

## Submission to the Joint Committee on Foreign Affairs, Trade and Defence review of Irish Aid

Trócaire, October 2017

Trócaire was established in 1973 with a dual mandate to support the most vulnerable people living in the world's poorest regions, and raising awareness of injustice and global poverty in Ireland. Trócaire supports individuals and communities in over 20 developing countries to live with dignity. In 2016/17, Trócaire spent €57.1m helping to improve the lives of 2.6 million people in Africa, Latin America, the Middle East and Asia. See our Annual Report for 2016-2017.<sup>i</sup>

We welcome the process initiated by the Joint Committee on Foreign Affairs, Trade and Defence to share our views on Irish Aid policies. It is a timely review given the challenges of the turbulent global context and increasing levels of humanitarian need, and in light of the important opportunities to strengthen Irish, EU and multilateral action, such as the adoption of the Sustainable Development Goals, the Agenda for Humanity at the World Humanitarian Summit, and the delivery of the Paris Climate Agreement.

Our submission makes three recommendations based on our analysis of the role of Irish Aid in a changing global context. In addition we provide brief responses to some of the other guiding questions suggested in the call for submissions. We have contributed to and endorse submissions made by Dóchas, the Dóchas working groups and the Irish Coalition on Gender Based Violence.

### **Ireland's international reputation as a champion of international development in a changing context**

*"Ireland continues to be a world leader in Development Policy"*  
European Commissioner for International Development, Neven Mimica, November 2016.<sup>ii</sup>

*"Ireland continues to excel in delivering effective aid"*  
*"Ireland punches above its weight on global development issues."*  
OECD DAC Peer review, December 2014.<sup>iii</sup>

Recent significant political events and trends across the US and Europe affect, among other things, the future of vital public financing for development. Deepening inequality, climate change, global conflict, increased humanitarian need, and ineffective handling of the associated and unprecedented migratory pressures are contributing to major shifts in Europe's social, political and economic fabric. Such trends contribute to a rise in political movements that seek to undermine the global solidarity values that underpin tackling global poverty. Such groups would advocate a reduction in ODA spending or to subvert it for alternative purposes. There has been an alarming rise in political narratives that dehumanise and promote conflict with 'outsiders', including immigrants, refugees and people in other countries, and create a false competition between domestic interests and overseas aid budgets. Such trends are creating political challenges for the quantity, and indeed the quality of ODA in some European countries, and for those making the case for continued ambition to fulfil the promises of donor states to the world's poorest.

There is a notable international trend towards the instrumentalisation and manipulation of development assistance funding away from poverty reduction needs in less developed countries towards the security, commercial and migration objectives of donor countries.<sup>iv</sup>

Ireland has a proud tradition of principled engagement in development, humanitarian aid, UN peacekeeping, disarmament and the protection and fulfilment of human rights internationally. Advancing and protecting a focus on global poverty reduction has high levels of public support in

Ireland with 80% of those surveyed supporting an increase in ODA.<sup>v</sup> The Irish Aid programme is widely recognised as one of the best in the world.<sup>vi</sup>

Irish Aid is a trusted partner of its key bilateral priority countries and its civil society partner organisations. Ireland is considered an ‘honest broker’ and development advocate at international level, a global reputation that has been enhanced by Ireland’s role in co-chairing negotiations leading to the adoption of the Sustainable Development Goals to be achieved by 2030. Ireland is a signatory to the World Humanitarian Summit Grand Bargain. Irish Aid’s emphasis and innovative work leading on Development Education is also widely recognised at EU level.

Recovering from a decline in ODA during the worst years of the economic crisis, there have been recent welcome increases in Ireland’s year on year ODA, with a projected spend of €707 million in 2018.<sup>vii</sup> At the recent publication of Irish Aid’s Annual Report for 2016, Minister Coveney outlined his ambition to ‘dramatically’ increase ODA from 2019 onwards. Ireland’s next peer review by the OECD Development Assistance Committee (DAC) is scheduled for 2019.<sup>viii</sup> Ireland is actively campaigning to ensure success in its bid to secure a non-permanent United Nations Security Council seat for the term 2021-2022. Ireland’s future reputation and credibility as a leader on international development pivots on meeting its 0.7% UN target for ODA by 2025 at the latest, and by maintaining its commitment to high quality and high impact poverty reduction focused aid.<sup>ix</sup>

The Taoiseach recently announced that he will double Ireland’s diplomatic global presence by 2025, which is a welcome sign that Ireland is serious about continuing to build its global stature. However, we expect this to include a strong commitment to maintaining Ireland’s proud tradition of a foreign policy based on equality, human rights and solidarity with those suffering from poverty and injustice.<sup>x</sup>

The lack of urgent action by Ireland to implement adequate measures on climate change mitigation (despite its commitments under international and EU agreements) threatens to undermine Ireland’s strong reputation on international development. Climate change is a major global injustice with impacts being felt first and most profoundly by communities in poor countries who have contributed least to global carbon emissions. As vividly evidenced in 2016 and 2017, climate change is accelerating extreme weather events with tragic human consequences. The need to fully integrate climate change mitigation and the realisation of the SDGs across all government policy is more critical than ever.<sup>xi</sup> Delivering on the 2015 Paris Agreement is the best chance we have of ensuring gains in global poverty eradication are not decimated by climate change. Irish Aid’s longer term development work focuses on helping communities in priority partner countries to find effective ways of responding to climate change – yet the Irish government’s own National Mitigation Plan is not acting at the scale and pace required to deliver on the Paris Agreement. (For more information please see Trócaire ‘*Still Feeling the Heat*’, and the Trócaire, Stop Climate Chaos and Environmental Pillar joint submission to the Citizens Assembly on Climate Change.)<sup>xii</sup>

### **Do you have specific recommendations on the future direction of the Irish Aid programme?**

In light of the above analysis, Trócaire highlights the following 3 points, which we have been consistently highlighting to the Joint Committee on Foreign Affairs and Trade in recent years:

- 1) **Irish Aid must be credited for resisting the trend towards self-interested development policy, and for its efforts to protect development effectiveness principles, including Good Humanitarian Donorship principles and to ensure that ODA is directed to people most in need.** Within the context of DAC discussions on redefining ODA, Irish Aid should be encouraged to continue to protect the poverty focused definition of ODA, and ensure that

Ireland's ODA remains 100% untied and fully grant based, focused on Least Developed Countries (LDCs) and aligned with the SDGs.

- 2) As outlined in its Annual Report for 2016 Irish Aid has a range of effective overseas programmes tackling climate change in priority countries, and Ireland is globally respected as a principled supporter of humanitarian agencies responding to the needs of communities in conflict settings or in the aftermath of natural disasters. However, **given the increase of complex humanitarian crises driven by political conflict and/or exacerbated by climate change, a whole of government approach is necessary to ensure Policy Coherence for Development with respect to Ireland's wider foreign policy, and most urgently Irish government action on climate change mitigation.**<sup>xiii</sup>
  
- 3) **Ireland's future reputation and credibility as a leader on international development hinges on meeting its 0.7% UN target for ODA by 2025 at the latest to contribute to achieving the Sustainable Development Goals by 2030.** An Oireachtas cross party political initiative is encouraged with a view to presenting a proposal in early 2018 to the Minister of Finance and Public Expenditure and the Minister on Foreign Affairs and Trade on a medium term strategy for sustaining progress towards reaching 0.59% of GNI\* by 2022, and then the 0.7% target by 2025.<sup>xiv</sup>

#### **Is the distribution of Irish Aid resources aligned to need and priority?**

Overall Irish Aid's resources are well aligned to need and priority.

Additionally, we highlight:

- Priority areas of focus are: Protecting democratic space and human rights; Access to and sustainable use and management of natural resources; Gender equality and tackling gender based violence; and Responding to humanitarian crises. (See Trócaire Strategic Plan.<sup>xv</sup>)
- Irish Aid's new Development Education strategy is highly ambitious and the commitment to provide €25 million to fund its implementation is welcome. Long-term sustainable Development Education funding that enables time for impact to be demonstrated over a period is very valued by organisations like Trócaire.

#### **Is the balance between funds directed to bilateral development programmes / multilateral organisations / civil society organisations / humanitarian aid correct in your view?**

- Globally bilateral ODA to Least Developed Countries (LDCs) has fallen from \$25 billion (2015) to \$22.4 billion (2016). ODA is vital for LDCs representing 70% of their total external finance. **Ireland's focus on the LDCs is effective and should be continued and strengthened.** Ireland previously led on reaching a UN target of 0.15% of bilateral ODA to LDCs - exceeding it 2011-2014, but this positive trend looks set to be broken. In 2016 the share Ireland's bilateral aid to LDCs stood at just under 0.10%.<sup>xvi</sup>
- Total DAC donor ODA to multilateral organizations increased by 10% in 2016 reaching \$41 billion. Irish Aid expenditure is consistent with this trend: multilaterals received 61% in 2016 compared to 23% to NGOs.<sup>xvii</sup> Supporting multilateralism is important, particularly in the current global context where there are efforts to undermine the legitimacy of multilateral organisations like the UN. **However, it is critical to get the right balance of channels to**

**achieve maximum impact and in our view the balance has tipped too far towards multilateral funding and should be re-balanced.**

- The scale of humanitarian need is at unprecedented levels and growing. Meanwhile, the international humanitarian system faces funding shortfalls. Ireland's humanitarian assistance programme grew to €194 million in 2016. NGOs received 12% (€23,773,000) of Irish Aid's humanitarian funding in 2016. **This is an alarming reduction from 20% (€28,630,000) in 2015. While Ireland's overall humanitarian aid budget is increasing, the allocation to NGOs has been reduced. The trend of reducing funding to NGOs in favour of increased support to multilateral agencies and pooled funding mechanisms should be reversed. A comparative value for money assessment should be undertaken on humanitarian funding practices.**
- Ireland is one of 22 international donors to have signed the Grand Bargain, which includes a commitment to 'Achieve by 2020, a global, aggregated target of at least 25% of humanitarian funding to local and national responders as directly as possible to improve outcomes for affected people and reduce transactional costs.' **Irish Aid should explore a balanced range of options in meeting this commitment: direct funding, pooled fund contributions, collaboration with INGOs and START funding contributions.** See Trócaire report, 'More than the Money: Localisation in Practice'<sup>xviii</sup>

#### **What is your view of Ireland's response to humanitarian crises?**

- For detailed analysis and specific recommendations on Irish Aid humanitarian policy please see the Dóchas Humanitarian Aid Working Group submission.
- As both a 'Good Humanitarian Donor'<sup>xix</sup> and signatory to the European Consensus on Humanitarian Aid<sup>xx</sup>, Ireland's humanitarian donorship is respected globally as a principled supporter of humanitarian actors responding to the needs of communities.
- Where humanitarian aid is highly politicised, in complex and protracted settings like Syria, Somalia, Mali or South Sudan for example, NGOs may struggle to find funding to ensure delivery of aid that is neutral and impartial and cannot be perceived as politically influenced or controlled. Traditionally, the Irish Government was a major advocate for humanitarian principles, for the protection of civilians and International Humanitarian Law. This role is invaluable to NGOs. **It is of paramount importance that the Irish Government and Irish Aid maintain the freedom and independence to be a critical and principled voice and actor in the humanitarian sphere.**

#### **What is your view of the geographic focus of Irish Aid expenditure?**

- **Ireland's continued focus on the LDCs and its particular key partner countries in Africa is effective and should be continued. Irish Aid's vital work supporting Human Rights Defenders in Africa, the Middle East, Central America and Asia should be continued in light of shrinking civil society space in many country contexts.**
- DAC discussions on Modernisation of ODA and Total Official Support for Sustainable Development (TOSSD)<sup>xxi</sup> have seen efforts by some donors to widen the DAC criteria for official aid, to include defence and security spending, amongst others. **Ireland has played an admirable role in defending the poverty focused ODA definition.** There is also a shift by some OECD member states towards including refugee hosting costs in ODA which is very problematic, counter-productive and damaging to the nature of need-based assistance.
- **The proportion of total ODA reported by DAC donors for refugee-hosting costs increased by 27.5%, in 2016 reaching US\$15.41 billion and now representing 10.8% of ODA.**<sup>xxii</sup> Development Initiative's overview of the provisional OECD figures for 2016 suggests that Ireland's refugee

costs reported in ODA figures had risen by 72.9%, however, given the increase in the overall aid budget this means the actual percentage allocation is unchanged at 0.1% of the total budget.<sup>xxiii</sup> **Irish in-country domestic spend on migration and refugees should not come from overseas ODA.**<sup>xxiv</sup>

### Does Irish Aid remain fully untied in your view?

- The 2014 peer review found that ‘Ireland’s aid is fully untied. It is committed to keeping it that way,’ and the CONCORD Aidwatch reports 2015-2016 show Ireland’s aid is almost all ‘genuine aid’.<sup>xxv</sup> **Irish Aid has maintained its integrity in the context of international pressures on the redefinition of ODA and we urge them to continue this proud tradition.**
- ‘Private sector for development’ initiatives that engage international business activities and finance to achieve donor sponsored development objectives - often using public ODA have been evident in recent years. Trócaire produced research in 2015 entitled “*Where Aid Meets Trade: Irelands role in the changing development landscape in Africa*”<sup>xxvi</sup>, examining these trends, and developed guidelines on how such initiatives can be managed in a way that is consistent with human rights and development objectives (see “*Keeping Poverty Eradication and Human Rights at the Heart of Ireland’s Changing Relationship with Africa.*”<sup>xxvii</sup>). **It is critical that there is clear delineation for any support funds provided for an Irish trade agenda, and that these are separated from aid.**

### What is your current assessment of implementation of the SDGs, from an overseas development perspective? Are the SDGs shaping international development policy in the same way the MDGs did?

- Irish Aid supports the achievement of the SDGs internationally. The upcoming ‘Voluntary National Review’ Ireland will undertake is a vital moment for assessing Ireland’s contribution to the global implementation of the SDGs, as well as critically reflecting on our progress towards the delivery of the SDGs at home. Trócaire welcomes the opportunity to engage in the VNR process.
- Ireland’s leadership on the SDGS and the formation of the Migration Compacts were excellent initiatives but **need to be matched by clear policy coherence – on both climate change and migration related issues at home.**

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<sup>i</sup> Trócaire (2017) Annual Report: <https://www.trocaire.org/sites/default/files/pdfs/whatwedo/trocaire-annual-report-2016-17.pdf>

<sup>ii</sup> See [https://ec.europa.eu/ireland/news/ireland-is-world-leader-in-development-policy-eu-commissioner-mimica\\_en](https://ec.europa.eu/ireland/news/ireland-is-world-leader-in-development-policy-eu-commissioner-mimica_en)

<sup>iii</sup> See <http://www.oecd.org/ireland/peer-review-ireland.htm>

<sup>iv</sup> See AidWatch 2016 report at [https://concordeurope.org/wp-content/uploads/2016/10/CONCORD\\_AidWatch\\_Report\\_2016\\_web.pdf](https://concordeurope.org/wp-content/uploads/2016/10/CONCORD_AidWatch_Report_2016_web.pdf)

<sup>v</sup> Dóchas commissioned a MRBI poll in March 2017 to assess Irish support for overseas development assistance See <http://www.dochas.ie/news/pressrelease-80-irish-people-think-ireland-should-spend-more-aid>

<sup>vi</sup> See <http://www.oecd.org/newsroom/ireland-focusing-its-development-aid-on-neediest-countries-says-oecd.htm>

<sup>vii</sup> See <https://www.dfa.ie/news-and-media/press-releases/press-release-archive/2017/october/minister-coveney-budget-2018/>

<sup>viii</sup> See <http://www.oecd.org/dac/peer-reviews/peer-review-ireland.htm>

<sup>ix</sup> See Trócaire Budget 2018 Submission <https://www.trocaire.org/sites/default/files/resources/policy/trocaire-budget-2018-submission.pdf>

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<sup>x</sup> See “*Keeping poverty eradication and human rights at the heart of Ireland’s changing relationship with Africa*” at <https://www.trocaire.org/sites/default/files/resources/policy/keeping-poverty-eradication-and-human-rights-ireland-relationship-with-africa.pdf> and <https://www.trocaire.org/news/trocaire-calls-varadkar-put-human-rights-heart-his-vision-international-diplomatic-presence>

<sup>xi</sup> See <https://www.bond.org.uk/news/2017/09/two-years-into-the-sdgs-succeeding-or-stalling>

<sup>xiii</sup> Please see Trócaire ‘Still Feeling the Heat: how climate change continues to drive extreme weather in the developing world’ <https://www.trocaire.org/sites/default/files/resources/policy/still-feeling-the-heat.pdf> and submissions to the Citizen’s Assembly: [https://www.trocaire.org/sites/default/files/resources/policy/citizens-assembly-trocaire-submission\\_0.pdf](https://www.trocaire.org/sites/default/files/resources/policy/citizens-assembly-trocaire-submission_0.pdf) and [https://www.stopclimatechaos.ie/download/pdf/stop\\_climate\\_chaos\\_environmental\\_pillar\\_citizens\\_assembly\\_submission\\_2017.pdf](https://www.stopclimatechaos.ie/download/pdf/stop_climate_chaos_environmental_pillar_citizens_assembly_submission_2017.pdf)

<sup>xiii</sup> The DAC peer review of 2014 also highlighted the necessity for mechanisms to ensure PCD See [http://www.keepeek.com/Digital-Asset-Management/oecd/development/oecd-development-co-operation-peer-reviews-ireland-2014\\_9789264225114-en#page16](http://www.keepeek.com/Digital-Asset-Management/oecd/development/oecd-development-co-operation-peer-reviews-ireland-2014_9789264225114-en#page16)

<sup>xiv</sup> See Trócaire Budget 2018 Submission

<https://www.trocaire.org/sites/default/files/resources/policy/trocaire-budget-2018-submission.pdf>

<sup>xv</sup> See Trócaire Strategic Plan ‘For a Just and Sustainable Future’ 2016-2020

<https://www.trocaire.org/resources/policyandadvocacy/trocaire-strategic-plan>

<sup>xvi</sup> See <https://www.trocaire.org/sites/default/files/resources/policy/trocaire-budget-2018-submission.pdf>

<sup>xvii</sup> See <https://www.irishaid.ie/media/irishaidpublications/Irish-Aid-Annual-Report-2016.pdf>

<sup>xviii</sup> <https://www.trocaire.org/resources/policyandadvocacy/more-than-the-money-localisation-practice>

<sup>xix</sup> <https://www.ghdinitiative.org/ghd/gns/home-page.html>

<sup>xx</sup> [http://ec.europa.eu/echo/who/humanitarian-aid-and-civil-protection/european-consensus\\_en](http://ec.europa.eu/echo/who/humanitarian-aid-and-civil-protection/european-consensus_en)

<sup>xxi</sup> <http://www.oecd.org/dac/financing-sustainable-development/tossd.htm>

<sup>xxii</sup> There is no agreed methodology on how to count costs of hosting refugees. Consequently, there are substantial inconsistencies in what is and isn't included between donors and how these are measured. Costs presented by the OECD DAC, therefore, reflect what donors report as ODA rather than what donors actually spend on refugees. See <http://devinit.org/wp-content/uploads/2017/04/aid-spending-by-Development-Assistance-Committee-DAC-donors-in-2016.pdf>

<sup>xxiii</sup> See <http://devinit.org/post/aid-spending-by-development-assistance-committee-dac-donors-in-2016/>

<sup>xxiv</sup> See <http://www.oecd.org/dac/financing-sustainable-development/refugee-costs-oda.htm>

<sup>xxv</sup> See [https://concordeurope.org/wp-content/uploads/2016/10/CONCORD\\_AidWatch\\_Report\\_2016\\_web.pdf](https://concordeurope.org/wp-content/uploads/2016/10/CONCORD_AidWatch_Report_2016_web.pdf) and Eurodad report on “Unravelling Tied Aid” at <http://eurodad.org/Entries/view/1546810/2017/09/20/Unravelling-Tied-Aid>

<sup>xxvi</sup> See <https://www.trocaire.org/sites/default/files/resources/policy/where-aid-meets-trade.pdf>

<sup>xxvii</sup> <https://www.trocaire.org/sites/default/files/resources/policy/keeping-poverty-eradication-and-human-rights-ireland-relationship-with-africa.pdf>