

**Save the Children Australia**  
**Submission to the Australian Multilateral Assessment**  
**18 October 2011**

## **1. Introduction**

1.1 Save the Children Australia (SCA) welcomes the opportunity to provide input into the *Australian Multilateral Assessment*. In this submission SCA will provide comment on:

- Australia's support for multilateralism generally;
- The World Bank International Development Association (WB IDA);
- The Education for All Fast Track Initiative (FTI) and the Global Partnership for Education (GPE);
- UN agencies, specifically OCHA, the Office for the Coordination of Humanitarian Affairs (OCHA), the World Food Program (WFP) and UNICEF.

SCA would welcome the opportunity for further discussion on any of the issues or recommendations raised in this submission.

## **2. Australian Support for Multilateralism**

2.1 SCA agrees with the finding in the *Independent Review of Aid Effectiveness* ('*Aid Review*') that 'working with effective multilateral organisations ... can extend Australia's reach in those areas where Australia has limited experience or presence; deliver activities beyond Australia's capacity; and facilitate access to global knowledge and expertise'.<sup>1</sup> Support for multilateral organisations and multilateralism is consistent with agreed principles on aid effectiveness, and is essential in order that the international community can harmonise efforts and maximise limited resources in responding to emergencies and tackling global poverty.

2.2 But multilateral organisations and funding mechanisms are far from perfect, and SCA urges the Australian government to match its increase in financial support with a corresponding increase in its monitoring of and strategic engagement with the organisations it funds. SCA strongly supports the recommendation of the *Aid Review* that funding for multilateral organisations be 'linked to performance'.<sup>2</sup>

2.3 Moreover, experience around the world shows that in humanitarian crises, channeling funds through multilateral organisations frequently comes at the cost of a slower and less effective response to the needs of crisis-affected populations. A briefing paper by the Pakistan Humanitarian Forum following the response to last year's floods, for example, argued that the channelling of funds through multilateral mechanisms 'comes at the cost of a much slower response to beneficiary needs,' and that 'delays in the transfer of funds ... have hampered the humanitarian response, and flood-affected communities have paid the price.'<sup>3</sup> A recent report by 38 aid agencies in South Sudan recommended that 'effective humanitarian response requires ... substantial bilateral funds channeled directly to implementing agencies, which multiple evaluations have found provide the most

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<sup>1</sup> Commonwealth of Australia, 'Independent Review of Aid Effectiveness' (April 2011) 17.

<sup>2</sup> Ibid 18.

<sup>3</sup> Pakistan Humanitarian Forum, 'Pakistan Floods Framework for Action: A Briefing Note for the Pakistan Development Forum on 14-15 November' (5 November 2010) 3.

timely, effective response to crisis-affected populations.’<sup>4</sup> In line with the *Principles and Good Practice of Humanitarian Donorship*, SCA urges the Australian government to continue to support a diversity of funding mechanisms, particularly in humanitarian emergencies, and in particular to match its increase in support for multilateral organisations and funding mechanisms with sustained bilateral support for NGOs.<sup>5</sup>

### 3. The World Bank International Development Association

3.1 In 2009-10 the WB received more money from the Australian government than any other multilateral organisation. The *Aid Review* described the WB as an ‘obvious candidate for a substantial core funding increase.’<sup>6</sup> The UK’s Multilateral Aid Review (MAR), conducted earlier this year, rated the WB as equal tenth in terms of organisational strengths, primarily because of partnership behaviour and varied quality staff in fragile states. SCA recognises the important role played by the IDA in the development finance architecture, particularly in countries not supported by bilateral donors. Due to the WB’s failure to support pro-poor development in the key sectors of health and education, however, and serious concerns regarding program effectiveness, monitoring and evaluation, SCA does not support the recommendation in the *Aid Review* that the Australian government consider a tripling in current funding levels.<sup>7</sup>

3.2 **Pro-poor development:** SCA is concerned that despite numerous reviews suggesting that the WB’s development assistance does not target the poorest and most vulnerable, the WB is still failing to ensure that its policies are pro-poor. The 2010 annual report of the Independent Evaluation Group (IEG) found, for example, that the development outcomes of the WB’s Poverty Reduction Support Credits (PRSCs) had been mixed, and that many of the PRSC objectives in health, education and water supply and sanitation lacked a pro-poor focus.<sup>8</sup> The report noted that although PRSC countries had achieved substantial progress in alleviating poverty, attribution of these results to the PRSC was difficult to establish, with much of the progress having been achieved prior to the introduction of the PRSC.<sup>9</sup>

3.3 **Monitoring and evaluation:** SCA is also concerned by documented weaknesses in the monitoring and evaluation of the performance of WB-funded projects. The IEG’s 2009 annual report highlighted serious concerns in the WB’s monitoring and evaluation systems, and noted that ‘the record on monitoring and reporting of development results continues to pose challenges for the institution’.<sup>10</sup> The IEG’s 2010 annual report also highlighted serious weaknesses in monitoring and evaluation of WB projects.<sup>11</sup>

3.4 **Conditionality:** the WB continues to apply economic conditions to a substantial number of its loans, including to its IDA funds through the use of its Country Policy and

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<sup>4</sup> Rebecca Barber, ‘Getting it Right from the Start: Priorities for Action in the New Republic of South Sudan’ (Action Against Hunger et al, 6 September 2011) 77.

<sup>5</sup> *Principles and Good Practice of Humanitarian Donorship* (Stockholm, 17 June 2003).

<sup>6</sup> Commonwealth of Australia, above n 1, 198.

<sup>7</sup> Ibid.

<sup>8</sup> The International Bank for Reconstruction and Development / World Bank, Independent Evaluation Group, ‘IEG Annual Report 2010: Results and Performance of the World Bank Group’ (2010) 23.

<sup>9</sup> Ibid 23.

<sup>10</sup> The International Bank for Reconstruction and Development / World Bank, Independent Evaluation Group, ‘Annual Review of Development Effectiveness 2009: Achieving Sustainable Development’ (2009) xi.

<sup>11</sup> The International Bank for Reconstruction and Development / World Bank, Independent Evaluation Group, 2010 Annual Report, above n 8.

Institutional Assessment (CPIA) to determine allocations. A recent review by the IEG found that the CPIA criteria for the allocation of IDA funds was being driven more by the fiduciary concerns of donors than by ‘the objectives of achieving sustained growth and poverty reduction’, and that the evidence regarding the relevance of the content of the CPIA for aid effectiveness was ‘mixed.’<sup>12</sup> The evaluation called for policies to take into account the distributional impact of economic growth (pro-poor growth policies). Australia should use its influence with the WB to urge for CPIA criteria to be more substantially focused on poverty reduction. More development-sensitive approaches to conditionality are already in use, for example by the European Commission, which bases its disbursement decisions primarily on health and education outcomes.

**3.5 World Bank Support for Education:** The WB is the world’s largest external financier of basic education assistance. However, SCA believes that significant, documented weaknesses in the WB’s financing for education, as described below, have impeded progress towards the attainment of universal quality basic education.

3.5.1 The WB’s support for education has failed to target the poorest countries with the greatest educational needs. Over half of all IDA education funding over the past decade has been delivered to just three countries – India, Pakistan and Bangladesh – and the funds received by these three countries in this period exceed the combined total given to all other IDA-eligible countries.<sup>13</sup> In contrast, sub-Saharan Africa, with almost half of the world’s out-of-school children and 66 per cent of the global education financing gap, received just 14 per cent of all WB funding for education.<sup>14</sup> Drawing attention to this inequitable distribution of funds, a report released last year by the Results Educational Fund noted ‘serious cause for concern that the WB is abdicating its responsibility to support the achievement of the Education for All goals in the poorest countries.’<sup>15</sup> The report highlighted weaknesses in both the allocation and oversight of the WB’s education funds, and found that the WB’s lending for the majority of Lower Income Countries (LICs) was far below what was needed to achieve strong education systems with high returns for the poor.<sup>16</sup>

3.5.2 SCA is also concerned by the WB’s continuing support for para-teachers (teachers with low levels of training) and contract teachers (teachers employed on a short term basis who do not receive the same benefits as permanent teachers) as a solution to the shortage of permanent, qualified teachers in IDA-recipient countries. Such policies undermine the status and thus the quality of the teaching profession, leading to significant problems with teacher retention and diminishing the quality of education provided.<sup>17</sup>

3.5.3 SCA is also concerned by the WB’s support for public-private partnerships (PPPs) in the education sector, which can exacerbate existing inequalities in access to education and marginalise vulnerable groups. Research shows that PPP schools

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<sup>12</sup> The International Bank for Reconstruction and Development / World Bank, Independent Evaluation Group, ‘The World Bank’s Country Policy and Institutional Assessment: An Evaluation’ (30 June 2009) x.

<sup>13</sup> RESULTS Educational Fund, ‘World Bank Financing for Education: Less of More for the Poor in IDA 16?’ (2010) 10.

<sup>14</sup> Ibid 1, 10

<sup>15</sup> Ibid 3.

<sup>16</sup> Ibid.

<sup>17</sup> See E Vegas and J de Laat, ‘Do Differences in Teacher Contracts affect Student Performance? Evidence from Togo’ (Background paper for EFA Global Monitoring Report, 2005).

are rarely located in remote locations, thus often excluding vulnerable groups, and moreover that such schools often discriminate against children with special needs.<sup>18</sup> SCA urges the Australian government to ensure that IDA funds are used to strengthen free, public education systems, and not to support privatised education in LICs.

- 3.5.4 Finally, the WB has come under criticism for its management of the Education for All FTI. The FTI has now been superseded by the GPE, but the lessons learned during the implementation of the FTI remain relevant. Key issues pertaining to the WB's management of the fund included bureaucratic inflexibility and delayed disbursement of funds, both of which limited the effectiveness of the FTI, particularly in fragile states. Also concerning was the fact that the FTI, designed to provide last resort financing for basic education to the poorest countries, in practice came to be used as a substitute for IDA funds. Over the past decade, with the exception of Ethiopia, FTI recipient countries experienced a 40 per cent decline in IDA support,<sup>19</sup> effectively cancelling out the intended additional benefits of FTI support. A submission by the Global Campaign for Education (GCE) to the UK MAR recommended that the UK government press for a matching arrangement whereby FTI grants are matched by WB grants, 'blended together and delivered under a single process through the FTI, in support of the country's Education Sector Plan.'<sup>20</sup> SCA suggests that the Australian Government consider pushing for a similar arrangement with respect to the GPE.<sup>21</sup>

### 3.6 World Bank support for health

- 3.6.1 Successive evaluations have shown that the WB has failed to deliver effective, pro-poor development in the health sector. A 2009 evaluation of health, nutrition and population (HNP) projects implemented between 1997 and 2007 found that just two thirds of all projects had satisfactory outcomes.<sup>22</sup> Projects in Africa were found to be 'particularly weak', with only one in four projects achieving satisfactory outcomes.<sup>23</sup> Project monitoring was described as 'weak' and evaluation 'almost non-existent', leading to 'irrelevant objectives and inappropriate project designs, unrealistic targets' and 'inability to assess the effectiveness of activities'.<sup>24</sup> In 2010, the IEG's annual report found that the performance of HNP projects had fallen further still. In light of the WB's poor performance in the health sector, SCA urges the Australian government to consider directing any increase in health funding to better performing multilateral organisations, as well as pushing for greater support for progressive, pro-poor

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<sup>18</sup> See Clive Belfield and Henry Levin, 'Education Privatisation: Causes, Consequences and Planning Implications' (UNESCO, International Institute for Educational Planning, 2002); G Whitty and S Power, 'Marketization and Privatisation in Mass Education Systems' (2000) 20 *International Journal of Education Development* 93-107.

<sup>19</sup> RESULTS Educational Fund, above n 13, 3.

<sup>20</sup> Global Campaign for Education, 'UK Multilateral Aid Review: Education Sector' (Submission from Global Campaign for Education, UK) (2009).

<sup>21</sup> Ibid.

<sup>22</sup> The International Bank for Reconstruction and Development / World Bank, Independent Evaluation Group, 'Improving Effectiveness and Outcomes for the Poor in Health, Nutrition and Population – An Evaluation of World Bank Support Since 1997' (2009) xvi.

<sup>23</sup> Ibid.

<sup>24</sup> Ibid.

health financing options, and for enhanced efforts to demonstrate that health projects address the needs of the poorest and most vulnerable.

3.6.2 More specifically, SCA is concerned that although the WB has committed to supporting countries to remove user fees from public health facilities and to providing advice on how to pool household expenditures for the non-poor so that household demand and insurers offer better pooling of financial risk,<sup>25</sup> it has not consistently provided the guidance and support necessary to achieve these objectives. The WB is also failing to proactively champion the removal of user fees for health services in the world's poorest countries. Research shows that user fees for health services place a disproportionate burden on the poor, often leading to catastrophic expenditures, perpetuating poverty and discouraging households from seeking necessary care.<sup>26</sup> An estimated 100 million people are pushed into poverty each year because of user fees for healthcare.<sup>27</sup> The 2010 *World Health Report* affirms that continued reliance on direct payments for health services, including user fees, is 'by far the greatest obstacle to progress' towards universal healthcare coverage, and that raising funds through required prepayment is 'the most efficient and equitable base for increasing population coverage.'<sup>28</sup> Yet many LICs have limited capacity to generate domestic revenue, and are heavily dependent on international donors to finance their health systems. Thus, these countries will require substantial support from donors to finance their health systems – and to ensure access to healthcare for those who cannot afford to pay – over the medium to long term. SCA urges the Australian government to use its influence with the WB to push for stronger, more proactive and more consistent support for LICs to eliminate user fees and develop progressive health financing systems that ensure equitable access to basic healthcare.

3.7 **Timely, predictable aid:** In various commitments to good practice, donors have explicitly recognised the importance of timely, predictable funding.<sup>29</sup> This means that funding mechanisms should facilitate, not hinder, rapid intervention. But experience in a number of countries has shown that WB-administered funds have failed to deliver timely, effective aid. A recent report by aid agencies in South Sudan, for example, noted that pooled funds managed by private contractors were widely regarded as having performed better than WB-managed funds, and singled out the WB-administered Multi-Donor Trust Fund (MDTF) as 'the slowest and most bureaucratic of the pooled funds'.<sup>30</sup> The report noted that at the end of 2009, four years after the establishment of the MDTF, donor contributions amounted to \$562m, but that just \$213m had been disbursed to partners and \$190m actually spent. The MDTF-funded program for health sector development was supposed to deliver the government's Basic Package of Health Services to 37 counties across South Sudan, but four years in, just three out of ten lead agent contracts were active and not a single subcontract had been signed or dollar disbursed.<sup>31</sup>

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<sup>25</sup> The World Bank, 'Healthy Development: The World Bank Strategy for HNP Results' (24 April 2007) 50.

<sup>26</sup> See World Health Organisation, 'Health Systems Financing: The Path to Universal Coverage' (World Health Report, 2010) 5.

<sup>27</sup> Ibid.

<sup>28</sup> Ibid vi.

<sup>29</sup> See *The Paris Declaration on Aid Effectiveness* (adopted at the 1<sup>st</sup> High Level Forum on Aid Effectiveness, Paris, 28 February - 2 March 2005); *Principles and Good Practice of Humanitarian Donorship* (Stockholm, 17 June 2003).

<sup>30</sup> Barber, above n 4, 28.

<sup>31</sup> Ibid.

**3.8 Engaging civil society:** the WB has also been criticised by NGOs for not adequately engaging civil society. A report released by the Pakistan Humanitarian Forum last year highlighted lack of civil society engagement in assessments led by the WB (and also the ADB) as one of the priority issues to be addressed by donors in the aftermath of the 2010 floods. The Pakistan Humanitarian Forum called for lessons to be learned from previous WB-funded infrastructure projects, which it described as ‘stark reminders of the implications of failing to adhere to agreed processes for community consultation and social and environmental impact assessment’.<sup>32</sup> The report noted that poor communities bore the brunt of such failures, but that despite lessons learned, still were being kept out of decision making processes. It highlighted the lack of civil society participation in the WB/ADB-led needs assessments in the aftermath of the 2010 floods, and warned that ‘if the devastating mistakes of the past are to be avoided, ADB/WB-led infrastructure projects must strictly adhere to their own policies regarding ... community consultation.’<sup>33</sup>

#### **4. Education for All Fast Track Initiative / Global Partnership for Education**

4.1 The FTI has been a significant source of external finance for education in almost 40 LICs, and has generally been regarded as an effective multilateral channel for education financing. The replacement of the FTI by the GPE in September this year presents an opportunity for donors to ensure that lessons are learned from the FTI and to accelerate progress towards the attainment of universal access to education for all. SCA urges the Australian Government to generously support the GPE, and at the same time to use its influence within the GPE to push for a multilateral fund that is based on lessons learnt from the FTI and that is pro-poor, accountable, well managed, and effective. Lessons learned during the implementation of the FTI, and recommendations regarding the strategic focus areas of the GPE, are outlined below.

4.2 **Civil society engagement:** one of the key criticisms of the FTI concerned the level of civil society engagement. The participation of civil society organisations and Education for All coalitions in policy development and planning processes is essential in order to ensure that these processes are relevant, appropriately contextualised, and reflect and address the priorities of civil society. In the absence of a specific global fund aimed at strengthening civil society in GPE countries, the Australian government could push for a portion of GPE funds to be earmarked for, and for all GPE funds to be made conditional upon, effective civil society participation. This should include the participation of civil society representatives in country-level processes such as local education groups, as well as in budget monitoring. The Australian government could also consider pushing for the establishment of a Civil Society Participation Index, to form part of the GPE’s performance and monitoring framework. Such an index could measure civil society participation in GPE policy dialogues and in the implementation and monitoring of local education group plans, and could also be used as a way of introducing community tracking and accountability tools.

4.3 **Independence:** One of the most significant factors undermining the effectiveness of the FTI was its lack of independence from the WB. As alluded to above, the FTI’s reliance upon the WB to implement, monitor and evaluate FTI grants resulted in disbursements delayed as a result of lengthy bureaucratic processes, seriously undermining the

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<sup>32</sup> Pakistan Humanitarian Forum, above n 3, 6.

<sup>33</sup> Ibid 7.

effectiveness of the FTI. It was in response to this issue that the GCE recommended in its submission to the UK MAR that the FTI be given the status of a financial intermediary fund. This would have allowed the FTI Board and local partners to select a local funding agency and supervising entity, independent of the financial management systems of the WB. The GCE urged the UK government to strengthen the capacity of the FTI to undertake policy research, fundraising, country-level representation and results monitoring, so that the FTI could carry out these functions on its own behalf. SCA welcomes the fact that these recommendations have largely been taken on board in the establishment of the GPE. SCA urges the Australian government to provide strategic support for a GPE that is able to operate as a true partnership, with strategic decision-making informed by and reflecting the input not of any single agency but of all partners, including developing country partners, donors and civil society.

**4.4 Focus areas of work:** The GPE Board has agreed upon three core areas of work: girl's education, fragile states, and learning outcomes. SCA supports these proposed areas of work, and provides the following specific comments and recommendations:

4.4.1 Promoting equal access to education for girls and boys is a formidable challenge. To maximise prospects of success, SCA recommends that the GPE prioritise support for female teachers, particularly in areas where girls have traditionally been excluded from the education system, as well as programs aimed at building community support for and acknowledgement of the value of education for girls.

4.4.2 Fragile states account for an estimated 42 per cent of the world's out-of-school population.<sup>34</sup> But from 2003 to 2011, countries affected by conflict received just 33 per cent of FTI funds.<sup>35</sup> In countries affected by conflict, an average of seven per cent of aid goes towards education, compared to 9-10 per cent in other countries.<sup>36</sup> In other words, donors do not prioritise education in countries affected by conflict as much as they do elsewhere. SCA believes that the GPE is in a unique position to bring about a more equitable distribution of global financing for education, with a greater portion of funds directed towards countries affected by conflict, including forgotten crises. More specifically, based on Save the Children's experience in delivering (and supporting governments to deliver) education in fragile states and emergencies, SCA believes that the GPE should prioritise: the establishment of a greater balance between short-term service delivery and long-term reconstruction and institution building (with greater attention to the latter); greater investment in building human capital, particularly cadres of qualified teachers; and support for education sector plans, in line with OECD recommendations regarding the tailoring of assistance to local realities, rather than 'pre-packaged' offers.<sup>37</sup>

4.4.3 Finally, access to education has little value if the quality of the education offered is poor. Research shows that as many as 50 per cent of children in the world's

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<sup>34</sup> UNESCO, 'The Hidden Crisis: Armed Conflict and Education: Education for All Global Monitoring Report 2011' (2011) 2.

<sup>35</sup> Janice Dolan, 'Making it Happen: Financing Education in Countries Affected by Conflict and Emergencies' (Save the Children) 8.

<sup>36</sup> Ibid.

<sup>37</sup> Organisation for Economic Cooperation and Development, 'International Engagement in Fragile States: Can't we Do Better?' (2011) 14.

poorest countries cannot read a single word even after several years in school.<sup>38</sup> This is due to a combination of factors including the lack of literacy training and inadequate attention to early childhood development programs.<sup>39</sup> SCA believes that the reformed GPE presents an opportunity for donors to reinvigorate the Education for All agenda and ensure that targets and results indicators focus not just on access to but on quality of education – that is, on learning outcomes. This should include a shift in focus away from the use of tools such as ‘early grade reading assessments’, which do not comprehensively assess children’s learning abilities and often are not followed by action to promote literacy, towards programs specifically targeted towards the promotion of literacy, and in particular ‘community-based’ literacy programs.

## **5. Support for UN agencies and UN-managed funding mechanisms**

### **5.1 Humanitarian coordination and leadership**

- 5.1.1 Since the launch of the humanitarian reform process in 2005, there have been substantial improvements in humanitarian coordination, leadership, financing and partnership. But enormous challenges remain. Research conducted by the NGOs and Humanitarian Reform Project in 2009 found that progress on humanitarian reform had been ‘patchy’, and that there was ‘no hard evidence that UN-centred humanitarian reforms have improved the provision of humanitarian response’.<sup>40</sup> As highlighted in a number of recent crises, including Pakistan, Afghanistan, Sudan and the Democratic Republic of Congo, weaknesses in humanitarian leadership and coordination slow humanitarian response, resulting in a less effectiveness response to people in need. Australia provides substantial support for UN agencies and UN-managed funding mechanisms, and SCA urges the Australian government to use its proposed additional funding for the UN system to leverage greater improvements in performance.
- 5.1.2 SCA supports the recommendations recently submitted by the Interagency Standing Committee (IASC) Directors Task Team to the IASC Principles Task Team for improvements in humanitarian leadership and coordination, with key recommendations including improving the inter-agency emergency response mechanism, improving the leadership and accountability of the Humanitarian Coordinator, and improving the effectiveness of the humanitarian clusters. SCA encourages the Australian government to provide financial support, including both to OCHA and the UN cluster lead agencies, for the implementation of these recommendations.

### **5.2 UN Office for the Coordination of Humanitarian Affairs**

- 5.2.1 OCHA plays a critical role in the humanitarian response architecture. The humanitarian community looks upon OCHA to, amongst other things, uphold humanitarian principles, coordinate humanitarian response, provide guidance and

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<sup>38</sup> *Fulfilling the Spirit and Letter of Education for All: A Strategy for Quality Improvement in EFA FTI Developing Country Partners* (Minutes from the Meeting of the EFA FTI Board of Directors, Kigali, Rwanda, 18-19 May 2011).

<sup>39</sup> See Centre for Universal Education at Brookings, ‘A Global Compact on Learning: Taking Action on Education in Developing Countries’ (June 2011).

<sup>40</sup> Anne Street, ‘Synthesis Report: Review of the Engagement of NGOs with the Humanitarian Reform Process’ (NGOs and Humanitarian Reform Project, October 2009) 4.

support to the clusters, collate and disseminate information, and facilitate engagement with local authorities. Continued funding for OCHA is thus essential. SCA is concerned, however, that operational management issues, including staffing, have resulted in a situation whereby many actors remain frustrated with OCHA's performance in the field. OCHA's 2010-2013 Strategic Framework commits to 'streamlining processes' and 'rationalising functions' to ensure that OCHA is able to fulfil its core functions. But OCHA continues to face serious organisational constraints, as outlined below, and these issues continue to affect the overall quality of humanitarian response.

- 5.2.2 **Financial management:** the increase in expectations placed on OCHA in recent years has not always been matched by increased funding. OCHA has on a number of occasions had to make substantial cuts as a result of budget shortfalls, with serious implications for its ability to fulfil core functions. But funding shortfalls are not uncommon for UN agencies, and SCA believes that OCHA could be more strategic in the management of its funds (for example by increasing its strategic reserve) and in prioritising the delivery of core functions. Moreover, discussions with donors suggest that OCHA has been less than consistent in its engagement with donors in the field regarding funding shortfalls. Discussions with donors in a number of contexts indicate that were OCHA to present a crisis-response plan of sufficiently high quality, funds could be found. OCHA should be encouraged to improve its donor relations management in the field, and to better advocate for funds, in order to more consistently provide the services that the humanitarian community now expects of it.
- 5.2.3 **Staffing:** one of the issues that most consistently undermines OCHA's operational capacity is the lack or poor quality of staff. While this is often due to funding issues, significant staffing gaps exist even in the case of offices that are fully funded. Almost all OCHA heads of offices report difficulties in getting staff for professional grades – a problem attributed to a slow centralised recruitment system, lack of qualified staff in the sector, and the challenge of finding people with sufficient experience willing to work in hardship posts. The length of time taken to hire staff is a particular problem, with OCHA's online application system on some occasions having been down for months at a time. Also problematic is the fact that the OCHA roster opens to external candidates just once a year, limiting the ability of OCHA field offices to fill key posts. Headquarters offices have also had key staff positions vacant for months, in part due to the number of staff seconded to field offices. Strategic human resources reforms are urgently required if OCHA is to continue to play a key role in the coordination of humanitarian response.
- 5.2.4 **Management:** the staffing issues referred to above have seriously undermined the quality of OCHA's operations. OCHA's own meta-review in 2009 found that OCHA's lack of clear performance management meant that the organisation may be underperforming, and led also to a lack of transparency and accountability in decision making. OCHA has a strategic framework, an annual plan and a budget, but there has been little effort to translate these into operational strategies and work-plans. Rather, OCHA continues to make budget cuts and to implement structural reforms on an ad hoc basis as the need arises. Improved strategic planning could assist to ensure that core functions are able to continue, even in the face of funding shortfalls. The Australian government should use its influence with OCHA to urge for improved strategic planning processes to help ensure that OCHA has clear priorities and is fit for purpose for the coming years.

## 5.3 World Food Program

5.3.1 WFP was the fifth largest recipient of Australian government funds in 2009-10. Average annual funding for WFP between 2005-6 and 2009-10 was more than \$80m. In most years, WFP receives more funding from the Australian government than any other UN agency. The *Aid Review* found that WFP was ‘generally very efficient in delivering food aid, even in the most difficult environments,’ and that it had ‘strong monitoring and evaluation mechanisms in place to ensure operations are effective.’<sup>41</sup> The UK MAR found that WFP had a critically important role, including in fragile contexts, and that there was evidence of good cost consciousness and sound financial management. It also found that there was a need to strengthen WFP’s core emergency response capacity, as well as its performance on results, value for money, transparency and accountability. SCA recognises the critical role played by WFP and believes that continued funding for WFP is essential. But in line with the findings of the UK MAR, SCA believes that there are serious issues with WFP’s performance that the Australian government must strive to address. As described below, some of these issues have been recently highlighted in the response to the Horn of Africa Food Crisis.

5.3.2 **Transparent decision making and engagement with partners:** SCA believes that WFP’s response to the Horn of Africa food crisis highlights the importance of information sharing and engagement with implementing partners, particularly as regards funding shortages and breaks in the pipeline. In north-eastern Kenya in particular, WFP’s failure in June/July 2011 to share information with partners regarding impending breaks in the pipeline seriously impeded agencies’ ability to engage in appropriate contingency planning. The problem came to a head in July 2011, when following funding shortfalls, WFP announced that it would change the age limit for children accessing its supplementary feeding program from under-fives to under-threes. In Save the Children’s areas of operation, this would have resulted in 82,000 children no longer being provided with supplementary food, placing them at serious risk of sliding into acute malnutrition. Implementing partners were not consulted regarding this decision; nor was the Kenya Food Security Steering Group, the food security cluster or the IASC. As a result, agencies were forced to engage in contingency planning without all of the necessary information. Fortunately the decision was subsequently revoked following sustained advocacy by NGOs – but the situation nevertheless serves to highlight the potential implications of a lack of consultation and transparency in decision making. As a matter of urgency, the Australian government should use its influence with WFP to push for improved program monitoring, and for more regular and careful analysis of potential breaks in supply and for this information to be shared with implementing partners so that appropriate contingency planning can take place. The Australian government should also press for a greater level of consultation by WFP, both with implementing partners and with country and global level decision making forums, regarding decisions with critical implications for humanitarian response.

5.3.3 **Monitoring and evaluation:** SCA is also concerned that WFP does not always prioritise the maintenance of the highest standards of independent monitoring and evaluation of program performance. In certain contexts for example, WFP has consented to working exclusively through government channels, at the expense of

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<sup>41</sup> Commonwealth of Australia, above n 1, 202.

ensuring that it is able to maintain oversight of critical issues such as the selection of beneficiaries, and also at the expense of ensuring that appropriate monitoring and evaluation systems are in place. WFP's agreement regarding food distribution with the Ministry of Education in Yemen, which explicitly precluded independent monitoring, provides a recent example.

## 5.4 UNICEF

5.4.1 UNICEF received the third largest portion of Australian government funds to multilateral organisations in 2009-10. The UK MAR found that UNICEF had a strong policy focus, played an important role in the delivery of the MDGs and provided critical support and coordination in humanitarian and emergency situations. UNICEF was rated highly for its 'results-focused country programming approach'. Australia's *Aid Review* also found that UNICEF had a strong track record of delivering tangible results, and noted that UNICEF has strengthened its organisational practice and is now better at implementing the aid effectiveness agenda. The *Aid Review* recommended that a doubling of core funding to UNICEF was 'certainly warranted.'<sup>42</sup> SCA supports this recommendation, but urges the Australian government to ensure that any increase in funding is matched by a corresponding increase in the level of strategic engagement and support. The Australian government should focus in particular on strengthening UNICEF's leadership, coordination and delivery in humanitarian emergencies; strengthening UNICEF's focus on child protection and engagement with civil society; and supporting UNICEF to further reform its administrative processes so as to better enable rapid humanitarian response. These issues are described in further detail below.

5.4.2 **Cluster leadership:** successive evaluations have found that the cluster approach had led to improved humanitarian coordination and leadership, and has improved efforts to identify and address gaps in sectoral programming. SCA believes that the Australian government's continuing support of the cluster system, and specifically UNICEF's leadership/co-leadership of the WASH and education clusters, is essential. But SCA believes that there is much work to be done to improve the effectiveness of UNICEF's leadership of these clusters, as noted also in the UK MAR. An independent review of the global education cluster co-leadership commissioned by UNICEF and Save the Children (global cluster co-lead) last year found that the management of the education cluster was hindered by challenges in clarity over roles and responsibilities; concerns over the reliance on a single source of funding; inconsistent support to country level staff and response; and that there was no system in place to monitor the effectiveness of the cluster either globally or at country levels.<sup>43</sup> A joint response plan has been initiated to address some of these issues, and some progress has been made (for example the shifting of the management of the clusters from UNICEF's program division to emergency operations), but further attention and support are required. In considering a substantial increase in core funding to UNICEF, SCA urges the Australian government to consider a greater level of engagement with, and financial and strategic support for, UNICEF's leadership of the WASH cluster and the UNICEF / Save the Children co-leadership of the education cluster, so as to improve the effectiveness of humanitarian coordination and response.

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<sup>42</sup> Commonwealth of Australia, above n 1, 199.

<sup>43</sup> Stuart Reid, Darian Stibbe and Catherine Lowery, 'Review of the Global Education Cluster Co-leadership Arrangement' (UNICEF / Save the Children, 26 October 2010).

- 5.4.3 **Child protection:** SCA strongly supports UNICEF's child protection work, however believes that more should be done to make this a priority for UNICEF senior leadership. Child protection currently receives a small proportion of UNICEF funds and is low on its political agenda. SCA recommends that the Australian government use its influence within UNICEF to press for more financial, technical and political resources to be allocated to child protection work – specifically to ending the neglect and abuse of children without appropriate care, including those in institutions.
- 5.4.4 **Civil society engagement:** UNICEF's demonstrated commitment to working in partnership with CSOs has been inconsistent. While partnership with civil society at the global level is strong, UNICEF's willingness to collaborate with civil society (including children and youth) at the country level has sometimes been lacking. In particular, UNICEF should be encouraged to give greater priority to the participation of children, youth and CSOs in the UN's Monitoring and Reporting Mechanism.
- 5.4.5 **Administrative issues:** Finally, SCA is concerned that UNICEF administrative processes have in some contexts led to slow disbursements of funds, delaying program delivery and undermining the effectiveness of humanitarian response. A review of the response to Pakistan's internal displacement crisis in mid-2009, for example, found that contributions to UNICEF 'did not manage to pass through the system in time to reach thousands of displaced families waiting for assistance with water, sanitation, health and even shelter.'<sup>44</sup> Similar issues were raised in the aftermath of the 2010 Pakistan floods, with WASH cluster members raising concerns regarding the length of time taken by UNICEF to respond to and approve proposals or even to activate standby Project Cooperation Agreements. UNICEF recently committed to a number of bureaucratic reforms, however as noted in the UK MAR, progress on these reforms has been slow. SCA urges the Australian government to use its influence with UNICEF to push for organizational reform, with a focus on enhancing the speed and efficiency of UNICEF-funded humanitarian response, particularly in the key sectors of WASH and education in emergencies.

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<sup>44</sup> Nicki Bennet, 'Missing Pieces? Assessing the Impact of Humanitarian Reform in Pakistan' (Oxfam International, 1 October 2009) 7.