, a significant source of development finance, are estimated to drop by 20 percent this year. Hard-won development gains have been compromised, posing still more challenges on the 2030 Agenda.

This experience has also shown the necessity of the multilateral system, from leading a global health response, to life-saving humanitarian assistance, rapid-response instruments for socio-economic challenges, and operational support to governments’ national responses. As ever, it is the trust and support of member states that has made this possible. And recent reform efforts have led Member States and the UN system to a new type of instrument that seeks to build on this trust, in a structured and visible way, based on **mutual accountability**.

This is the Funding Compact: a framework of clear and mutual expectations highlighting the inter-dependence between member states’ behaviour, especially in funding, and the UN’s performance.

What makes this contribution easy to write is that the main proposal is already agreed upon. The question now is how we
build on this principle of mutual accountability, and the Compact we have: to sustain trust among partners so we can drive our development efforts despite, and in response to, the challenges we face.

Adapting to crisis

As noted above, the UN system has been responding to COVID-19, and in ways transparent for, and accountable to, partners. And member states have done likewise, with colleagues from Sweden describing their own efforts to focus on results in this same volume.

But sustaining this kind of adaptability requires flexible (more core than not) and predictable (multi-year) funding. And this is where the Funding Compact has such a critical role to play. The UNSDG is responding, with new reporting requirements and coordination structures. Member states are also responding to the Compact (and were moving in positive directions prior to its adoption). Whether the proportions of thematic and pooled funding can be doubled by 2023 remains to be seen (3 to 6% and 5 to 10% respectively). But contributions to thematic funds have increased for the last three years, and at least six UN entities have seen increases in the share of core voluntary contributions that are part of multi-year agreements. Partners like the Netherlands have been explicit about their intentions to better respond to their commitments under the Compact.

Gaps

Yet gaps remain. That there are nearly twice the commitments for the UN system as for member states (8 to 14) need not, on its own, be an issue. While making progress, the UN system has more work to do to resolve internal competition and perform more coherently. But the metrics are there.

Perhaps the two gaps in the Compact that stand out are (i) how these agreements, and the ethic of the Compact, are reflected at country level (for all the commitments on global level funding, we must face the reality that the vast majority of resources are disbursed at country level); and (ii) what member-state reporting mechanisms look like.

For all the efforts on global level resources, and the increased flexibility and predictability that will help us cope with COVID-19, the same challenges will persist if this is not replicated at country level. While there may be no easy answers for now, ensuring UNCTs focus on questions of resource quality (country-level Compacts?), and begin collating analytical work on it (engaging with forthcoming work being led by the Dag Hammarskjöld Foundation, for instance), will help us all deliver on the spirit of the Compact.

On reporting, the various governance structures of the UN system provide important touch points to check in on the UN system’s progress. How we can create similar oversight and incentives for member states, to complement current bi-annual consultations, whether as components of those same governance structures (a segment on member state commitments?), or drawing upon other existing mechanisms (having UNCTs feed into OECD-DAC peer reviews, for example), will play an important role in the success of the Compact.

We have our agreement. We have the decisions. We even have the metrics (give or take a country-level lacuna or two). Now is the time to realize our Compact, building on the trust that follows this mutual accountability, to both navigate the period ahead, and transform our world for the better, together.