

Joint Committee on the National Security Strategy

Oral evidence: Conflict, Stability and Security Fund

Monday 23 May 2022

4.30 pm

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Members present: Margaret Beckett (The Chair); Baroness Anelay of St Johns; Lord Butler of Brockwell; Sarah Champion; Baroness Hodgson of Abinger; Darren Jones; Alicia Kearns; Stephen McPartland; Baroness Neville-Jones; Lord Reid of Cardowan; Lord Snape; Viscount Stansgate; Bob Stewart; Lord Strasburger.

Evidence Session No. 1

Heard in Public

Questions 1 - 13

Witnesses

[I](#): Rt Hon Michael Ellis QC MP, Paymaster General, Cabinet Office; Ben Merrick CMG, Director, Joint Funds Unit (covering CSSF and Prosperity Fund), National Security Secretariat, Cabinet Office; David Quarrey CMG, former Deputy National Security Adviser, International Security, Cabinet Office, now the UK's Permanent Representative to NATO.

Examination of witnesses

Rt Hon Michael Ellis QC MP, Ben Merrick CMG and David Quarrey CMG.

Q1 **The Chair:** Thank you very much for coming to give evidence to us today, particularly Mr Quarrey who is doing so from Brussels. Congratulations on your move there. As you know, we are here today to discuss the Conflict, Stability and Security Fund, which has experienced major budget cuts of 30% since we took evidence on it last year, with cuts to both overseas aid and non-overseas aid spending. Given its title of conflict, stability and security, do you not think that people might think it a little odd that at a time like this it is having a savage cut in funding?

Michael Ellis: Good afternoon, Dame Margaret and members of the committee. Thank you very much for having us here today.

I absolutely recognise the very considerable importance, as you might expect, of the CSSF and I also recognise that there has been a reduction in spending, which, of course, has been brought about by the economic impact of the Covid-19 pandemic. One can see from the raw numbers that, for example, in the financial year 2020-21 the spend was over £1.25 billion. Although the spend in 2021-22 is down to £875 million, there are very good reasons for that, rooted in the fact that we have had to take into account the economic impact of the pandemic, as has happened around the world.

I will just say briefly that the importance of this fund is certainly in no doubt as far as the Government are concerned. One can tell that by the fact that the Chancellor of the Exchequer has supported the fund going forward for the next three years in the spending review and by the fact that we have support across the board, from the Home Office, Foreign Office and Cabinet Office. We now have 17 geographic and thematic portfolios and close to 90 programmes in over 80 countries and territories. Although it is recognised that there has been a reduction, I very much take the view that it is something we will look at very strongly going forward in coming financial years as we build the economy back up following the exigencies of the pandemic.

The Chair: I would like to probe a little more on this. Have you had to close any entire programmes from the CSSF as a result of the cuts?

Michael Ellis: It is a moving feast, as you will know. Programmes start and close all the time and that is not invariably rooted just in monetary allocations. It is because it is a very agile and proactive fund, which means that we close and start projects all the time. What we have tended to do is say: let us avoid any cliff edges, which we make it a point to do if we are closing a programme, and make sure we draw down things in a reasonable fashion, so we seek to avoid those sorts of closures. I do not think that we have had to do anything purely as a result of money.

Ben Merrick: There are some issues, Madam Chair, as the Minister says. Clearly, we seek to focus on the most strategic priorities, particularly following on from the integrated review and obviously in line with the budget we had. We have done a lot more on areas such as cyber, state threats and increasingly on the Indo-Pacific, but in some areas we have had to sharpen the focus on conflict, stability and security, as was set out in the integrated review.

We saw reductions for some areas in which there was more of an emphasis on long-term political and economic development. For example, in the Middle East and north Africa, we have continued a lot of that sharp focus on conflict, stability and security, whereas we closed the programmes in Morocco and Algeria because there was some of that longer-term political and economic development that was less in line with the focus of the fund. That has happened sometimes, but as the Minister says, a lot of programmes evolve over time in terms of the situation on the ground.

Michael Ellis: I prefer to think, for example, that the changes we have made in places such as the Kingdom of Morocco and Algeria are strategic approaches we are prioritising as opposed to being purely based on finance. We have to cut our cloth according to our jib, as the saying goes, so that is a factor that is borne in mind. We still have a very strong and powerful reach in the international arena. The UK is very much leading in this area. I recognise that there is always more we can do, but we still pack a powerful punch in this very important area.

The Chair: I have been listening extremely carefully and I think that the answer to the question is yes rather than no. I have confirmation from other colleagues who have also been listening carefully. I appreciate you are saying that it is not just because of the money, it is shaped by strategic priorities. Could I just ask a little more? First, what impact assessment was undertaken of the changes that you had to make? Secondly, was any consideration given to increasing non-ODA funding because of the cuts that were being made in ODA funding?

Michael Ellis: Did you want to come in, Ben?

Ben Merrick: Yes, but in fact we might bring in David, who was the senior responsible officer at the time for some of those particular aspects.

David Quarrey: Yes, there was a very rigorous process around this across, I think, the summer and autumn of 2020. There were two processes in chain, one chaired by the then Foreign Secretary looking at ODA spend overall for government in the difficult new economic circumstances with Covid and one led by the then Paymaster General looking at the CSSF itself and what the impact of the budget reductions would be, and a process designed to bring those two together. We tried wherever possible to take a holistic view, assessing, as the Minister and Ben have said, what our strategic priorities should be, how we could do this in a way that did not lead to cliff edges and how we could ensure as much as possible complementarity between ODA and non-ODA, but we were, as we have acknowledged, in a very tight budget situation. It was not possible at the time to compensate the loss of ODA budgets for the following year with an increase in non-ODA budgets. There was an overall reduction but it was the outcome of a quite rigorous process, I would say.

It is also worth noting that, as far as I am aware, we are still unique in having a facility like the CSSF, which brings together ODA and non-ODA and different government departments working together in what is designed to be a catalytic and agile way. It is a shame that we had to live with a reduced budget in the following year, but this is still a very distinctive UK contribution in some of the world's most complex security environments.

Michael Ellis: Of course, as you know, Dame Margaret, the Government have committed to returning to the 0.7% target as soon as the economic climate allows. I endorse what was said before my appointment by my predecessors and the officials, as you have heard David say. These decisions are always based on evidence. It is an evidence-based

assessment on the impact of programmes and their alignment with the strategic priorities of the Government, as well as, of course, where the CSSF can best add value alongside the departmental spend. It is a holistic approach, as David was saying, but fortunately, because the fund is quite agile, we can do that pretty effectively.

The Chair: I am glad to hear you say the intention is to go back to the 0.7% as soon as possible because I had the impression there were a couple of fairly heavy caveats attached to that.

Q2 **Alicia Kearns:** I want to go back to the comments specifically around Morocco. Mr Merrick, you said that we cut the political and economic development programmes in Morocco because they had less to do with the goals of the CSSF. Having written a number of CSSF programmes and successfully gone through the process and managed a number of CSSF programmes all related to my counterterrorism work, I know that political and economic development programmes are absolutely vital to stopping people from joining terrorist groups. Therefore, they are fundamentally the most crucial part of any piece of work we can do ultimately to keep us safe in the long term, if we are looking at long-term programmes.

Stopping people getting on planes or getting them to defect is not CSSF-funded work, so I am a bit confused, particularly when looking at Morocco, why we would stop that work when Morocco had 1,659 foreign terrorist fighters over the last few years. We recognise those coming from Morocco to be of a particular threat to our country specifically, and we know that this political and economic work—I wrote some of the programmes for Morocco—has been defunded. We know that those specific programmes around political engagement and economic activity are what stop people joining terrorist groups in the first place.

Ben Merrick: Undoubtedly, it is difficult to make these balance judgments. The general view was that the challenges in Morocco were less than those in other parts of the Middle East and north Africa. That clearly does not mean there is no concern at all and, as you are obviously very well aware, in a number of countries there remain some challenges. We had to take a balanced view across the portfolio and across the fund as a whole. I absolutely agree with you that it is not easy and these things will never be impact free, but we needed to focus on where the impact to UK national security was most direct. I am certainly happy to come back in more detail on the issue of Morocco, but this is the broad process that was taken.

Michael Ellis: Before David comes in, can I thank you, Ms Kearns, for that? More importantly, I thank you for the work that you have done with the CSSF, particularly with Morocco. I absolutely recognise the importance of Morocco and reassure you and the committee that, when one looks regionally at the Middle East and north Africa, our programming there remains a key priority for the CSSF.

Middle East and north Africa is the largest portfolio in the financial year 2021-22, so we have not taken our eye off the region. As has just been

said by Ben, it is a question of prioritising. That does not mean that Morocco is not a priority. We recognise that there are myriad priorities, but where we are dealing also with Syria, Yemen, Iraq, Israel, the Palestinian territories, Jordan, Lebanon and so on, decisions have had to be made. That included Morocco and Algeria. The issue is to do with the complexity of the problems. It is not because there is any assessment that there are no issues that we could be helping with. We recognise that there are, we have just had to make some difficult decisions. I do not know whether David wanted to come in. I think that his hand was up.

David Quarrey: It is only to add that I would have to go back over the files to look at the particular Morocco case, but as we would have looked at that, part of the consideration would have been what others were doing, including different parts of the UK Government, and what other international actors were doing there. Obviously, the CSSF is not the only tool being applied to what, as you say, are incredibly important drivers of radicalisation or ways of reducing them over time. It is trying to be holistic not only in our own system but also looking overall at who is engaging there and what the distinctive contribution of the CSSF is in that environment compared to a series of other high priorities.

Michael Ellis: Thank you for asking about Morocco because I made enquiries about it prior to this meeting. I am interested in the area and the region and the work being done in Morocco. Would you leave it with us and we will take that away? I can assure you that I will be looking at Morocco continually.

Alicia Kearns: Thank you. Chair, I should just flag that I have previously worked with Mr Quarrey when I was a Foreign Office official, just for absolute transparency.

My reason for asking is that I believe that CSSF funding should be focused on where the greatest threat comes to British lives. The foremost job of the Foreign Office is to protect British life in all its forms, and it is just a surprise that in 2016 Morocco was in the top five countries we are most worried about in terms of threats to the UK within the Middle East and across the world. When it was looking at counterterrorism work in terms of ISIS we put it in the top five. It is interesting to note that that threat has evolved, which threats obviously do, but I shall leave it with you, as you kindly mentioned.

The Chair: That has given you a marker to work for.

Michael Ellis: It has, Dame Margaret.

Q3 **Bob Stewart:** Good afternoon, Minister. My questions are concerned with ministerial oversight of the CSSF. Beyond the final allocations within the fund's annual budget, what involvement do Ministers have in the CSSF?

Michael Ellis: Thank you very much for that, Colonel Stewart. I can say that it is important that Ministers have considerable involvement. What tends to happen is that departmental Ministers in the individual

departments of government will have immediate oversight of the programmes appertaining and of relevance to their own departments.

I have in my current role, and my predecessor had for the financial year we are talking about, that responsibility as Paymaster General. That involves looking holistically at all the programmes, and there are a very large number of them. I went through a very significant pile of papers to have a look at these programmes and ask questions about them. There is a degree of ministerial oversight, as you will expect for sums of this quantity. We make sure as well that things are brought immediately to Ministers' attention if there are any issues. Over and above the routine engagement of Ministers, there is a mechanism by which Ministers can have brought to them any issues that may develop, and Ben may be able to speak to that.

Ben Merrick: One recent example was when the fund was able to respond to a request from the Ukrainian Government for support with the Ukrainian armed forces, and by making use of some underspends and a return from NATO we were able to free up £25 million. Clearly, there are a lot of elements to that and we very much wanted to engage with the Minister and others. That is just one example of how we were able to do that at very short notice, but the Minister and his office are always extremely amenable to us coming to get his views and decisions.

Michael Ellis: I would like to expand on that because it is particularly topical. President Zelensky of Ukraine had put out a call for emergency assistance of a financial nature and my team for the CSSF looked very quickly at where we could utilise underspends. I think that a £4.4 million underspend was located as we were approaching the end of the fiscal year. We also drew down some money that had been reallocated. As Ben has said, we were able to locate some £25 million which we were then able to arrange very speedily indeed, frankly within days, certainly within a couple of weeks in total, to send to Ukraine at a time of very considerable need.

This again speaks not only to the issue of ministerial oversight but, perhaps more importantly or equally importantly, the agility of the fund and our ability to do that when there is a significant emergency. This is something that we clearly drew to the attention of the Foreign Office and No. 10 and special arrangements had to be made to transfer that money at very short notice. I believe that the Ukrainians used it for, among other things, body armour for their military personnel, trauma kits and salaries.

Bob Stewart: I was in Ukraine last week. I wonder whether money can be converted into kind. For example, the armed forces of Ukraine, when I spoke to their representative, said what they needed above all else now—it may not be acceptable but it is what they asked me to forward in the UK Parliament—is MLRS, a multi rocket launcher system which is quite long range. It may not be something we could do, but can we convert CSSF funds into hard armament, for example? Is that possible?

Michael Ellis: I think that it is technically possible. I am very proud of what the CSSF has done with Ukraine.

Bob Stewart: I can tell you that we are nation No. 1 in Ukraine at the moment for what we have done and we are lauded to the skies, but when I said to them, "What would you really want?", they said, "MLRS". I am in no position to decide; all I can do is pass that message on.

Michael Ellis: I appreciate that and I see that David has his hand up from Brussels. Before I invite him to come in, I would say that we have done a huge amount on Ukraine and, by the way, not just since the Russian invasion in February. Since 2015, we have put a considerable sum into the Ukraine programme. The UK was training military personnel, building resilience and supporting against disinformation almost immediately after the Russian invasion of the Donbass region, which was years ago. We were seen, as the committee will probably recognise, as a key partner of Ukraine years before this year's appalling invasion.

Since the Russian invasion this year, the CSSF has committed over £32 million in total to immediate response to this particular crisis, as I say, and that includes the £25 million that we have just been talking about. I know that Mr Quarrey wants to come in on the specific point about lethal aid.

David Quarrey: Yes, just to note, as you said, Mr Stewart, we have done a huge amount so far already. That specific request for MLRS is in our system. It has been raised at senior political level. I know that it is being given thought to, but it will probably be outside the CSSF process because the wider programme of support to Ukraine is being led by the Ministry of Defence, for good reason. I could say more about ministerial oversight as well if that would be helpful.

The Chair: Yes, I think it would.

David Quarrey: I mentioned earlier that in the summer of 2020 we had the process that was led by the then Paymaster General looking at the CSSF and the reprioritisation exercise with the reduced budget, which docked alongside some quite rigorous scrutiny from the then Foreign Secretary to make sure there was proper alignment with the ODA plans.

In 2021 we had basically three elements to a review. First, we had the comprehensive spending review, which, as the Minister mentioned, had strong endorsement for the principle of continuing an integrated ODA/non-ODA blended fund across government, ministerially led. Secondly, we had a review process that looked at the CSSF in light of that year's publication of the integrated review to make sure that the CSSF was properly aligned with it. I led that at official level but it then went to the Paymaster General and was discussed with other relevant Secretaries of State. Then we had a third phase of ministerial oversight when the actual budget allocations process happened, and that went to ministerial write-round. At each of those three stages there was proper ministerial scrutiny and oversight of what we were doing with the CSSF.

Bob Stewart: Thank you very much. I have taken up a little bit too much of the time allocated for each of us, so I will combine my final two questions. Last time, Minister, we spoke to the Paymaster General, Penny Mordaunt, and she talked about a new ministerial forum for overseeing the CSSF. That will be chaired, apparently, by the Foreign Secretary. First, has it been set up? Secondly, in short, do we have a new SRO for the CSSF?

Michael Ellis: I will try to answer both equally briefly. I think we do have a new senior responsible officer but the announcement has not quite yet been made. I can reassure you, Colonel, and the committee that we are expecting an announcement within I think a couple of weeks. The individuals involved do not know yet, so if you will forgive me I will not say anything further than that. We will imminently have one and, of course, the success of David Quarrey is such that he is now at NATO, so that speaks for the role.

On your other point about the forum, we have a meeting scheduled, in fact, with Ministers. Is that in the autumn?

Ben Merrick: Yes, certainly later on this year. As you say, some time ago there was a plan for a particular forum. In fact, the Minister used the National Security Council format as a whole, so there was a write-round in the autumn. That was an opportunity to get views from all the key NSC Ministers and the Prime Minister. The Minister just wrote to update everyone. We would have tried to have a meeting but unfortunately diaries have been extremely difficult. The plan is to use the NSC Ministers as the means of doing that. Obviously, in between times it is perfectly possible to have meetings with smaller numbers of Ministers on particular issues as well.

Michael Ellis: We did it the first time as a write-round, but the plan is to do it as a live meeting in due course.

The Chair: Has the NSC discussed the CSSF at any point in the last year?

Michael Ellis: We have written to the NSC Ministers.

The Chair: Yes, you have done it on a write-round?

Michael Ellis: By way of a write-round. That is all I can say about it, I am afraid.

Q4 **Alicia Kearns:** I have a very quick question on ministerial oversight. It is fantastic to see that the fund responds so quickly to ministerial requests but, David, what you were setting out was about Ministers approving overall direction and buckets of funding. I cannot recall a Minister ever approving a specific programme within CSSF funding unless it had come from their request. Indeed, they were approved at vast boards of 20 to 30 civil servants. In terms of the actual specific programmes undertaken within each budget or within each bucket, if we wish to call it that, Ministers do not meaningfully engage with them in any way.

Michael Ellis: I can say before David comes in that you are right; there are so many of those that Ministers cannot, and should not perhaps, micromanage down into the individual buckets. However, I do reserve the right to ask questions about any individual sum of funding, including very small sums—and I have done just that, including on really quite modest sums—if when I look at it in a line or two I want to ask more about it. Although I do not want to micromanage and I leave our very competent officials to make those decisions, your overall premise is correct, but I reserve the right to ask questions even about the smallest sums.

David Quarrey: Departments definitely consult Ministers on programmes that are novel or potentially sensitive or risky. Of course, part of the purpose of the CSSF is to enable us to undertake that programming activity with higher risk. Ministers definitely consult, I am sure, where they think that there is activity that is novel, has unusually high risk or may be of particular interest because of political sensitivities. There is quite extensive consultation on certain kinds of programming activity.

Ben Merrick: In my last role I was the director for the overseas territories in the Foreign Office and the SRO for the overseas territories portfolio. Our Ministers, particularly Lord Ahmad, to take one example, got closely engaged because there are so many challenges in the overseas territories. In particular, when we had to pivot very quickly in a few days to free up money to support them on Covid, we did that with a meeting of the then Foreign Secretary and various other Ministers as well. Certainly, in particular examples Ministers can get very closely involved. It just partly depends on the circumstances at the time.

Q5 **Baroness Neville-Jones:** Can I ask you a little bit about lines of responsibility? Last week it was reported in the press that the National Security Secretariat will report to the Permanent Secretary in No. 10 in the new Prime Minister's department rather than, as now, to the National Security Adviser. Can you confirm whether that is the case? If it is, how does the new arrangement work? What happens to the responsibilities of the National Security Adviser if he no longer has the secretariat reporting to him and is in, presumably, a different department? Could you clarify?

Michael Ellis: I am afraid I am unable to clarify that because that is a media report that I do not recognise.

Ben Merrick: I will briefly say that I am not aware of that particular report, but certainly Sir Stephen Lovegrove, the National Security Adviser, is very much overseeing the work of the National Security Secretariat and continues to do so. You will obviously all have seen the various discussions about overall government machinery and departments, but yes, the NSA is very much in charge of the National Security Secretariat.

Baroness Neville-Jones: That is reassuring news. Can you say whether he will be doing it from inside the Cabinet Office or the Prime Minister's department?

Ben Merrick: I do not know exactly, I am afraid. My understanding is that that will be within the Cabinet Office, but I know there are still discussions under way on some of these structural issues.

Michael Ellis: I do not think that firm decisions have been made. One can always speculate about media reports, but at this stage I think that it would be premature. The thrust of your question I completely support, which is that, however a machinery of government change takes place, it is very important that the CSSF is properly administered and supervised. Whatever changes take place in due course, when they are officially announced, I know that proper consideration will have been given to ensuring that there is correct oversight of such important matters and such substantial sums.

Baroness Neville-Jones: You anticipate my next question. We had a rather complicated set of reviews of the CSSF, but obviously after you have taken all the decisions there remains the question of who is actually responsible for day-to-day decisions and supervision, at both ministerial and official level. Do you, Minister, expect to retain responsibility for the CSSF afterwards, if there has been a transition?

Michael Ellis: All I can say is that I would hope so. The reality of the matter is that it is a great privilege and honour to have responsibility for this fund, but it is not for me to say what might happen in terms of machinery of government changes going forward. So long as it does remain my responsibility, I very much hope to give it the attention that I think it so readily deserves. There are many across government who have seen and recognised its successes. It is pretty unique worldwide and we know the impact it has. I have recently come back from a visit to the western Balkans, for example, and seen this for myself. I can reassure the committee that if and when there are any machinery of government changes, all those who take a very considerable interest in this fund will want to make sure that, whatever format the structures are in, they work well.

Ben Merrick: The Joint Funds Unit, which I lead, overseeing the CSSF is very much part of the National Security Secretariat. Obviously, we used to work to David; we will soon be working to his successor as deputy National Security Adviser. Clearly, a lot of this is about money but a lot of it is about strategic alignment with all the other broader issues that the National Security Secretariat deals with. Because it is very much a cross-cutting, cross-government fund, the fact that we are at the centre of government is extremely helpful in that context.

Michael Ellis: One of the things that is really important that perhaps we have not touched on yet, which I think works very well now, is what I call the high-risk angle. Government and the operation of government is often quite risk averse, but I think that this fund under this Government has shown that we want to be forward leaning and able to make robust decisions. There are many examples where the CSSF has been encouraged, if you like, by this Government to take a high-risk approach to programmes. That certainly does not mean that it is careless about

these things; in fact, it is assiduous to make sure that all aspects are carefully considered.

To give you an example, we took a high-risk approach in Somalia, enabling the UK to be the only donor in the world working directly with the Somalia national army and the African Union Mission in Somalia, in areas that were recovered from al-Shabaab occupation. That is just one example where we have contributed considerably to the success of the Somali Government's operations in this area. That is just one of a myriad of examples where, because of the agility of the fund and the high-risk attitude, we are able to say that so long as the risks are appropriate we can lean forward on that and have an effect that is quite catalytic as well.

Baroness Neville-Jones: I will not poach the questions about focus but that is obviously a relevant area. I think that there is a question coming up on that.

The Chair: Do you want to come in on this, Lord Butler?

Lord Butler of Brockwell: Yes, these machinery of government questions are very central to this committee's interests and responsibilities. Chair, could we ask that, once there is greater clarity about it, we could have an organogram about how all this works in the reset?

Michael Ellis: Certainly, I could say that when I know more, you will know more, Lord Butler. At the moment it is media speculation, and certainly if there are any such changes in due course we would want to keep this committee informed.

Baroness Neville-Jones: I think it is the view of the committee that we would want to see the National Security Adviser continue to run the National Security Secretariat.

Michael Ellis: Understood.

Q6 **Stephen McPartland:** What has been the impact of the integrated review on the overall objectives of the CSSF and do they remain the same as in the December annual report?

Michael Ellis: Ben, did you want to come in on that?

Ben Merrick: Thank you. There are a number of key impacts, particularly in the broader areas of focus. There are a number of key issues, as I mentioned earlier—cyber, state threats, the Indo-Pacific and so on—which have very much driven the way we take things forward as the key priorities. Of course, we had already been doing some work on those beforehand, but this has driven the shaping and the prioritisation of how we have taken particular portfolios forward. There was also a specific action within the integrated review about us reviewing the CSSF to make sure that it was sharpening the focus on conflict, stability and security, so we did that last summer.

There have been those specific elements, but all the aspects of the integrated review have driven not just how we operate overall but the way in which individual portfolios adapt. Each of those has a specific mandate to ensure strategic alignment with the integrated review and the points coming from it, and then obviously with each other as well. Unsurprisingly, the integrated review has had a huge impact on how we operate, but quite a number of the themes we were already looking at beforehand. David was closely involved in the integrated review and I do not know whether he wants to add anything to that.

David Quarrey: Yes. The purpose of that review last summer, the strategy review, was precisely to look at the CSSF in the context of the integrated review. What we tried to do was to have quite a hard look and ask, "Does the integrated review mean that we should basically rip up the CSSF and start with something completely different? Does it mean that we should carry on entirely with business as usual or do we need to preserve what is best in the model—the risk appetite, the agility, the cross-government nature, the blend of ODA and non-ODA—but adapt the CSSF to some of the new priorities?" That is the approach that Ministers agreed with; we did not junk entirely great sections of activity but we did try to reorientate in some areas—on cyber, as Ben mentioned, and doing a bit more in the Indo-Pacific, which had been quite a small area of focus for the CSSF. There has been some increase in the Indo-Pacific but expenditure in line with CSSF prioritisation.

The integrated review has definitely shaped this year's allocations and I think that it will continue to do so. Frankly, when we look at the rise of state-based threats, what we are seeing in Ukraine at the moment and the wider Russia challenge, I think that has been the right decision.

Michael Ellis: I would agree with that. Mr McPartland, thank you for your question. I think that it is important because the integrated review is really about the geopolitical shift. We have seen with the Russian invasion of Ukraine a seismic geopolitical shift of one sort, which has tended to inform Ministers in my area of responsibility but also officials, as you have heard, about all their decisions. In other words, it is more something to have in the back of one's mind when one is looking at all these programmes and portfolio areas as opposed to specific boxes to tick. It is more about thinking generally how this fits into the geopolitical situation as evidenced by the review and, as has been mentioned, such things as the Indo-Pacific region and cybersecurity and so on, which are just two examples of that.

Stephen McPartland: On the geopolitical situation, as you have all discussed, there is some concern that there has been a shift away from some regions in favour of others. For example, for Afghanistan £100 million used to be ring-fenced for the CSSF but that is now undertaken by the MoD. We have had written evidence from HALO suggesting that 45% of its funding came over the last five years, but that is now zero. It is administered through the UN mine action group, which effectively means there is a lot less transparency around what is going on. Would you like

to comment on that?

Michael Ellis: You are quite right to mention Afghanistan and, as you know, the CSSF made a very powerful impact there prior to the Taliban takeover. We were involved in peace negotiation support. We were involved in institution building. We supported NATO, as you know, and the commitment there to support the Afghan national defence forces. The position is completely different now, I have to accept that, and we do not really have many options there. We are doing everything we can to restore stability in Afghanistan, but the fact that we are no longer able to utilise resources is because of the situation there.

Despite that, I think that we are still funding human rights monitoring there. We are still funding improvements in international humanitarian norms. I think that we are still doing the sorts of things that we can still do in Afghanistan. I have to be frank; we can no longer support many of the programmes with which we were engaged prior to the Taliban takeover, for obvious reasons.

Ben Merrick: You are absolutely right to pick up the point about changes in regional priorities. Clearly, that partly relates to the strategic priority but also to our ability to put effective programmes into place. Obviously, as the Minister says, in Afghanistan it has been particularly difficult, but we remain ready to see what things might be possible.

I will briefly pick up your point about HALO, transparency and so on. We are keen to work closely with a range of potential implementers. Certainly, I met the chief executive of HALO pretty recently, particularly in the context of Ukraine but we obviously consider all sorts of possibilities as well. We are very keen to engage with a range of organisations. We absolutely value transparency as much as possible. Inevitably, sometimes there are issues about national security but, wherever we can, it is very much in our interests to be transparent.

Michael Ellis: I noticed that the Foreign Secretary, for example, announced the UK's pledge of £286 million in aid to Afghanistan for the financial year 2022-23, which matched last year's commitment.

The Chair: Ms Kearns wanted to come in on this briefly.

Alicia Kearns: It was just about the geographical shift that Stephen started us on. You mentioned a geographical shift towards the Indo-Pacific, but I note that there is no funding for China, Taiwan and Vietnam, which we know particularly is a real hub for state threat actions within the region. Given that China and Russia are the two big strategic competitors, I am intrigued that there is not a penny of funding for China, Taiwan or Vietnam.

Ben Merrick: Some of these issues may not necessarily be programmes happening in certain countries but they may be picked up by other programmes that we deal with. We mentioned work that we are doing on state threats, for example, and there may be some of those elements

that emerge, even though that portfolio is relatively early on at the moment. Yes, I am fully aware of the challenges that you outline there and I expect that state threats in its more global approach will have quite a few of those things picked up.

The Chair: Mr Quarrey, did you want to come in on that?

David Quarrey: No, I do not have anything to add to what Ben said. Thank you.

Q7 **Baroness Hodgson of Abinger:** I would like to turn our attention to international development now and the fact that the CSSF is not mentioned in the new international development strategy. Therefore, what role will the fund play in delivering its objectives, which now align more closely with trade goals spending? This new strategy represents a marked shift from the commitment to spend 50% of ODA on fragile and conflict-affected states, which was set out in the 2015 UK aid strategy.

Michael Ellis: We are continuing to prioritise spending on those geographical areas and thematic issues that are linked to conflict, stability and security overseas. What we have to do is look at the areas that are posing the greatest direct threat to the United Kingdom. That does not mean that we can touch every area or that the areas we are not touching do not also pose some threat. We can only do the very best we can.

We look at the world's most vulnerable populations and where they live. Our spending is always adjusted to ensure best value. For example, spending in eastern Europe and central Asia was protected. I think it was increased from £81 million in 2021 to £86 million in 2021-22 in recognition of the increased threat to stability in that region.

To answer your point, we would say that the approach we take in the spending of our portfolio and its goals is that we look at where a direct threat is posed to the United Kingdom and we try to address some of those issues. That is how we have always approached it and how we will continue to approach it. We continue to focus on tackling conflict and instability, for example, in places such as Myanmar, Syria, Yemen and some of the areas where there are particularly complex regional contexts.

Ben Merrick: There is an important emphasis in the international development strategy on enabling low-income and medium-income countries not to have to rely on malign actors for their own development. That is a key part of how we operate. The other aspect I would pick up is our emphasis on the sustainable development goals, which we certainly listed in the annual report and which remain a key aspect of how our programmes operate, so they understand how they will be meeting key SDGs as well.

Q8 **Baroness Hodgson of Abinger:** Thank you. Can I also ask about the size of the grants? In some of these conflict-affected states, it is terribly important to get money down to the grass roots. That is how you can really make change and protect people like women human rights

defenders. Has the CSSF changed so that it can deliver small grants to grass roots rather than these huge grants to multilateral organisations?

Michael Ellis: If I may say so, I think that is an excellent question. That is something that I feel strongly about. Sometimes we have a situation, of course, where because the bureaucratic burden can be quite cumbersome we need to assess people. We need to be able to assess programmes and, therefore, we require people to adhere to some of our administrative requirements. We do not want to make those so burdensome that small or perhaps even single-unit individual people who are doing good work in particular areas cannot make their application. I think that that is very important and we do and can drill down to quite small organisations and quite small sums. For example, when I visited the western Balkans and went to Montenegro, Albania and Kosovo, I met a number of organisations and some of them were quite modest. It is certainly true that others were much larger, but we want to be able to do that and I think that we are.

Ben Merrick: If I can expand, for us having an agile commercial framework is incredibly important. We have the ability, certainly for larger contracts, to work through a contract framework with a set of suppliers who are pre-vetted so that we can contract them very quickly. Where there are amounts that are below the statutory threshold, which I think is around £120,000, we can absolutely engage with local providers through grants and so on, particularly the non-profit organisations. It is very much in our interests to do so, particularly in terms of local engagement, local capacity building and their deep understanding of the situation on the ground. We already do a lot of that, but we are very keen to make that as systematic as possible.

It also links to our point about pipelines and making sure that potential suppliers are aware of the sorts of opportunities that might be coming up. We have had some challenges in the past but we are very keen now we have a three-year spending review settlement to take that forward and engage locally as much as possible.

Michael Ellis: I think that I can remember some programmes that were in the £10,000 range. There may be some that were even smaller. I do not know whether Mr Quarrey or Mr Merrick can help with answering your point. I certainly would not want us only to be working with large organisations. It is important that this fund is able to help in small ways.

Ben Merrick: Often from an agility and catalytic effect point of view it is the small ones that can have a rapid effect, particularly with injections, for example, of technical expertise or the sorts of things where you do not need vast infrastructure programmes. That is a better way of operating anyway. Yes, I would very much agree with that. If it would be helpful, we can certainly send a bit more information about the sorts of things that we do, but that is the approach that we like to take.

Michael Ellis: Yes, I would be happy to do that. You mentioned gender and I just wanted to say how important that is as an issue. We very

much recognise that. I looked at this specifically. Gender was a main objective of 6% of ODA-funded CSSF programmes. That is £36 million. However, 65% of our programmes, which was about £348 million, had a significant gender component. One does not want to look only at those programmes that were specifically gendered, although you will find 6% are those, but we have been making sure that as many as two-thirds of our programmes have some specific significant gender component.

Ben Merrick: Even beyond the funding, the key part is getting the policies and the design of programmes and portfolios right. We lay huge emphasis on ensuring that all portfolios are thinking about how best to get gender sensitivity factored into them.

Michael Ellis: I know that we have been doing some really good work on this in Ukraine. On 8 March 2022, which was International Women’s Day, our embassy in Kyiv launched a call for bids valued at £750,000 for women’s rights organisations and civil society actors. Since 2016 in Ukraine we have been supporting gender-based violence responses. That has helped establish no fewer than 16 shelters, five crisis rooms and 10 centres for gender-based violence survivors just across Ukraine alone. This is very important to us.

Q9 **Sarah Champion:** I have been listening intently to everything you have been saying but particularly to the Baroness. Could I pick away at some of those points, Minister? NGOs have told us that the CSSF has become a lot more security focused, and you highlighted that in your answer, Minister, with a shift away from conflict prevention and stabilisation work. Is this a government policy shift and, if so, why? Or is this a misunderstanding?

Michael Ellis: I honestly do not think that it is an accurate portrayal of where we are. It is important that we look to security and, as I have said earlier in this session, we always have more than an eye—both eyes—on UK national interests. That, of course, means UK national security, which is protected in a myriad of different ways, as you will know. This programme is a very significant part of that, so I would not personally characterise it as a shift towards that. I would say that we are always looking at that but we take a much broader approach in how we fund things. I think that is a fair assessment.

Ben Merrick: Yes, I think that is right. As you say, it is very important that we have a range of approaches. I certainly would not say it was excessively militarised or securitised. Inevitably, there is a mixture of things. The Minister mentioned his visit to the western Balkans and there are issues around tackling serious and organised crime, but I know that the Minister also visited a preventive serious and organised crime programme for young people to stop them getting into it in the first place. Conflict prevention or preventing other sorts of instability is very important and is clearly often the best value for money. It partly depends on the aspect of programmes that really will be effective and so on, but we think that a range is important.

Sarah Champion: The International Development Committee is currently doing an inquiry into atrocity prevention. We are very clear that atrocity does not only happen in conflict situations and that there are things that we could be doing around the world to recognise when that othering and hate crime starts building up. Is that something that you still recognise to be the case—that atrocity can happen in any situation, not just conflict?

Michael Ellis: I would certainly accept that.

Sarah Champion: Would money be, therefore, allocated in the fund?

Michael Ellis: From my own perspective, I certainly would not be closed to any consideration along those lines.

To follow up what Ben Merrick was saying, to use the example that is so fresh in my mind because I only came back a month or two ago, in the western Balkans we look at organised crime, violent extremism, media freedom or disinformation—a myriad of issues. When I went and saw some young people, as Ben was just talking about, I saw 20 teenagers at a group that had just come out of school. I asked them to put their hand up if they had relatives in the UK. Every one of them put their hand up. What we were talking to them about was seeking to avoid the issues around serious and organised crime.

To your wider point, I absolutely agree that when we are looking holistically across the board, we have to have our eyes open to every possibility. Personally, I would not consider myself closed to anything. I see that Mr Quarrey is waving his hand frantically, so I am hoping he will not disagree with me.

David Quarrey: No, thank you. I think that we are in a world where it is increasingly hard to say some activity is about conflict or about state threat. One of the big themes of the integrated review was the increasing interconnectedness of all these challenges. That ought to be one of the things that the CSSF is best equipped to address.

If you look at some of the programming, there was a great programme that we did in Colombia that looked at the impact of climate change on drug trafficking, or the work that we do in the Chad Basin, where you have a complex mix of poverty, migration, education and extremism. Those are the challenges that the CSSF should get into precisely because you just do not have a simple breakdown of whether this is a conflict situation or a national security threat. Many of them are a very complex mix of both. Your point about atrocities not just in places where conflict with a big “C” is happening is a similar phenomenon.

What we want to try to do with the CSSF is to have that integrated effort, something that reaches across government. The western Balkans serious and organised crime programme, which the Minister may have seen, has seven British government departments and agencies working on it because you cannot disentangle the migration impact from the terrorism

impact or the organised crime bit. That is real added value for the CSSF when we can engage in those complex phenomena.

Sarah Champion: It will not surprise you that Bosnia-Herzegovina is a case study for our atrocity prevention, so it is very heartening to hear what you said. I have a couple of quick-fire questions. Is there an informal target for what share of ODA will go to conflict and fragile states?

Michael Ellis: I do not think that there is an official target, is there? In terms of quantum, we look at things individually.

Sarah Champion: An informal target.

Ben Merrick: I do not think that we have a particular informal target on that. As we said, a lot of this is driven by strategic alignment with the integrated review and the ability to deliver effective programmes rather than starting with something that says we must have X% of ODA being used. As the Minister said, the blending of ODA and non-ODA is very helpful, but we try to make sure that it is context specific rather than just starting with a number.

Michael Ellis: Can I put it this way? I would not want there to be a specific number. I make it clear that while I hold this position I would not want that to be the case because I do not think that would be particularly helpful. We want to be able to look at the whole pot and make decisions based on need as opposed to quantum necessarily.

Sarah Champion: The development strategy throughout mentions malign actors, and in our session with the Foreign Secretary it became very clear that she was referring to China. I am surprised at the answer that you gave the honourable Member from Rutland that we do not have China funding within the overall CSSF. Why is that when it is recognised now in two documents as a clear player?

Ben Merrick: I was possibly not clear enough in my previous answer. Certainly, in terms of our state threats work and the programming, that is very much an issue—not just for China, there are obviously other states that we have concerns about as well. Generally, when we have particular country programmes, they are being delivered in that country rather than dealing with the effects of that country elsewhere in the world. We certainly are very much focusing on these sorts of issues, but it may be that it is in terms of the effects being created elsewhere. As I say, the state threats angle is something that is, as David Quarrey has already said, very significant and even more so in recent years.

Sarah Champion: Finally, Minister, you beautifully and balletically danced around the answer to the Chair's introductory question, which was about projects that have been cut. Could I ask you for a list of projects that have been cut, had allocations reduced or their funding not continued? It is incredibly hard to get it from the available data. When we asked the National Security Adviser he did a similar jig and did not give

us the clarity we were looking for.

Michael Ellis: I always like to be as full and frank as I possibly can to this committee and all others. We can certainly do some work on that and see what we can get back to you.

The Chair: You were clear, and I think that we all understood, that some will be due to the effect of financial cuts and some will be because of strategic priorities. Could you include both of those in the list? We just want to know what programmes have ceased, please.

Michael Ellis: I am conscious that we have a very large number of programmes and many of those decisions will have been made on complex bases. People would not always be thinking about money when they make the decision to shut a programme down.

The Chair: We understand that, Minister. It is just that we would like to know what has gone.

Michael Ellis: Can I undertake to talk to my officials and work with them to provide the best possible answer for you? We certainly wish to do that.

Alicia Kearns: I have a very brief follow-up. The first time I asked a question about China I understood the answer to be, "Yes, we are but it comes from the hostile state pot rather than the geographically driven pot". Then, from what I heard in the answer, it was, "I am now nervous that we are saying we are countering China's effect elsewhere in other countries". This is not aid money, if anyone wants to get on their high horse and say we are giving aid money to China. Are we spending money in China to counter malign activities from within China, not just the impact that China is having on neighbouring and satellite states we are worried about? Are we doing programmes in China?

Ben Merrick: I confess that I am not aware of specific activity in China. I am happy to get back to you on that one.

Alicia Kearns: My reason for flagging this, to be clear, is that for too long—well over a decade, if not two decades; it could be longer—the Foreign Office was too scared to do CSSF programming in Russia. That was a fundamental mistake; that was fundamentally wrong. It said it was impossible to do it. It is not impossible. The ability was there; there was not the appetite. I am nervous that we are falling into the same trap now with China. We will say it is too difficult, it is too impenetrable, you cannot get in. You can get into China and you can do CSSF programming if you want to do it. It would be great if the Minister could kindly write back to us and say, "Yes, we are doing programming in China" or, "No, we are not doing programming in China".

Michael Ellis: Can I write to you, Ms Kearns, about China specifically and we will try to be as informative as we possibly can?

Alicia Kearns: Absolutely. Thank you very much.

Q10 Viscount Stansgate: Good afternoon, Minister. I wanted to ask a series of questions about the effect of Covid-19 on your work, but in view of the time I will have to wrap it up in an omnibus question. In correspondence with the committee, the National Security Adviser told us that several CSSF programmes were forced to slow or pause activity and, later on, that these programmes pivoted, where appropriate, to support the Covid response. In pivoting, obviously programmes and activities had to be delayed or dropped in some cases, and this follows on from the questions you have just been asked.

Could you explain a little bit how it affected the geographic allocation? Morocco has been mentioned already so far. As you have used the word "agility" many times in your evidence today, can you look ahead and tell us whether you are confident that the CSSF would be able to react as quickly as it did to future threats or future pandemics, given what you acknowledged at the very beginning have been budget cuts over the last year or two?

Michael Ellis: What I would say, Viscount Stansgate, and I do not have a crystal ball, is that the best indicator of the future is the past. I think that we were very agile when we had to deal with the exigencies of the pandemic, so I would like to think that we can assume from that a continued degree of agility dealing with ongoing or potentially future situations.

We have shown both with Covid-19 and Ukraine that we have been very forward leaning and very fast acting. None of us has a crystal ball and I cannot guarantee that we will be able to move quickly to whatever future there is, but if one looks at the past and uses that as an arbiter to judge what is more likely to happen in the future, I would hope that we will be able to.

On your first point on Covid, I am very proud of my officials and the work that they did in responding to it. We made a significant impact in a myriad of places around the world, not least our overseas territories, including the extremely remote ones; I seem to remember reading that our scientists on the British Antarctic Territory and in territories such as the Pitcairn Islands and Tristan da Cunha received Covid vaccines. I believe Gibraltar was the very first territory anywhere in the world with 100% vaccination rate. We were able to get that going.

On your wider point about the impact of Covid on our programme, some of our programmes were interrupted or suspended; there is no doubt about that. That is where we had no option because we were unable to function without people—

Viscount Stansgate: Are you able to give us examples of some of those in your follow-up correspondence with the committee?

Michael Ellis: We can certainly have a look at that. I do know, though, that we were able to continue to function in places where others had stopped functioning. For example, there was one particular case during 2020 where one of our funds was seeking to address an increase in

domestic violence in Montenegro. There was a campaign to provide women with information on support services that eventually reached more than 70,000 people. We were also able to counter Covid-19 disinformation that was prevalent in the region, which was addressing vaccine hesitancy and the like. We did things like that to address vaccine hesitancy and to support those with life-saving medical equipment. It made a real difference.

I am not saying that we were able to function in full. We were disrupted. Our work was disrupted. In some places we were dependent on host countries that were unable to continue supporting our work in the region because they were focusing their efforts on their own emergency response. For various reasons our work was interrupted, but overall I am very pleased with how we responded. We had steers from the National Security Council, wider government policy and the like, and we did quite a lot.

There is another example in Pakistan. Our funding doubled the Covid-19 testing capability of the Punjab Forensic Science Agency so that it was able to carry out 14,000 tests for Covid a day. In short order, it became Pakistan's fifth largest testing facility. We did carry on work where we could, I think it is fair to say, through Covid.

Ben Merrick: Yes, very much so. Briefly, building on the Minister's points about the overseas territories where I was involved, clearly we would all hope that this had not happened, but we responded very agilely and learned a lot of very useful lessons. The ability to use very flexible commercial arrangements to get cargo to some extremely remote places in the world was something that we had not needed to think about particularly or test before that. Obviously, a lot of things could not happen—technical experts travelling to certain places or construction taking place—so some of that had to be postponed. However, it meant that we were able to take a very different approach to how we would support the territories.

Q11 **Baroness Neville-Jones:** Can we focus for a moment on Ukraine? Minister, I think you used the word "agility" in relation to Ukraine. Since the Russian invasion, can you say how much of the money that has been spent there has come from the CSSF budget and how much of it has been disbursed?

Michael Ellis: How much of the money we gave has been disbursed?

Baroness Neville-Jones: No, how much of our own budget.

Michael Ellis: We transferred £20 million at the end of 2021-22, £5 million in 2022-23, but I think our numbers were a little higher than that.

Ben Merrick: The Minister also mentioned earlier the £4.4 million that we gave in relation to trauma kits and body armour and so on. We have also provided £1 million for the International Criminal Court in relation to war crimes and so on. I think the figure is around £32 million from the

CSSF. Obviously, there is a lot of other support that the UK Government as a whole have been giving to Ukraine.

Michael Ellis: I think that we spent approximately £54 million in 2021-22, including the emergency payments that we made at the start of the invasion, although that is a slightly different picture. Of course, as you will know, other parts of government have also given substantially higher sums than that, from different pockets. The British taxpayer has been extremely generous to Ukraine, and rightly so.

Baroness Neville-Jones: It would be very helpful if you could, in writing, tell us how much we have spent and from what pockets it has come.

Ben Merrick: We can certainly do that. I was just going to add to the Minister's earlier point about the pre-2022 invasion because there was a great deal that the CSSF did at that time. Yes, we can certainly set that out for you.

Michael Ellis: I would like to mention—I think we touched on it before briefly—that we trained 22,000 members of the Ukrainian armed forces prior to the Russian invasion in February this year. Operation Orbital had trained that number and it proved to be extremely useful.

I do not know whether Mr Quarrey wants to come in here, but I think I am right in saying that the ODA criteria are set by the Development Assistance Committee of the OECD. We are on that committee. I think that there are about 29 member countries on it and we set criteria from that. We are carefully looking all the time at how we can support Ukraine and we have been doing so in a very large number of ways.

David Quarrey: I think that the CSSF has a really good story on Ukraine. It enabled a lot of the Orbital training over several years. I think Ukraine has seen the benefit of that recently. In the immediate pre-invasion period, the CSSF helped the Ukrainians prepare, including on energy security, local government crisis response and countering disinformation. Then, in the immediate invasion phase, it was able to unlock this funding for their Ministry of Defence. I was still involved at the time I concluded my last job. We were able to move much more quickly than almost any of Ukraine's other international supporters precisely because we had this tool. There will be big challenges for colleagues with the CSSF now about what the programme looks like over time, but we should be very proud nationally of what the CSSF has done.

Michael Ellis: One of the things I asked about is our country-based staff in Ukraine, particularly immediately after the invasion where there was considerable concern about our people there. They continue to work and have done so since the start of the invasion. They have received a package of support, which has allowed them to continue to work where they can, but all the individuals employed by the FCDO can apply for a UK visa for both themselves and their families, via a Ukraine staff visa

concession. They have to meet some criteria, but we want to look after people there as much as we can, as I think the committee knows.

There is a job of work ongoing. We have to be quite flexible because sometimes the position changes there and we have to be flexible at short notice. We constantly have an eye on the safety and security of people we are working with there and supporting them in the financial way that we do.

Baroness Neville-Jones: Would you use the fund again similarly, pulling it over to give Ukraine priority if you need to?

Michael Ellis: Let us put it this way. We listen very carefully when President Zelensky asks for assistance, if I can leave it like that.

Sarah Champion: I have a very quick point. Do you regret not having a similar visa scheme for Afghanistan, for NGOs that have worked so closely for so long with the UK Government?

Michael Ellis: We do a great deal to support in any way that we can and we have been extremely forward—

Sarah Champion: A visa scheme would be really helpful.

Michael Ellis: We have rightly been very forward leaning, as the committee will know, with visa schemes across conflict regions around the world, including in Syria and more recently in Ukraine. This is something that we constantly look at.

Q12 **Baroness Anelay of St Johns:** I would like to move our focus to the western Balkans. Minister, you and your colleagues have referenced throughout this meeting your visits there over the last couple of months. I did not hear a reference to Bosnia-Herzegovina, where there has been considerable concern about destabilisation of a political nature, particularly, it seems, encouraged by Serbia. Against that very difficult background, I note that the funding for the CSSF programmes in the western Balkans was cut by almost 50% in 2020-21, largely through reductions in ODA. Against the background of the instability, whether it is crime or political, and the underlying Dayton accords, what evidence was used to make that decision? How has that significant cut in funding affected the goals that you are trying to reach in that region?

Michael Ellis: Thank you for that question. The reason why I have been talking a little about Kosovo and Montenegro and the like is that I visited those places. I did not visit Bosnia-Herzegovina. I think that another British government Minister visited that region from a different department. It is not for any other reason than that. We were trying to spread ourselves around.

We remain very committed to supporting the western Balkans. The visit was very impactful on me. The very fact that I—if I can put it this way—visited that area and not some other part of the world that we are also supporting is a better indication than I can give verbally that we still look

to that area and still want to support it. One should not assume that, because there has been a necessary reduction in fiscal support, we are any less focused on remedial action there and support for that. It is always just a question of prioritisation and having to make some difficult decisions.

We are very motivated to support tackling serious and organised crime. It is very clear to me, visiting and speaking to leaders in the region, that we are thought of very much as a trusted friend to them and historically so. In Kosovo, for example, the CSSF had supported four local NGOs to improve the overall social and psychological well-being of survivors of conflict, particularly sexual violence in conflict, and I heard about this first hand in a moving presentation. The UK is seen in Kosovo, as it should be, as a leading advocate and supporter of this work. We have been since 2014. I was told we have been supporting over 1,500 survivors there, so we are doing very good work.

It is not just that type of thing either. We are also delivering through no fewer than seven government departments. There are agencies in partnership with us. There are non-UK government departments. It is about stability and resilience in the western Balkans and I would like to be able to spread more funding there. Having visited the western Balkans, I will certainly look very closely in the next spending round at what we are doing in that particular part of the world because I found it quite powerful.

In Montenegro, for example, we were supporting new enforcement and customs officials at the Port of Bar. There is a prevalence of cigarette smuggling there, which is finding its way across Europe, but also drug smuggling. We are supporting the work of the police and customs authorities in the Port of Bar in Montenegro. We will actively continue work in that area, particularly with disinformation, as I say, which very often comes from the usual sources. We want to enable people of the western Balkans to become better informed about what is going on in this ever-changing media landscape.

I am highly sympathetic to supporting that region and making sure that we drill down particularly on this issue of serious and organised crime. It affects the UK and our people, but it is also the right thing to do. I can assure you that I will continue to look to the western Balkans.

Baroness Anelay of St Johns: Thank you for that information so far. I certainly recognise the huge value of the work that the UK does with regard to supporting the survivors of sexual violence in conflict. I am glad you talked to some of those survivors. I always found it deeply moving. I am not clear in your answer whether you addressed the point of my introductory question: what evidence did you use to come to the decisions you did about how you would prioritise the spending there?

Michael Ellis: Can I put it this way before I try to answer or ask my officials? I know that my officials want to come in. The western Balkans is still the fourth-largest CSSF portfolio. I do not want to be repetitive, but

we are very keen to promote stability, security and prosperity in the western Balkans. We remain keen to do that. It is an issue of priority.

Ben Merrick: I confess I do not know all the details on the specific decisions you mention, but I am very happy to, in conjunction with the Minister's letter on other subjects, cover that issue when we respond. I am not sure whether David wants to pick anything up on Bosnia in particular.

David Quarrey: I do not have the material in front of me on the precise criteria applied at the time for the resource decisions then. I completely recognise the picture you paint, Baroness Anelay. In my new job here we are spending a lot of time increasing focus on the western Balkans. The appointment of Sir Stuart Peach as the UK envoy has been very strongly welcomed. We can all feel the fragility at the moment.

As ever with the CSSF, demand is effectively limitless for what it does. I would have to go back to the files and look at how precisely we evaluated that against other competing priorities. In 2021 there was a very heavy expenditure in the Middle East and north Africa. We were dealing with many of the consequences still, for example, of the Syria crisis and other areas. It would have been about resource competition and prioritisation against the criteria, but without the detail in front of me right now I am afraid I cannot answer.

Michael Ellis: I would like us to look again at the western Balkans. Yours is a powerful point and I want to emphasise that the fact I chose to visit that area and that we are still funding it to the extent that it is the fourth largest shows we have not taken our eye off that area. I take your point and going forward I would like to look again. It is instructive that NATO, from what David has just said, is doing what it is doing. The appointment of the former Chief of the Defence Staff is another signal of the importance of that region. We will be looking at it again.

Q13 **Alicia Kearns:** As chair of the All-Party Parliamentary Group for Bosnia and Herzegovina, I particularly welcome your comments around the spending rounds. I look forward to seeing those reflected. Perhaps duty should come into that thinking about funding; we have a specific duty to Bosnia-Herzegovina due to our history there and the activities we have. It is because of the UK that it was raised in a NATO ministerial meeting, because Parliament asked for it to be put on that agenda, so we would welcome seeing more of that.

Briefly, I take the liberty of thanking Matt Field, our exceptional ambassador in Bosnia, who will sadly leave his post, but not before the APPG goes out to visit him again in a couple of weeks to say thank you to him. He has been truly exceptional.

The Minister made a point about stability being at the core of the issues in the western Balkans. We know the main problems are around patronage, corruption, ethnic quotas and issues such as that. With that in mind, the good governance fund was rated to be a very good programme, so why was it cut short in the western Balkans, given that it

tackles the heart of the issues within that region?

Ben Merrick: I am not sure about the good governance fund itself in detail. David, are you familiar with the specific good governance fund?

David Quarrey: No, we would have to come back to you on that.

The Chair: Perhaps you could write to us about it.

Michael Ellis: We can write to you about that, Ms Kearns. We obviously have lots of separate funds and that was one that may have seen some changes, but let us come back to you on that in writing. Needless to say, we still want to see good governance.

Alicia Kearns: We absolutely do and that is the biggest challenge that Bosnia faces long term. How does it move to a system that is not there to prevent war but to provide effective governance for the people of Bosnia that encompasses all of that?

Michael Ellis: I had many conversations during my visit along those lines and spoke to some very interested parties about that. Particularly with my former position as a law officer, I was very interested in the law and order issues and corruption and so on, so I absolutely endorse what you say.

Alicia Kearns: In terms of assessing the effectiveness of programmes, I believe very strongly that we have to move away from such things as reach, output and outcomes and move to effect. Who is responsible for looking at the totality of programmes within a country or particular region—for example, the western Balkans—and monitoring the meaningful effect that we are having towards delivering our long-term objectives within that country rather than looking at it on a programme-by-programme line?

Ben Merrick: The monitoring, evaluation and learning approach is a key aspect of the role of the SRO for each of the portfolios. We were very explicit in the mandates that we gave them last December about that being a key aspect. As you say, it is not just at the individual level, but very much the broader set of effects and impacts. Of course, a lot of this needs to relate to how the portfolios are designed in the first place in terms of the theory of change and the effect we are trying to produce. It is very much the SROs.

In the Joint Funds Unit we have a set of overall outcomes for the fund as a whole, which the portfolios feed into. Getting the monitoring, evaluation and learning system right takes some time and it is not as easy to quantify the outcomes as it may be in some other programmes. For us it is fundamental. A big part of the evaluation is the learning, which we share very much within portfolios and across all the others as well.

David Quarrey: Speaking as a former head of mission and a regional director who was chair of the country board, the answer to your first question is: the ambassador on the ground should have a detailed

understanding of what we are trying to achieve long term and how the CSSF can contribute to that, with a geographical director, probably in the FCDO, looking at the suite of programmes across their area of geographical responsibility. They should be the ones, working with their counterparts across government, to have a sense of where the balance of investment is best put. It is challenging in the western Balkans at the moment. Are we best investing in Bosnia versus Kosovo? That is for the geographical board working with the CSSF.

Michael Ellis: I would agree with that. Our people on the ground are very adept and adroit at that. I met our ambassadors in the region. We have some really good people there, as you might imagine. I have every confidence they would very quickly tell us where they think something is working and something is not.

Alicia Kearns: I could not agree more that we should be paying our FCDO officials the same amount as their former DfID colleagues who have now joined them. It is a long-term appalling state of affairs that on average an FCDO official is paid around £10,000 less than a former DfID colleague who has now joined them.

Our colleagues are exceptional but at the same time they are firefighting from moment to moment. From my own experience, I am not sure that significant consideration, perhaps throughout an ambassador's time in post or however it is done, is given to making sure that beyond the immediate, "Yes, we have a programme and it is delivering some effect that we are trying to achieve", there is effective overall assessment of whether or not we are meaningfully shifting the dial in terms of the key ones provided. That is not a criticism of my former colleagues; it is a criticism of the fact that the day-to-day firefighting is so enormous.

I wonder whether there is a role here for the conflict centre. On my election I campaigned for the creation of an atrocity prevention centre. The Government branded it the conflict centre; I have absolutely no problem with that. Surely the conflict centre is perfectly located in the Cabinet Office to do this assessment of whether or not and what CSSF programming works best, how it meaningfully shifts the dial—essentially, a research centre of excellence on how we prevent conflict and keep British nationals safe that could provide that heartland of analysis so that somewhere across the whole of government there is somewhere to draw on that can talk through meaningful interventions that work.

Michael Ellis: I want to give Ben a chance to get a word in edgeways, but we do have a functioning office for conflict, stabilisation and mediation at the Foreign Office. That is investing in conflict prevention, capability and expertise in peace processes and gender in conflict. There is that unit and I think it is functioning well.

Ben Merrick: To pick up your broader point about the evaluation and learning, the Joint Funds Unit, which I oversee, is part of the Cabinet Office and the National Security Secretariat. We have a significant programme of global monitoring, evaluation and learning, which is, as

you say, aimed at drawing those lessons out, particularly trying to get people into a space where it is possible to think longer term, which is often very difficult, given the pressure of things. It is enabling people to think longer term and help them with that evaluation piece. Wherever we can, we are trying to get people to think at the moment towards the end of the spending review period and the sorts of things we are trying to achieve.

Alicia Kearns: Perhaps we could build a conflict centre into the organogram that Lord Butler asked for, because it would be good to think that it is not isolated and somehow involved with the Conflict, Stability and Security Fund.

Michael Ellis: Can I put it this way? We are not yet confirming that there are any machinery of government changes, but if there are—

Alicia Kearns: The existing situation would be great to understand as well.

Michael Ellis: —I promise to keep Lord Butler informed. There was an “if” before that.

Can I take this opportunity, Dame Margaret, to thank you and your committee for the work that you do throughout the year to monitor this very important area? This is an incredibly important area where the Government impact on a number of lives around the world, and we very much value the work that your committee does to support us in doing that.

The Chair: That is very kind. It may even be unique for a Minister to thank a Select Committee.

Michael Ellis: Especially after the meeting.

The Chair: Yes, quite. Mr Quarrey, is there anything you wanted to add?

David Quarrey: I have nothing to add, thank you.

The Chair: Thank you very much to all of you.

Ben Merrick: If I might just add briefly, I echo the Minister’s points; we very much value the questions that have been raised. We are generally dealing in novel, complex and very fluid environments and getting different perspectives is very important, including from our NGO colleagues, the Independent Commission for Aid Impact and so on. We are very much in the market for getting constructive criticism on how we can do things better.

Michael Ellis: That will inform future decisions. I feel that this session will inform future decisions.

The Chair: Thank you very much. That is good to hear. Thank you, all three of you, for the evidence that you have given today. It has been an interesting session.