The International Development Committee

The International Development Committee is appointed by the House of Commons to examine the expenditure, administration and policy of the Department for International Development and its associated public bodies.

Current membership

Stephen Twigg MP (Labour (Co-op), Liverpool, West Derby) (Chair)
Richard Burden MP (Labour, Birmingham, Northfield)
Mr Nigel Evans MP (Conservative, Ribble Valley)
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Paul Scully MP (Conservative, Sutton and Cheam)
Mr Virendra Sharma MP (Labour, Ealing Southall)
Henry Smith MP (Conservative, Crawley)

The following Members were also members of the Committee during the Parliament:

James Duddridge MP (Conservative, Rochford and Southend East)

Powers

The Committee is one of the departmental select committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No. 152. These are available on the internet via www.parliament.uk.

Publication

Committee reports are published on the Committee’s website and in print by Order of the House. Evidence relating to this Report is published on the relevant inquiry page of the Committee’s website.

Committee staff

The current staff of the Committee are Fergus Reid (Clerk), Rob Page (Second Clerk), Rachael Cox, Rebecca Usden and Louise Whitley (Committee Specialists), Alison Pickard (Senior Committee Assistant), Paul Hampson and Rowena Macdonald (Committee Assistants), and Estelle Currie and Lucy Dargahi (Media Officers).

Contacts

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Seventh Special Report

On 5 June 2018, the International Development Committee published its Fifth Report of Session 2017–19, on the Definition and administration of ODA (HC 1011). The Government response was received on 6 September 2018. The response is appended below.

Appendix 1: Government Response to Committee recommendations on definition of ODA

General Points

The UK strongly supports a rules-based international system for international development. Our efforts to work with the OECD DAC on ODA reform is reflective of this commitment as we seek to ensure the DAC is fit to address the challenges of the 21st century and to deliver the Sustainable Development Goals (SDGs).

The DAC oversees the definition of ODA and its accompanying rules, which guarantee the consistency and credibility of global aid spending. As one of the few leading countries to honour our promise to invest 0.7% of national income as aid, it is in our interests to ensure that the quality, poverty-focus and value for money of other countries’ aid investments match our own high standards.

Working alongside DAC members, we have been able to institute changes to better reflect the scale of our development efforts and ultimately improve the impact of the aid we spend. We have secured agreement in several areas and the Government will build on these successes considering the valuable contributions made by the IDC as we work to ensure the global aid system keeps pace with new challenges and the rapidly changing world we live in.

Response to specific IDC recommendations on Definition of ODA

(1) The Government should continue to use its influence within the OECD-DAC to ensure that a reverse graduation mechanism is established as soon as possible.

Government position: Agree

The Government has every intention to ensure that an agreement on reverse graduation is made at the OECD DAC as soon as possible. The OECD DAC Secretariat has put forward a proposal for a reverse graduation which we support. Having been discussed in Paris at official-level by OECD DAC member delegations on 14 June, it is possible that will be signed off at a OECD DAC senior level meeting for later in the year.

(2) The Government should oppose any proposals which would allow all humanitarian assistance - irrespective of the economic status of the recipient country - to be counted as ODA.
Government position: Disagree

The context of any humanitarian crisis is important. Small, undiversified economies are particularly vulnerable and can suffer economy-wide crises from which they cannot be expected to recover without assistance. The government position is that in such cases humanitarian and recovery assistance could appropriately and exceptionally be defined as ODA. We are working to prepare an evidence-based proposal for further consideration. A DFID secondee has started at the OECD DAC to help conduct this analysis. However, we do not expect a quick decision on this.

(3) The UK should continue to provide humanitarian assistance where it judges it appropriate to do so, irrespective of the ODA eligibility status of the recipient countries and territories. In particular, the UK should continue to provide whatever assistance is necessary to its Overseas Territories, as required under the International Development Act 2002.

Government position: Agree

The ODA rules have not and will not hamper our response to humanitarian crises, as was demonstrated in HMG’s response to the hurricanes in the UK Overseas Territories (OTs) in 2017. Across the region, the UK Government delivered 827 tonnes of urgent humanitarian supplies, and deployed over 40 additional staff to oversee the response. Royal Fleet Auxiliary Mounts Bay and HMS Ocean provided essential support to the three affected OTs (British Virgin Islands, Anguilla and Turks and Caicos Islands) with around 2,000 military personnel, 40 UK aid experts, 20 prison officers, and more than 50 police officers deploying to the Caribbean to provide assistance. In the aftermath of the hurricanes, DFID and the FCO designed a financial package for recovery and reconstruction (including £70m of grants for Anguilla and the British Virgin Islands and £300m of loan guarantees for the British Virgin Islands) and are assisting the territories to put their public finances on a sustainable footing. The UK Government has always met, and will continue to meet, all its obligations under the International Development Act.

(4) We therefore recommend that the Government support the current GNI-based system: low-income and middle-income countries should remain eligible for ODA, and high-income countries should remain ineligible.

Government position: Partially Agree

We are not proposing to change the current GNI-based system that’s calculated and determined by the World Bank. But, we are listening to others, including Small Island Developing States (SIDS), who are trying to make the case for a system that better addresses certain vulnerability considerations.

(5) We recommend that the Government oppose any further increase in the proportion of UN peacekeeping operations which can be counted as ODA.

Government position: Disagree

The nature and location of poverty is changing, and extreme poverty is increasingly concentrated in fragile and conflict affected states. Fragility, conflict and violence risk donor efforts to promote prosperity and end extreme poverty. Peace and security are crucial for
sustainable development, as recognised by SDG 16 (Peace, Justice and Strong Institutions). According to projections from DFID’s Chief Economist, 80% of those living in extreme poverty will be concentrated in fragile and conflict affected states by 2030.

Collective action is required to address the challenges set. The OECD DAC and its members have an integral role in responding to this. We are committed to working to ensure that ODA is fit for purpose and allows donors to be as effective as possible in tackling the underlying drivers of instability and creating the necessary conditions for sustainable development.

The Government has already secured an increase in the ODA peacekeeping coefficient, rightly recognising a greater share of the contribution of peacekeeping to ODA objectives, but believes there is further scope to capture and incentivise these efforts. We are proposing a further review of peacekeeping missions to see whether more activities could be counted as ODA.

(6) The Government should continue to use the internationally-recognised ODA definition even if it fails to secure the changes it is seeking to the current rules.

**Government position: Partially Agree**

The UK is a strong supporter of the OECD DAC, which is a fundamental part of the rules-based international system for international development. It is vital that this system, including the ODA rules, is fit to address the challenges of the 21st century and to deliver the Sustainable Development Goals (SDGs). As one of the few leading countries to honour our promise to invest 0.7% of national income as aid, it is in our interests to ensure that the quality, poverty-focus and value for money of other countries’ aid investments match our own high standards.

The UK Government has shown that we are able to deliver reform whilst working within the system to raise global standards. The reforms agreed by the DAC at the October High Level Meetings – together with earlier agreements – mark significant change and demonstrate the willingness of our international partners to work together to modernise ODA. We are committed to working with our partners at the DAC on further reforms, but we will continue to reassess our approach to ensure we are effectively delivering on our ODA modernisation agenda.

(7) The Government should encourage the OECD-DAC to establish a credible and consensus-based process for reviewing the ODA definition at regular intervals, such as every five years, and should oppose any proposals for ad hoc changes in the interim.

**Government position: Partially Agree**

The UK has argued for the OECD DAC to conduct regular reviews of the ODA system at recent High-Level Meetings, and will continue to do so. However, as last year’s hurricane season in the Caribbean demonstrated that there remains a need for the OECD DAC to act quickly and flexibly to issues concerning the ODA system.
Appendix 2: Government response to Committee recommendations on administration of ODA

General Points

The Government is committed to getting maximum impact from the aid budget and set this out in the 2015 Aid Strategy where we embraced an integrated approach to delivering Official Development Assistance. The strategy also recognised the role of aid in tackling poverty and global challenges such as insecurity and that this serves our national interest. The delivery of ODA programmes by departments other than DFID has enabled us to leverage knowledge, skills and expertise from across government, delivering programmes that are well-placed to address the diversity of today’s development challenges (from extreme poverty to climate change). It is this collective effort that allows our ODA programmes to deliver both strong development impact and value for money to the UK taxpayer. The Government is committed to addressing criticisms of our aid spend to ensure this does not undermine the achievements of UK Aid thus far. Government departments will continue to work together through the ODA Ministerial and Senior Officials groups and cross-government ODA oversight mechanisms to raise the quality and coherence of aid spending, to ensure that the aid budget is not just spent well but could not be spent better. The next Spending Review will also provide the opportunity to consider ODA in the context of government spending in the round.

Response to specific IDC recommendations on Administration of ODA

(1) We recommend that the bidding process is amended to include an evaluation of a department’s staffing, systems and knowledge capacity to administer ODA. We also recommend that departments detail their plans for monitoring and evaluation of projects, including how the Independent Commission for Aid Impact (ICAI) will have access to this information.

Government position: Partially Agree

As with all public spending, it is in HM Treasury’s interest to ensure that departments who receive ODA funding have the capacity and capability to administer this funding effectively, in a way that achieves value for money and secures good outcomes. Departmental capability to do this was considered at Spending Review 2015 as part of the deliverability criteria, including representation on the assessment panel at senior level from the Infrastructure and Projects Authority, which provides specific expertise on the delivery programmes and projects. Although the allocation process for Spending Review 2019 has not yet been decided, in designing the process HMT will take into account the Committee’s recommendation as part of wider considerations to ensure that departments have the capability to effectively administer ODA funding that they are allocated. The government expects the same high standards from ODA as it does from all government expenditure.
In terms of monitoring and evaluation, HMT has provided guidance for departments on how to consider monitoring and evaluating their activity in a proportionate way. It is for departments to decide how they will do this at programme level.

Departments will comply with existing ICAI review processes, and will work with ICAI including through the ODA Senior Officials Group to ensure that ICAI will continue to have access to the information it needs to scrutinise UK ODA spending across government.

(2) DFID should play the leading role in developing the capacity of ODA-administering departments across Whitehall, driving consistently high standards for ODA administration and tightening up practices. It should continue to second staff to other government departments, developing skills and promoting a poverty reduction-focused culture in ODA programmes across Whitehall. Recognising the burden this places upon DFID, the Government must ensure that DFID receives adequate resources to cover backfill within DFID.

Government Position: Agree

The Government is committed to ensuring that measures are in place to spend all public money effectively, and this includes ODA. Through the Secretary of State for International Development, at the IDC’s oral evidence session, the Government reaffirmed its commitment for DFID to continue to share best practice and expertise with other ODA spending government departments as laid out in the 2015 Aid Strategy. This will include increasing engagement with departments to co-design programmes as appropriate and making DFID support more accessible. DFID has in place an extensive offer of support including: eligibility support; transparency; financial planning & management; design and delivery of programming; technical advice and expertise, including through secondments to other departments; and systems support. DFID currently seconds ninety-five staff to other departments delivering ODA programmes.

DFID’s capability support will continue to take account of the complementary skills, expertise and delivery models of other departments. It is by bringing to bear this cross-Government expertise that the objectives of the 2015 Aid Strategy can be achieved. All departments are responsible for ensuring they have the capability and resources to deliver ODA effectively and are accountable for their ODA spend. DFID support will therefore remain complementary to and not displace departmental responsibility for capability.

DFID will continue constantly to evaluate its offer of support and do more to provide departments with the tools and expertise necessary to support successful delivery and value for money of the UK aid budget.

(3) The existing coordination and oversight groups - notably the cross-Ministerial and Senior Officials Groups - must be more proactive in targeting their activities explicitly towards poverty reduction and the SDGs to give greater focus across Whitehall. The Government should set out a process for capturing the added value gained as a result of greater cross-Whitehall working.

Government position: Agree
Both the 2015 UK Aid Strategy and UK ODA value for money guidance are clear that spending departments are responsible for ensuring spend meets the OECD DAC ODA eligibility requirements (that ODA must be administered with the promotion of economic development and welfare of developing countries as its main objective) and as appropriate the International Development Act provisions on poverty alleviation.

In March, Ministers of departments spending ODA agreed to drive greater coherence and quality from the UK’s aid investments, with officials reporting to Ministers annually on progress against the 2015 Aid Strategy.

The UK is using existing mechanisms and cross-government meetings to discuss and monitor progress towards the SDGs, and has embedded them in Single Departmental Plans. The Government has put the UK forward for a Voluntary National Review in 2019 at the UN to showcase the UK’s work to deliver the SDGs.

(4) The Government should publish a clear statement outlining individual departmental responsibilities in delivering, overseeing, monitoring and coordinating ODA, including how they correspond to the aims of the UK Aid Strategy. This should also state explicitly that the International Development Committee may perform oversight of any ODA spending across Whitehall, including via partnership with other select committees as appropriate.

Government Position: Partially Agree

Departmental responsibilities in delivering, overseeing, monitoring and coordinating ODA are already clearly set out in guidance documents available in the public domain. The HMT Managing Public Money guidance; the 2015 UK Aid Strategy; and the recently published UK ODA Value for Money guidance set out the key principles for managing public money, roles of departments and accounting officers and specific considerations that relate to UK ODA spending.

Taken together the documents outline:

(I) the importance of departmental accountability for spend and ensuring use of appropriate legal authority for ODA expenditure;

(II) that all spending under the International Development Act is required to meet its provisions, in particular that this spending furthers the sustainable development and welfare of developing countries and is likely to contribute to a reduction in poverty;

(III) that all aid spending meets the Organisation for Economic Co-operation and Development (OECD) eligibility criteria;

(IV) that all aid spending complies with government policy including the untying of aid;

(V) the recommended governance and approval arrangements for departmental spend; and
(VI) the role of ODA scrutiny bodies including the National Audit Office (NAO); Independent Commission for Aid Impact (ICAI); and the International Development Committee in scrutinising all ODA spend.

To drive greater coherence from the aid budget, Ministers have instructed officials to report annually on progress against the Aid Strategy. The Government’s position is that the role of the IDC’s cooperation with other select committees is a matter for Parliament.

(5) The Secretary of State for International Development should have ultimate responsibility for oversight of the UK’s ODA and the Department should have final sign off of all ODA.

Government position: Disagree

ODA spending is subject to the same rules as all public expenditure. In line with HMT’s Managing Public Money guidance, departments and their accounting officers hold financial responsibility and accountability for the delivery of their share of ODA spend and for seeking approval (including at Ministerial level), for interventions which are managed on their baseline through the appropriate governance mechanisms. These long-established structures ensure that lines of accountability are clear so that there is no blurring or overlap of responsibility between departments. That said, departments and organisations are expected to work closely together where appropriate to ensure a coordinated and successful delivery of ODA. The ODA Ministerial Group co-chaired by the Secretary of State for International Development and the Chief Secretary to the Treasury, has oversight of the UK’s ODA. This is complementary to the NSC sub-committee on the cross-government Funds and other thematic governance mechanisms such as the Global Health Oversight Group and the Strategic Coordination of Research (SCOR) Board.

(6) Just as DFID commissions agencies to conduct work on the ground or pays into multi-lateral funds, whilst retaining oversight of UK ODA and ensuring quality control of ODA spending, the Government should consider whether other government departments should only receive ODA money if it has come via DFID so that they have oversight and ensure that the money ‘cannot be better spent’.

Government position: Disagree

The 2015 Aid Strategy set out the rationale for UK aid spending based on a whole of government approach, leveraging the wider expertise and complementary skills of other government departments. The nature of poverty and barriers to development are changing, and we have deliberately expanded our approach to take advantage of the UK’s world-leading science, research and development base to tackle global challenges.

The government will continue to ensure that this whole of government approach to spending furthers the sustainable development and welfare of developing countries and is likely to contribute to a reduction in poverty. Through the established cross-Whitehall governance structures, the government continues to push clear strategic direction and value for money to ensure that ODA cannot be better spent.

We recognise that, while other departments bring respective areas of expertise to the table, DFID is an experienced and skilled department when it comes to development spending. As
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outlined in the response to ODA administration recommendation 2, the 2015 Aid Strategy reaffirmed its commitment for DFID to continue to share best practice and expertise with other ODA spending government departments but also of the importance of clear lines of accountability for all ODA projects. DFID plays and will continue to play an important role in supporting other departments, recognising the complementary skills, expertise and value of delivery models that other departments offer. DFID is represented on the boards and ministerial committees which have been set up to oversee cross-government ODA programmes.

(7) The Government must outline how it intends to measure progress towards the commitment to publish data to IATI standards by 2020, providing regular milestones to track progress towards this target.

**Government Position: Partially Agree**

The Government recognises the importance of transparency and is speeding up work to improve the transparency of all ODA spending ahead of the transparency target set out in the Aid Strategy for all ODA to achieve ‘Good’ or ‘Very Good’ in the aid transparency index by 2020. The Cabinet Office has also made it mandatory for departments to publish ODA data to IATI standard and is tracking progress of departments in meeting their commitments. A Publish What You Fund assessment for 2019, commissioned by Government, will draw on data published from the end of July 2018 onwards. There is still much to be done, but departments are making good progress in publishing to IATI.

Departments are aware of the criteria that PWYF will use to assess them and are working hard to put in place systems to ensure that the target is met. Departments expect that by the time the 2019 assessment is carried out, the benefits of the systems they are now putting in place will be realised.

The Government therefore believes that it makes sense for Departments – whose resources are limited – to concentrate these on developing systems that will produce the best results in time for the 2019 assessment.

(8) Without transparency it is impossible to assess the effectiveness of the cross-government funds and consider whether they are creating the benefits espoused by the government. CSSF programmes must publish programme information as a matter of course unless a clear national security reason is cited for redaction.

**Government position: Partially Agree**

Both the Prosperity Fund and the CSSF are committed to enabling Departments to meet the Government’s commitment to ‘good’ or ‘very good’ rating on aid transparency and are working to this end. Therefore, information on CSSF programmes delivered through e.g. FCO and DFID is already captured by the Publish What You Fund transparency assessments.

Departments delivering CSSF activity already publish programme document, annual review summaries, and provide a variety of data, including on spend, to the Development Tracker. In addition, the CSSF annual report, published on 18 July provides information on CSSF activities and spend both on programme and peacekeeping operations.
However, due to the highly sensitive nature of some of the CSSF’s work it is not possible to publish details of all programme spend. The two key reasons why it may not be possible to make programme documentation public are to protect national security and to protect the safety and security of beneficiaries, partners and partner Governments including where programmes use blended ODA and non-ODA elements to secure outcomes. Cross government boards take the decision about what can be published following thorough consideration and applying similar criteria to those set out in Freedom of Information legislation.

(9) In light of widespread concerns about the Funds, including from the JCNSS, we recommend that ICAI should be given responsibility to scrutinise the totality of the cross-government funds, as well as other blended ODA/non-ODA programmes.

Government position: Disagree

ICAI has the remit and expertise to scrutinise the impact and value for money of all UK Government ODA, including ODA provided through cross-Government funds and by individual Government Departments. For example, in the last two years ICAI has undertaken ODA reviews of the Prosperity Fund, the CSSF and the Global Challenges Research Fund. A review of the Newton Fund is underway.

ICAI has also examined important issues involving the work of a number of government departments, including on global health threats, Somalia and tackling irregular migration. ICAI will be given the access to information it needs to scrutinise ODA activity in line with its mandate where relevant and consistent with the interests of national security.

Non-aid spending encapsulates a much wider range of delivery and activities than aid spending. A diverse and blended delivery model requires a similarly diverse approach to determining impact.

For the Funds, the Joint Committee on the National Security Strategy already has the mandate to scrutinise the totality of cross-Government Funds and fulfil the function envisaged by this recommendation.

(10) Prosperity Fund programming should be targeted at helping the very poorest. Accordingly, we recommend that Prosperity Fund programmes should have a particular focus upon development in rural areas and the urban poor to transform the lives of the very poorest people in MICs. In the light of our concerns, we recommend that existing programmes should be reviewed.

Government position: Partially Agree

The Prosperity Fund has poverty reduction as its primary objective. Inclusive economic growth is the only way to lift countries out of poverty. The Fund also has a unique secondary role to deliver against the Government’s national security objectives in line with NSC priorities; to promote sustained global prosperity as set out in the 2015 Aid Strategy. It does this by supporting sustained and inclusive economic growth. This makes a major contribution to poverty reduction in countries where millions of people still live in poverty, countries that are also pivotal to driving the world’s future growth and trade. To target only the very poorest in those countries would be unlikely to deliver the Prosperity Fund’s secondary objective of
sustained global prosperity. The Fund’s offer complements the UK’s Departmental spend of ODA to promote inclusive economic development. The Government therefore disagrees with this part of the IDC’s recommendation.

The UK Aid Strategy (2015) and DFID’s Economic Development Strategy (2017) set out how promoting prosperity not only contributes to reducing poverty, but also strengthens economic opportunities for the rest of the world, including the UK. The Fund’s work on promoting inclusive growth, for example, through improving business environments and stimulating private sector investment is directly relevant to meeting the UN Sustainable Development Goals and potentially benefits all citizens in middle income countries, including the very poorest.

All Prosperity Fund programmes are required to develop a theory of change setting out how they will generate inclusive growth, and who is likely to benefit from each intervention. As part of its active portfolio management, programme annual reviews will examine progress against poverty and equality indicators as well as business opportunities. Programmes that fail to make satisfactory progress risk having funding reduced or terminated.

The Prosperity Fund has already been reviewed, most recently by ICAI in 2017. ICAI is also due to conduct a fuller review of the fund in due course.

(11) The choice of countries for ODA CSSF projects must be led first and foremost by the aim of reducing poverty. To this end, ODA CSSF programmes must contain a detailed theory of change outlining how they will directly contribute to a reduction in poverty. These theories of change should be revisited and assessed during mid-term reviews and programmes adjusted if necessary.

**Government position: Partially Agree**

Stability and security, which are central to the CSSF’s objectives, are pre-requisites for sustainable poverty reduction. To deliver its mandate the CSSF needs to have flexibility to work where it can have most impact on conflict, combining ODA and non-ODA. Given the dynamic and fast evolving nature of conflicts, pre-defining the CSSF’s geographic focus against poverty indicators would limit its flexibility and agility. Criteria for allocating CSSF funding must also recognise the value of conflict prevention, which is not in itself directly related to poverty reduction.

The CSSF delivers through government departments. Where they use the International Development Act (IDA) as the authority for spending power, CSSF programmes set out how ODA programming complies with IDA, including how ODA funding has poverty reduction and the welfare of beneficiaries as its primary purpose.

All CSSF programmes have theories of change to explain their intended outcomes, but to extend this to include the follow-on impact on poverty would be difficult to demonstrate using evidence of a clear causal relationship. The Government therefore disagrees with this part of the IDC’s recommendation. All programmes are reviewed, at least annually, and adjusted in the light of, learning, programme progress and changes in context.
The Government states that the money spent on the CSSF cannot be spent anywhere better for ODA and following the ICAI report we are not convinced that this is the case. We therefore recommend a review of the continuation of the CSSF in its current form.

**Government position: Disagree**

The CSSF supports two of the three SDSR 2015 pillars and three of the four UK Aid Strategy objectives. It is also aligned with the cross-Government 2012 Building Stability Overseas Framework.

The March 2018 Capability Review of the Cross-Government Funds found that the CSSF is an effective mechanism for making strategic, co-ordinated, prioritised and integrated use of ODA and non-ODA resources. It drives greater flexibility, broader geographic and thematic reach, and greater diversity in programming than could not be achieved through departmental allocations alone. The Review further found that the CSSF’s flexible blend of ODA and non-ODA enables teams to design the most effective activity and more innovative responses. The latest CSSF Annual Report is available online and details a number of programmes which have had demonstrable results.

ICAI’s own review of the CSSF recognised the alignment with the UK Aid Strategy and relevant NSC strategies and praised the ability of the Fund to respond to changes in context and conflict dynamics. The CSSF takes the ICAI findings seriously, is taking forward action to address their recommendations, and will report on progress in due course.

Lesson learning is an integral part of the CSSF. The Fund continually shares expertise, experience and lessons learnt. This culminates in an annual lessons event which draws together over 200 staff from across the CSSF network, the Stabilisation Unit and external partners to share best practice on integrated delivery.

The NSC Sub-Committee for the cross-government Funds will review how CSSF funding is allocated and prioritised on annual basis to ensure it is delivering against both NSC and UK Aid Strategy objectives.

To ensure the primacy of poverty reduction as an objective for all UK ODA, ODA spending departments should conform in practice with the terms of the International Development Act 2002. All ODA programming should contain theories of change which explicitly link to the SDGs. The Government should make systematic improvements to coherence, transparency and - most crucially - the poverty focus of cross-government fund projects before increasing their share of UK ODA any further, and ensure that DFID has oversight of all ODA spending.

**Government response: Partially Agree**

The 2015 Aid Strategy sets out the government’s approach to ODA, aligning our global efforts to strengthen global peace and security; strengthen resilience and response to crises; promote prosperity; and tackle extreme poverty.

The strategy explicitly states that all four pillars / objectives support poverty reduction; that all ODA is required to meet the OECD eligibility criteria (that is, ODA must be administered with the promotion of economic development and welfare of developing countries as its main
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objective) and that all spending under the International Development Act (IDA) meets its provisions, in particular that spend furthers the sustainable development and welfare of developing countries and is likely to contribute to a reduction in poverty.

Any Secretary of State, and in some instances the Treasury, can rely on the IDA spending powers. Any Minister spending under the authority of the IDA is bound to comply with its requirements. For the CSSF and Prosperity Fund this means that when departments rely on IDA spending powers, programmes set out how ODA programming complies with IDA having poverty reduction and the welfare of beneficiaries as its primary purpose.

Whilst the majority of ODA spend is administered under the International Development Act and must therefore meet its requirements on poverty alleviation, Ministers are able to rely on other appropriate powers where these are in place. For example, DFID’s funding to the Commonwealth Development Corporation which is administered under specific powers laid out in the Commonwealth Development Corporation Act 1999. For any spend to count as ODA it must meet the OECD Development Assistance Committee’s eligibility criteria – that is, ODA must be administered with the promotion of economic development and welfare of developing countries as its main objective.

The SDGs are embedded into single departmental plans and the Government published a report on 28 March 2017 setting out the UK’s approach to delivering the SDGs – both at home and around the world. High level summaries of current SDPs are published on gov.uk, together with examples of how Government policies are contributing towards the SDGs.

The Government is fully committed to continually improving the effectiveness and coherence of ODA through the ODA Ministerial; NSC subcommittee on the cross-government funds; and other thematic governance structures such as the Strategic Coherence of Research (SCOR) board. As part of this drive, the ODA Ministerial Group agreed to speed up work on aid transparency including approval to commission PWYF to carry out an assessment of government departments in 2019; and to drive greater coherence from the aid budget, Ministers have instructed officials to report annually on progress against the Aid Strategy.

DFID will continue to be responsible for the oversight and compliance of the UK’s ODA data return to the OECD DAC in line with the ODA reporting rules, however it is important that there be clear lines of accountability for all ODA programmes and departments remain accountable for their own spend.