Checking temperatures for fever symptoms to prevent the spread of COVID-19. Habiba Mohamed, one of Trócaire’s health workers, checks the temperature of Mohamed Abdi Ali at Luuq hospital, in the Gedo region of Somalia. Photo: Trócaire
Summary

Effective and principled global solidarity through overseas aid is more vital now than ever as the world faces a series of challenges unparalleled in our lifetime.\(^1\)

The €21m increase in Official Development Assistance (ODA) announced in Budget 2020, an allocated €838m in Irish overseas aid\(^2\) was vital in the context of extremely high humanitarian needs globally and gaps in financing, which have intensified dramatically in the interim due to the Covid-19 pandemic. Covid-19 continues to spread at an alarming rate around the world, and is currently present in every country where Trócaire works. Trócaire staff and local partners are working hard alongside some of the poorest communities in the world to support the fight against this devastating virus.\(^3\)

Appreciating that it continues to be a challenging time for Irish political representatives and our citizens amidst the immediacy of the domestic response to the Covid-19 pandemic here in Ireland, Trócaire welcomes the strong and enduring support for Irish Aid across Irish political parties. Pledges in the recent Programme for Government to reinforce ambition to continue to grow Ireland’s overseas aid budget to 0.7 per cent of national income in line with international commitments, and to set a monetary expenditure floor to protect the Irish Aid budget from cuts, are very welcome. Ireland successfully campaigned on a platform of promoting human rights, climate action, gender equality and humanitarian support to secure a non-permanent United Nations Security Council seat for the term 2021-2022. Upholding Ireland’s strong reputation and credibility as a leader on international development pivots on its continued investment in overseas aid.

NGOs, especially local organisations such as Trócaire’s partners, are often first to reach the most vulnerable communities at the onset of humanitarian crises, and to remain working with them in the longer term to ensure people living in poverty have equitable access to and use of resources and that their human rights are respected. We would also urge that there be continued investment in funding allocated to international and local NGOs under Vote 27 International Cooperation in forthcoming budgets.

- Trócaire urges the Irish Government to honour its commitments to the most vulnerable in our world and to maintain existing levels of investment in the overseas aid in Budget 2021.

- Trócaire urges the Irish Government and all Irish political representatives to work towards reaching the historic 0.7% ODA UN target, and to ensure climate finance allocations will also increase, alongside increases in overall ODA in the lifetime of the government.

Covid-19 Pandemic – Exacerbating the depth of inequalities within and between countries

The Covid-19 crisis highlights how interconnected we are globally, and how increasingly vulnerable we are to systemic shocks and risks. As UN Secretary General Antonio Guterres emphasized, “The world is only as strong as the weakest health system.”\(^4\)

The heaviest toll of Covid–19 falls on the marginalised and most vulnerable, with the pandemic exposing, and exacerbating the depth of inequalities within and between countries. Systemic weaknesses in the prevailing
development model that have contributed to the climate and biodiversity crises, have also been further exposed with leaders at the UN and the World Health Organisation confirming that pandemics such as coronavirus are now more likely due to the destruction of nature.9 We are also witnessing the consequences of decades of austerity policies that have undermined public health systems and stifled progress on universal social protection.6 A heavy reliance on private finance to deliver public services and public goods has incentivised - and may have even reinforced - these problematic trends.7

The Covid-19 pandemic exacerbates historically high levels of existing humanitarian need and threatens to generate additional humanitarian crises of unprecedented magnitude. The pandemic also threatens to reverse development gains secured in recent decades, such as progress on access to education, and to set the realization of the Sustainable Development Goals further off track.9 The devastating global impacts of the pandemic are compounded by pre-existing drivers of humanitarian needs such as conflict, climate change, unsustainable food systems, human rights violations, and poverty and inequality – including gender inequality, and discrimination.9

Covid-19 continues to spread at an alarming rate around the world, and is currently present in every country where Trócaire works. Trócaire staff and local partners are working hard alongside some of the poorest communities in the world to support the fight against this devastating virus,10 often in countries that are lacking the basic healthcare capacity to tackle it. The economic fallout from Covid-19 threatens to push half a billion more people into poverty, with only 1 in 5 people in low-income countries covered by social security nets. The UN World Food Programme estimate the number of acutely food insecure people globally could increase from 149 million pre Covid-19 to 270 million before the end of 2020, unless urgent action is taken.11 Women are particularly exposed to the virus as they make up the majority of workers in care, social, and frontline health services globally and are also often caring for the sick within families. Women are also at greater risk economically as many work in the informal economy and small enterprises, which are among the worst impacted by the pandemic.12

Kaddy Mansaray, Chair of the Funkia Market Women’s Association providing COVID prevention information at the market with a poster and megaphone. Trócaire’s local partner SEND Sierra Leone is engaging communities in York chieftdom on COVID prevention measures. Photo: Jonathan Bundu / Trócaire
While COVID 19 is hitting higher income countries extremely hard, substantive capacities to respond and protect lives and livelihoods are being deployed to varying degrees through fiscal stimulus packages and social protection schemes. Lower income countries, already in a difficult place before Covid-19, have very limited fiscal capacity to respond. G20 countries have agreed on a temporary debt standstill for some of the poorest countries, and international institutions have provided some emergency funding. However, this is a fraction of what is needed to mitigate what will be the deepest economic recession in three generations and the risk of reversal of decades of development. In the assessment of Mark Lowcock, the UN Under-Secretary-General for Humanitarian Affairs “to date the international response to the pandemic in less developed countries has been grossly inadequate.” For example, overall humanitarian needs including a COVID 19 response in 2020 require $39.85 billion with only 22.7% ($9.04 billion) of that amount currently funded in the first 6 months of the year.

The lack of political will demonstrated by many international donor countries to provide the resources to address this humanitarian funding shortfall of $30.81 billion, is in contrast to the recent European Council approval of a recovery fund of €750 billion which provides vital additional resources for recovery from the Covid – 19 crisis within the EU. It will be attached to a new €1.074 trillion seven year EU budget, the Multiannual Financial Framework (MFF) which heads of EU states have agreed upon on 21st July 2020. However, within the MFF the €98.4 billion to cover the EU’s external priorities, (including €70.8 billion for the Neighbourhood, Development and International Cooperation Instrument (NDICI), through which the majority of the EU’s overseas aid will be channelled), actually represents a cut of almost €20 billion from the EU Commission’s proposed budget for external action (May 2020). It is a decrease of 17% in comparison to the budget proposal put forward by the EU Commission in May 2020 which had incorporated needs arising for the aftermath of the pandemic. When compared to current spending levels, the MFF as approved by the European Council on July 21st represents cuts of €2.3 billion to the NDICI. These cuts and the reductions elsewhere in the approved MFF will undermine the EU’s ability to tackle the greatest issues facing our generation effectively, rising extreme poverty, inequality, the climate emergency and future pandemics. In light of this decision at EU level to reduce humanitarian funding at the time of greatest humanitarian need, it is imperative that Ireland remains steadfast in its leadership role on overseas aid. Appreciating that it continues to be a challenging time for Irish political representatives and our citizens amidst the immediacy of the domestic response to the Covid-19 pandemic here in Ireland, Trócaire welcomes the strong and longstanding support for Irish Aid across all Irish political parties. The pledge in the recent Programme for Government to reinforce ambition to continue to grow Ireland’s overseas budgets to 0.7 per cent of national income in line with international commitments and to protect the Irish Aid budget from cuts is very welcome, as is Irish Aid’s provision of over €118 million funding to the global response to Covid-19.

Examples of how Trócaire is responding to this Covid – 19 crisis include

- In Somalia Trócaire run the only healthcare centres for over 200,000 people. We have set-up isolation wards, supplied our nurses and doctors with Personal Protective Equipment and secured oxygen supplies.
- In Sierra Leone Trócaire are providing water and food to people quarantined.
- In Lebanon Trócaire and partners are providing soap to refugees to help them protect themselves from the virus.
- In Syria Trócaire are supplying Personal Protective Equipment and soap.
- In Honduras radio ads are informing people how to best halt the spread of the virus.
Irish Aid – “an excellent humanitarian partner”

The Department of Foreign Affairs and Trade’s Irish Aid programme is widely recognised as a longstanding global leader in delivering high quality and impactful supports to people living in poverty. Irish Aid is focused on reaching the Sustainable Development Goals, and in particular on reducing humanitarian need, climate action, gender equality and strengthening governance. Recently the OECD Development Assistance Committee conducted a peer review of Irish Aid and again confirmed that Ireland is “an excellent humanitarian partner”, focused on untied, high quality ODA, least developed counties, and strong civil society partnerships. Irish Aid has also been a notable leader in resisting the worrying international trend of diverting development assistance funding away from poverty reduction and towards the security, commercial and migration objectives of donor countries.

There is also a high degree of Irish public support for Irish Aid with surveys finding that 93% of Irish people believe that solidarity with people living in poverty overseas is important. As we face into a period of unprecedented humanitarian need, and as Ireland prepares to take its seat on the UN Security Council in 2021, it is crucial that Ireland continues to demonstrate leadership in expressing global solidarity and ensures no cuts to Irish Aid, which would severely hit the most vulnerable communities. Commitments from Minister Coveney speaking in the Dáil on 9th July which confirm that assurances on a “monetary expenditure” floor included in the Programme for Government in reference to overseas aid, commits Ireland “to ensuring that we do not allow the actual spend to fall below 2019 levels of expenditure at any point between now and 2030.” Minister Coveney confirmed that the Government “will be very strongly committed to maintaining actual levels of expenditure as well as attempting to reach 0.7% of GNI” and that “we want to maintain the actual amount we spend, which is now €838 million in total, and also go well beyond that.”
In recognition of the fact that civil society funding models are strained by the economic consequences of Covid-19, the importance of predictable multiannual funding for Irish Aid partners’ as more essential than ever was also helpfully acknowledged by the Minister in the Dáil discussion on Vote 27. Development efforts need to be locally driven, locally owned and locally managed. In Trócaire, we see our role as being a core part of that effort working in partnership with local civil society organisations already implementing solutions.  

We would also urge that funding allocated to international and local NGOs from within Vote 27 International Cooperation grows in forthcoming budgets.  

Last year, Social Justice Ireland projected an increase of approximately €154m in Ireland’s ODA budget in Budget 2021 would be required to keep Ireland on track to meet the 0.7 per cent target by 2025. The likely contraction in Irish GNI* makes this goal more achievable. Despite the fall in GNI*, Social Justice Ireland continues to recommend an increase in ODA in Budget 2021, to ensure that progress on Ireland’s ODA to national income ratio is not temporary—to be erased following an economic recovery. Acknowledging the difficulty of making projections in national income at present, once the economic situation has stabilised, the Government should publish a roadmap towards the 0.7% of GNI ODA target as was recommended by the Joint Oireachtas Committee on Foreign Affairs in their 2018 review and strong endorsement of Irish Aid. The OECD Development Assistance Committee echoed this in its review of Irish Aid published in May 2020, recommending that, “to increase its ODA budget and meet its international commitment of 0.7% of GNI by 2030, Ireland should develop and implement a comprehensive plan that identifies how to grow spending, and communicate the value of international development to the parliament and public.”

A Green Recovery in line with the Paris Agreement

Climate change and environmental degradation are at existential threat levels. We are living in the sixth age of mass extinction. The Programme for Government includes provisions for a governance framework to ensure there is coherence across all government departments towards the achievement of a net zero climate target by 2050, to see the commitment to 7% cuts per annum in GHG emissions, and the passage of the Climate Change Amendment bill within 100 days. This is a welcome step forward in Irish climate policy. Ireland must deliver upon its wider international responsibilities, of which climate finance plays a key part.

It has been estimated that lower income nations will face 75% of the cost of the climate crisis and data analysis has shown that since 2000 their citizens have died at a rate 7 times higher than in richer nations. The poorest half of the world’s population are responsible for only 10% of carbon emissions, the richest 10 countries are responsible for 50% of all carbon emissions. Various UN reports have been highlighting how climate change is a key driver in the recent increase in global hunger and is undermining all dimensions of food security. The majority of people most vulnerable to climate change are the world’s 2.5 billion small scale farmers, herders, fisher communities, who depend on their food and income from renewable natural resources. Building their resilience through adaptation to climate variability must be supported by climate finance. Climate finance that is directed through mechanisms that really work and target small scale food producers and that support the scaling up of sustainable agricultural approaches such as agroecology. See Trócaire’s policy paper “Food Democracy Feeding the World Sustainably.”
In the thick jungles of the Ituri region of DR Congo, bees buzz around as Alundo Matope proudly shows his boxes of beehives. Alundo is from the indigenous Mbuti group that have traditionally lived in the forest, away from settled communities. Traditionally the Mbuti lived a hunter-gatherer way of life. The practice of eating forest animals leaves them particularly open to contracting ebola, which initially spread from infected animals to humans. Trócaire’s local partners have worked with Alundo and many more members of his community to raise awareness around ebola. As Alundo is a respected leader in his community, he has used his influence to inform his community about how the virus spreads and how to stop it. Community members have been educated to wash their hands, not touch dead bodies, and to stop hunting wild animals in the forest.

Alundo’s two boxes of beehives have been provided through the Trócaire project. As a result, he no longer hunts in the forest for wild honey, and can earn an income through selling the honey. Hand washing stations have been provided for the local community to improve hygiene. Children in the community sing and drum along to songs about ebola and it’s clear they know all the words off by heart. Partner: Caritas Wamba, CVAP Donor : Irish Aid ERF
While much climate finance, in particular adaptation finance, will be channelled via ODA structures, climate finance obligations differ from ODA in that they stem from Article 4.3 of the United Nations Framework Convention on Climate Change (UNFCCC). This commits donor countries to providing “new and additional financial resources” for the “full incremental costs” of addressing climate change, as a result of their proportionately greater contribution to the causes of climate change, and the greater resources at their disposal to respond to it.

Work in the OECD over the past few years has prioritised aligning the Sustainable Development Goal Agenda 2030 with the Paris Agreement, not only looking at development cooperation but also at the lack of coherence of donors’ broader international activities and at the level of the broader development finance system. As donors’ priorities focus on addressing the immediate health crisis and post-Covid-19 recovery, it will be paramount to make sure these efforts are not only aligned with existing global climate, sustainable development and biodiversity goals, but are also designed to support the transition to resilient, sustainable, inclusive and climate-proof economies.

Ireland has done relatively well in ensuring that we provide quality, transparent climate finance. The focus has been on untied, grant-based support, aimed at building capacity and resilience in poorer countries, allocated with a commendable gender lens. Ireland has also avoided the worrying international trend of providing climate finance through loans, which only adds to already unsustainable levels of debt and fails to address the historical and financial inequalities that make climate finance necessary in the first place. However, in 2018 Ireland contributed just €80 million to international climate finance. Research by Trócaire and Christian Aid indicates that Ireland’s annual climate finance contributions would need to increase to nearly €475 million to meet our fair share of the €91 billion a year agreed by donors at the Paris Agreement.

Given that 2020 is the delivery year for the first phase of global climate finance goal under the Paris Agreement, developed countries’ recovery plans must include a climate finance support fund, and outline how they will continue contributing to the goal at a national level between 2020 and 2025. Rather than committing new or additional funding envisioned under the Paris Agreement, the Programme for Government instead commits to increasing the percentage of ODA counted as climate finance. This is disappointing, as it risks simply re-labelling existing aid - needed now more than ever given the impact of Covid 19 - as climate finance, rather than allocating additional funds.

**SUMMARY OF TRÓCAIRE KEY PROPOSALS FOR BUDGET 2021**

- Maintain existing levels of investment in ODA expenditure in Budget 2021, increase the proportion of funding to civil society within the ODA budget, and work towards achieving the UN target of 0.7% of GNI in ODA through the development of a multi annual plan.
- Continue to uphold Irish Aid’s longstanding reputation for excellence as a humanitarian partner, with high quality, poverty reduction focused, untied aid, including civil society as a key partner.
- Meet Ireland’s international commitments to climate justice by increasing allocations to climate finance in addition to increases in overall ODA, rather than through a relabelling of ODA.
6. Many developing countries are feeling the economic effects of the pandemic, including record-breaking capital outflows, commodity price drops and escalating debt service costs. This was already happening before they even saw their first Covid-19 patients in their countries. 100 countries requested emergency financing from the International Monetary Fund (IMF). Even before Covid-19 was characterised as a pandemic, half of the Lower Income Countries were already assessed as being at high risk of or in debt distress. The International Labour Organization (ILO) estimates that nearly half of the global workforce stands in immediate danger of having their livelihoods destroyed. More than 400 million companies worldwide risk serious disruption and informal economy workers are suffering huge damage to their capacity to earn a living. The World Bank estimates between 40 and 60 million people may be pushed into extreme poverty in 2020 as a result of Covid-19. Aid is vital, but is of course only one part of any systemic response to break the cycle of interconnected and repeated crises and to address the underlying social, economic and environmental drivers of gender inequality, poverty and inequality. CSOs that are actively engaging the multilateral Financing for Development (FFD) process have called for a 4th FFD conference in the form of an Economic Reconstruction and Systemic Reform Summit, with participation of the highest levels of government. This should aim to deliver intergovernmental agreements on key outstanding issues, including on debt resolution and international tax cooperation, and the requirements as expressed by developing countries, particularly the poorest, in adapting to a post-Covid world. See Eurodad Brief for more details at https://d3n8a8pro7vhm.cloudfront.net/eurodad/pages/703/attachments/original/1592218061/Covid-19_and_ODA_briefing_final.pdf?1592218061