



HOUSE OF COMMONS

International Development Committee

Oral evidence: Future of UK aid, HC 148

Tuesday 6 December 2022

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Watch the meeting

Members present: Sarah Champion (Chair); Mr Richard Bacon; Mrs Pauline Latham; Chris Law; David Mundell; Mr Virendra Sharma.

Questions 354 - 455

Witness

I: Rt Hon. Andrew Mitchell MP, Minister of State (Development and Africa), Foreign, Commonwealth and Development Office.

Written evidence from witnesses:

– [Add names of witnesses and hyperlink to submissions]



Examination of witness

Witness: Rt Hon. Andrew Mitchell MP.

Q354 **Chair:** We are very fortunate to have before us the new Minister of State for Development and Africa in the FCDO, someone we all know very well, who has always been a champion for development and was a very good Minister a few years ago: the right hon. Andrew Mitchell. Thank you so much for making the time. As you can imagine, the Committee has many far-reaching questions for you.

Can I start by asking you this? You have been in post for six weeks now.

Andrew Mitchell: It is something like that.

Chair: What are your priorities? What surprised you most and what are you most focused on?

Andrew Mitchell: Thank you very much for the kind invitation. It is more than 10 years since I appeared before your Committee last. You may think that, within the Conservative party, I am an example of life after death, but I am very pleased to be here. I am very humbled to have been given this task by the Prime Minister.

There are five things I would like to say about my role and my priorities, if the Committee will bear with me. First, I want to try to help, along with others, to up the quality of the development spend and the ODA spend. There has been a lot of discussion about this. Something like 75% of the ODA budget is dispensed by the Foreign Office. BEIS does about £300 million. Defra does very little actually. The bulk of the rest of it is done by the Home Office and DLUHC, and I dare say we will come on to that.

There is a feeling that we can do better on the quality of the spend. As a result of that, we are setting up a committee, which I would regard as a bit like a star chamber. It will be co-chaired by me and the Chief Secretary to the Treasury. Its aim and remit will be to question the quality of ODA spent. At the moment, we are looking at ODA above the level of £60 million, but we may be able to bring that down. It will probably meet only once or twice a year physically; it will do most of its work by letter. The aim is to drive up the quality of the spend, particularly in other Departments. That is my first priority.

Q355 **Chair:** Does that undermine or enhance the role of ICAI?

Andrew Mitchell: It definitely enhances it. Perhaps I can come back to that point. Secondly, I want to try to up the quantity of ODA money. The settled position of the Government is that we will not get back to the 0.7% until debt is falling as a percentage of GDP and we are no longer borrowing for day-to-day expenditure. Those are the two acid tests, so I accept that we are spending at the level of 0.5%. The aim is to get a quart out of a pint pot and there are other things we can do to try to up the money.



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The first of those is to do some co-financing. Ahead of my recent visit to Somalia, we signed a deal with the Saudi humanitarian department in Riyadh, and that will add \$4 million to the spend on humanitarian work in Somalia. It is a small amount, but the point is a good principle. In these times, when most people's budgets are pretty straitened, if we can bulk it up by getting others to come in with us, that is obviously a good thing.

There are other things we can do as well. You will have seen, Chair, that we are engaging with the multilateral organisations, in particular the multilateral banks, to try to help them to use their balance sheets better to do more lending at this difficult time. We are in discussion with the Treasury about the use of these SDRs. We have been able to use guarantees sometimes to help to increase the level of spending and debt, for example the big guarantee for the Africa bank.

Of course, you will have seen the whole Bridgetown agenda, which is incredibly important. It is a way, too, of sweating the international system to get more money into it. It is not all about money of course.

Q356 **Mrs Latham:** Did you say Saudi was giving \$4 million?

Andrew Mitchell: We are both giving \$2 million.

Q357 **Mrs Latham:** Right, you are both giving \$2 million, so that is \$4 million in total. Who will determine the priorities? It will have to be a joint decision. It will not be something that we control. They will have as much control over it. How are you going to manage that?

Andrew Mitchell: That is a very good point. We have both agreed that we will do this for humanitarian spending through the World Food Programme. That is a sensible way of doing it. We agreed the criteria. I hope that we will have further discussions, not only with Saudi but with other countries that are keen on providing good quality humanitarian spend.

Q358 **Mrs Latham:** Is that new money from them, or is it money that they have spent in the past and are just transferring into this fund?

Andrew Mitchell: No, it is new money.

Q359 **Mrs Latham:** It is on top of what they already spend.

Andrew Mitchell: Yes, it is additional spend.

Q360 **Chair:** Would that be an example of aid washing?

Andrew Mitchell: No. It will be an example of countries that have the same humanitarian desire to help recognising that, if we team up, we can do more to advance those common humanitarian objectives. It is not just about money.

Q361 **David Mundell:** Perhaps, Minister, you are coming on to this, but I wondered whether, in these opening remarks, you could set out where you stand on that bilateral versus multilateral issue, in terms of the effectiveness of and recognition for the UK's contribution. A concern of



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the previous Foreign Secretary was that multilateral contributions were not recognised and our influence, as Pauline has just referenced, in terms of the priorities for the funding, was not always obvious.

Andrew Mitchell: Can I come back to that in a moment? I will just set out these five priorities. On the quantity of the money, I just want to make two more points. One is that it is also how we use the money. For example, when we were talking at Cabinet a week ago about science and technology, and the Government's commitment to drive forward science and technology agendas, I was able to show the Cabinet a sweet potato, which had been entirely naturally developed, that can grow in very strained conditions, where climate change has had a big effect. That has huge nutritional value and is feeding hundreds of thousands of people as a result of that development, which came out of R&D spend from the ODA budget.

M-Pesa, which the Committee will know well as the method in Africa of moving cash by telephone, has made an enormous difference. That came out of a \$1 million grant with Vodafone, which led to the development of that technology. I am trying to explain how we are sweating the money.

Finally, we managed to get £1 billion this year and £1.5 billion extra money out of the Treasury to boost the budget. I will come back to that in a moment.

The third point which is a priority is that I want to be very clear that we regard the IDC, which clearly holds us to account, as an ally and a friend in achieving what are common objectives.

Chair: It is a critical friend.

Andrew Mitchell: It is critical as required, but I do not see it as a "them and us" situation. I see the ideas and reports that come out of this Committee as very complementary to what we are trying to do.

Q362 **Chair:** That is really good to hear, because we have been having a terrible problem for the last few years in getting timely responses. ICAI has had an absolute nightmare trying to get evidence to help its inquiries, so it is very good for us that you are going to make that commitment.

Andrew Mitchell: I hope that we can all recognise that that is a change. I wrote to you, Chair, last night about a report that has taken a quite extraordinary length of time.

Q363 **Chair:** It has taken 23 weeks to get the racism report.

Andrew Mitchell: I know. We are internally making sure that that does not happen again. On ICAI, similarly, since I have been in post I have not had reason to reject any of the recommendations in any of the ICAI reports that I have seen so far. I have a sense of personal pride in it, because we set up the ICAI under my watch. It is a very important part of the architecture of development. I also regard it as a critical friend.



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The answer to much of the criticism of development, in a sense, is this: “Why do you not ask the ICAI to look into it?” The ICAI is the taxpayers’ friend. It is certainly this Committee’s friend and I regard it as the Department’s friend in upping the quality of what we are doing. That was the third point.

The fourth priority may be more contentious. It is to address what is a difficulty in the structure. You will appreciate that I have said very publicly what I think about the merger of the two Departments, but collective responsibility is not retrospective and the merger is a fact. It is a settled policy of the Government. The question is whether we can make it work better.

I will give the Committee just this one set of statistics. When Tony Blair and Gordon Brown were in government, we spent 0.51% on international development and we were, without question, a development superpower. I would argue that, in 2012, when David Cameron was our Prime Minister, we were also spending 0.51% and, in my view, we were, without question, a development superpower. Today, we are actually spending 0.55% and—let us not beat about the bush—we are not a development superpower at the moment. That is bemoaned around the world by our many friends and people who look to Britain for leadership on international development.

I am trying to work with the different people who care about this inside the Foreign Office and inside government to see what we can do to improve the structures. At the moment, the international development effect is less than the sum of the two halves—DFID and the Foreign Office. We need to make it, within this new system, more than the sum of the two parts.

We are in the Thatcher Room. I look back to what happened when Mrs Thatcher was Prime Minister, where there was a department within the Foreign Office, the ODA—Overseas Development Administration. I ask myself whether we cannot do something better than that, something that is fit for the 2030s and a focal point for global public goods, whether it is climate change, pandemics or migration. I ask myself whether we can fashion within the Foreign Office an entity that would be seen around the world as the part of the Foreign Office that deals with international development and drives forward the things that all of us really care about with greater clarity and transparency than is happening at the moment.

Q364 **Chair:** The latter points that you raise are the ones that, for our Committee, are more pertinent. I do not think that it is about spending the money; it is about spending the money to meet your objectives and spending it wisely. We will want to pick away at that coming forwards, if that is okay, in this hearing.

Andrew Mitchell: Yes, and the Committee may well have views on structure that would be very helpful and interesting. That is the fourth.



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The final objective I have is this. In this country, 50% of people think international development is important to a greater or lesser degree. They appreciate what we are trying to do and regard it as a national priority to a greater or lesser extent.

The other 50% traditionally are sceptical about development spending. They ask whether it would not be better if this money was spent on schools and hospitals in their community in their part of the country. You hear people say, "Charity begins at home," and we say, "Yes, it does, but it does not stop there." At various times, the 50% goes up, and sometimes it goes down.

All of us who care about development need to focus on the fact that we have not won this debate. In times of great priority for different Prime Ministers it goes up a bit, but we have never won the debate. We need to work out what it is we have to do to move the dial. After all, in all our constituencies there are, on average, something like 10,000 people who engage with international NGOs and charities. There is a huge constituency out there that cares very much about this but, self-critically, the question for all of us is how we can move the dial.

It can be done. We did some polling in 2012, where we saw that, in spite of the austerity that the Government were presiding over then, the only two ring-fenced budgets were schools and international development. In that time of great financial stress in Britain, support for international development among the public went up from about 46% to 50%. It went up far more among women and far more still among people under the age of 30.

David Cameron was passionate about this in the same way that Gordon Brown and Tony Blair were, and indeed Theresa May. By arguing for it, you can move the dial. It is really necessary because, between 1990 and 2019, global poverty reduced from 38% to 8.4%, but since that time it has been going back up.

Q365 **Chair:** It is the impact of Covid particularly.

Andrew Mitchell: Yes, and Ukraine. Those are the two things.

Q366 **Chair:** Covid particularly has had a dramatic impact on the number of people in extreme poverty.

Andrew Mitchell: We reckon that the figure it has gone up by is about 70 million. Those are the five things I wanted to lay at your feet.

David Mundell: You were going to address the bilateral/multilateral issue.

Andrew Mitchell: Yes. I am so sorry; Mr Mundell is absolutely right. In terms of the spending, bilateral spend in 2021, which the statistics have recently been published for, was about 62.6% of the ODA spend. The multilateral was just over 37%. At the moment, it is much nearer 50:50. Multilateral spend goes up this year and down next year. Bilateral spend



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is down this year. It will be a similar level next year and then in the third year we hope very much it will go up.

Perhaps on that point I can say that officials who run these programmes around the world are now on their third lot of cuts. This is to the bilateral programme. Quite apart from the very severe effect this has on the people we are trying to help, it also has a pretty severe effect on those officials and diplomats who have to effect and move Government policy, and deliver these cuts. They are very harsh indeed.

We stopped the pause, as you know, on ODA spend, but these cuts have to be delivered by the end of the financial year and then next year as well. I know that the Committee will be very sympathetic about this, but I want to underline how very difficult this process is.

Q367 David Mundell: That is a helpful factual analysis, but, in terms of your priorities, where do you sit in relation to the wider issue of the effectiveness of bilateral arrangements compared to multilateral arrangements?

Andrew Mitchell: Mr Mundell asked a question about effectiveness. My view is that every penny we spend by either mechanism has to be justified in terms of effect. The IDA spending, the multilateral spend, has been reduced in order to boost bilateral spend. Humanitarian spend really has to be at the top of our list of priorities.

In terms of which of them is appropriate, most of the bilateral spend is in poor countries and the multilateral spend tends to be more in lower and middle-income countries. It is about what you are trying to secure in terms of the international development strategy, what the aims you are trying to meet are, and which is the best mechanism for doing it.

Mr Mundell will remember from 10 years or so ago, when we were working together on these matters, what we asked was how you get the results you need to justify this taxpayer spending. In my view, you should be agnostic about the mechanism. You have to ensure that you win those results and get the best possible value for money for taxpayers.

Q368 Chair: I think it was in the summer of 2020 that Foreign Secretary Raab wrote to this Committee, saying that he was going to be shifting to bilateral spend. That has not happened at all, largely because I think no one noticed the legal obligations that we had to a lot of these multilaterals. The first, second and now third round of cuts have fallen most heavily on the bilateral.

You are right to focus on the impact that that is having on our officials around the world, who are seemingly having to make those cuts but also announce those cuts, not least because they care deeply about the programmes, but also the impact that that is having on the ground on our soft power and reputation as a country that does right by the poorest.

You have said two things that I would like you to reflect on. You have



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said in this session that we are not a development superpower. In your article in *The Times* on 26 November, you said, "I'm going to fight to make British development policy the best it can be. And at the moment, it's not the best it can be". I wonder whether you can reflect on that and the five commitments you have made to us. How can you audit that your changes are going to make those changes in our international reputation, as well as alleviating extreme poverty?

Andrew Mitchell: The five priorities all contribute to answer your question. Finding ways through guarantees or through the Bridgetown agenda to enable existing balance sheets of the development banks to do more, driving up the quality of ODA, is part of it. The Treasury has been pretty helpful, as you can see, with this extra money, putting it up, effectively, to 0.55%, although there are very great strains on the budget.

Chair: We will come on to the Home Office spend of that budget.

Andrew Mitchell: It has been helpful, but we still do not quite know the figures. We know the figures for this year and, effectively, for next year, but this is a three-year spending period. We still do not quite know the figures in the third year. The reason we do not is that the Treasury has been bearing down on the cost of Ukrainian refugees. That may manage to lift the budget a bit, particularly in the third year.

In that third year, while officials face these very difficult circumstances that you and I have both just described, there should be an uplift. That will mean that next year people around the world, in posts and in London, can plan how that uplift will be done to make sure that it achieves the maximum results on the ground and delivers the best possible value for money for taxpayers.

Q369 **Chair:** Reputations are very hard won and very easily lost. Do you believe that we can regain our reputation as a world superpower when it comes to development?

Andrew Mitchell: My view is that that requires some structural changes within the merger. I do not in any way want to unpick the merger. That is settled Government policy, but there are structural changes that can and should be made. There is a discussion going on within and outside the Foreign Office about what they should be. The Foreign Secretary has commissioned work within the Foreign Office on this.

I think that, if those structural changes were made, there would then be immediately around the world an understanding of how you engage on international development with Britain. You will remember that being totally transparent was the old Department's hallmark. The Prime Minister used to say, "Sunlight is the best disinfectant." By putting everything into the public domain, we got better scrutiny and better discussion, so that is what we need to do.

Chair: Yes, and a better reputation.



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Q370 **Mrs Latham:** Following on from what the Chair said about people in country making decisions, the strategy has been to give UK ambassadors complete control over the country budgets and the programmes. How can we ensure that family planning and sexual and reproductive health remains a priority in those country budgets and programmes? We will not be in control. It has been handed over to somebody else.

Andrew Mitchell: It is a very interesting point. The issue of one Government platform is something that we always thought was the right thing to do. The idea was that, under the ambassador's or high commissioner's leadership in any geography, any country, everyone would slot in. There were suggestions at various times that DFID or, indeed, the MoD might pursue their own foreign policy.

The fact is that, under the leadership of the ambassador or high commissioner, the whole British platform has to come together. In terms of the merger, there are two things I would observe that have been a great success. The first is this one platform point, where the whole UK effort is joined together in a thoroughly coherent way.

Secondly, I do not know whether we are going to come on to the visit I have just done to Somalia, but I saw in Somalia how having the weight of the Foreign Office, with all its many parts, behind a development aim really helps you drive forward that development aim. There are good things about the merger and less good things, which I hope we can address.

Q371 **Mrs Latham:** You have covered a lot of what I was going to ask you about, including the benefits, which I do not see personally. You talked about our UK ambassadors in ODA recipient countries. How have they been prepared and trained to fulfil their new responsibility for aid programming? The DFID staff knew how to do it, but many of those have gone and it is down to the high commissioners now and their staff. How have they been trained and have they been trained to the right level?

Andrew Mitchell: I cannot give you a categorical factual answer to that, but Mrs Latham has put her finger on a key worry and anxiety. At the moment, there are 200 vacancies in what were DFID jobs. There is no question that there are morale issues among the development staff. We need to do a lot more to recruit, motivate and retain people in that work.

We have to guard against precisely what Mrs Latham was saying, which is money not being properly accounted for or spent, because there is a lacuna in the skill there. I cannot quantify it, but we are very much on our guard against that.

The structural change we should be making is not about the geographical work. That has been very well dealt with by the merger. It is about the thematic work on the different themes of development, one of which Mrs Latham mentioned, reproductive health and family planning, which has been a huge priority for our Government. We had that very big meeting in 2012, which I think you and I were both part of, to drive forward the ability for women to decide for themselves whether and when they have



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children. It is a huge priority. We have to make sure that these themes, these global public goods, are better developed and better worked within the FCDO.

Q372 Mrs Latham: You said that there are 200 vacancies on the DFID side of things. Is that a result of very bad management in the merger, because DFID staff felt very much that they were not valued, nobody was interested in them and it was all about the important FCO work? Therefore people left to go to other roles. How are you going to get those services, the development people, back to working in the FCDO if, as you said, there is a morale issue? How are you going to do that to make this merger—I would say it is not a merger; it is a takeover—a success?

Andrew Mitchell: On the first point of Mrs Latham's question, my comments on the merger are on the record and in *Hansard*. Now that I am learning to be a diplomat, I would say that there were aspects of the merger that were suboptimal.

How we are going to recruit, motivate and retain, and build back this great British expertise and leadership? We said quite openly that Britain was a development superpower. America was a military superpower; Britain was a development superpower. If we are going to get that back, we are going to have to, in my opinion, make some structural changes in the FCDO, which allow, within that structure, there to be a hub of excellence that deals with these global public goods and themes. If Britain is seen to do that, other countries will engage with us in a way they do not at the moment but did in the past. That will start the restoration of what Mrs Latham and I have campaigned for down the years.

Q373 Mrs Latham: Bringing your expertise back, because you had so much expertise for so long, will make a big difference. I actually have some hope that we can see this through and it can work, but I have not seen it up until now, so I am absolutely delighted that you are back in post.

Andrew Mitchell: Mrs Latham is very kind. I will do my very best.

Chair: You have not heard the rest of the questions she wants to ask.

Q374 David Mundell: To follow up on some of the points Mrs Latham was raising, I wondered if you could tell us what is happening at East Kilbride. I saw that you visited recently. East Kilbride was a centre of excellence in relation to international development activity. It was something we were very proud of in Scotland, in terms of its global reach and what people working there were able to deliver. It has been unclear to me in recent times exactly what role the FCDO saw for East Kilbride and whether you have aspirations that it should return to that international development hub of excellence.

Andrew Mitchell: I am pleased to be able to tell Mr Mundell that I visited Abercrombie House yesterday and spent the day there, also meeting some of the brilliant Scottish NGOs and charities. I saw SCIAF in Glasgow in the morning. East Kilbride is the joint headquarters of the



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FCDO. Its complement at the moment is 1,000 members of staff. It is not at the complement; it has gone back from that a bit, but the commitment of the Government is, by 2025, to increase the number of high-quality jobs there to 1,500.

I had a chance to tour the building works, because there is a very significant upgrade going on at Abercrombie House, which will enable us to advance those objectives. The plans are there and, as a result of my meetings yesterday, I have asked for work to be done to explain precisely how we are going to get to 1,500 by 2025, which is the Government's commitment. I want to be able to explain to people at Abercrombie House, "This is what we are doing. These are the jobs and this is how we will reach this commitment".

I left Abercrombie House yesterday conscious that we need to build up the morale, as we do across the FCDO, but also very conscious that it has a great future. We need to reassure those who work there about the way that the Government are going to fulfil the pledges they have made.

Q375 **David Mundell:** Perhaps you will then share with the Committee that work as it progresses.

Andrew Mitchell: I will be very pleased to do so. As soon as I get the answers, I will make sure that the Committee is aware of precisely what they are.

Q376 **Chair:** We went up to the office at the beginning of this year. One thing that we knew they were doing was increasing the IT capacity and security. Can you confirm that those jobs are development jobs, not just IT admin for the FC part of FCDO?

Andrew Mitchell: I will set it all out as soon as I have the information so that the Committee can be reassured on this. The work on IT to bring the two systems together, which has been a nightmare so far, should be largely completed by March next year on the IT side. As I say, let me come back to the Committee when I have completed my investigations, which result from that visit yesterday to Abercrombie House, giving reassurance to our hard-working, extremely professional and excellent staff in Abercrombie House.

Chair: Yes, they are a superb team.

Q377 **Mr Sharma:** Thank you very much, Minister. You know that we are critical friends, rather than enemies, you and us. Pauline was indicating that there was a general view in the sector that, when DFID and embassies were working in the countries, there was some kind of conflict on the issues of family planning and other areas. DFID was more sympathetic than the embassies at that time. The fear among many is whether the ambassadors or embassies will have the same passion or interest in this field. Can you assure us today—I am not saying that you will be instructing—that certainly you will be indicating to the embassies that they should be giving similar and the same priorities to family planning and other related matters in the future when they are deciding



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the work in their own countries?

Andrew Mitchell: I hope I can. Let me explain why I say that. The priorities are laid down by the FCDO, ultimately by the Foreign Secretary. In the international development strategy, at a time of very great stress on our ability to do things when we are trying to get as much as we possibly can out of this pint pot, we are going to protect absolutely, insofar as we can, the humanitarian spend and the spend on girls and women. The subjects that you and Mrs Latham have mentioned are particularly issues in development to do with girls and women. In the end, if you do not see international development through the eyes of girls and women, you are missing the point. It is they who suffer, sometimes extraordinarily brutally—but always suffer—from the effects of dire poverty.

The decision on those things, what our priorities are, is made in London and in Scotland, in the FCDO, and is then implemented on the ground. The strategy, which needs to be very clear, as it always was with DFID—we tried to be completely open and transparent—is then implemented on the ground.

When I was in Somalia at the end of last week, we had an extraordinarily good meeting set up by the embassy in difficult circumstances. In particular, that was looking at the difficulties that women face in Somalia, but also the issue of FGM, where I was horrified to hear that 99% of girls in Somalia suffer from FGM. I thought that the embassy was absolutely in the right place on delivering the objectives that we have back in the FCDO. There, on the ground, they were delivering something that we care very deeply about. The flexibility may be on how you deliver on some of these programmes, but it is not on the programmes that come out of the international development strategy and which we champion.

Q378 **Chair:** This Committee ended up publishing the impact assessment on the first two rounds of cuts because the then Foreign Secretary would not share the information with us. Disproportionately, as we could all predict, it impacted on women and girls, people with disabilities and minority groups. I know that we are saying we are lifting the pause, but the reality is that I think you said it is going to be 30% cuts to the bilateral programmes. Have you done an impact assessment on this next round of cuts? If you have, is that something that you can share with the Committee?

Andrew Mitchell: I have looked at this. We may well be able to. Unless there is some commercial confidentiality or specific reason why we cannot, and I cannot immediately think of any, we should be able to do precisely that.

Q379 **Chair:** For clarity, you have done an impact assessment.

Andrew Mitchell: Yes. Where it is an amount of £1 million, it comes back to head office to look at the impact. Where it is below £1 million, before making those decisions out in the posts, they can do it but they are supposed to do impact assessments. In terms of 2023-24 and 2024-



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25, there are supposed to be impact assessments on everything that we do. For these cuts this year, we are looking very carefully at it. If it is over £1 million, we will be impact assessing it here in the UK. For future years, the impact assessments are built in. I will share them with the Committee, unless there is some overarching reason why I cannot.

Q380 **Chair:** That concerns me because, in most cases, funding that is going to specific programmes for women and girls, women's sexual health or disability rights tends to be quite small amounts of money. My concern is that, if you have that £1 million cut, which I can completely understand, you might miss the cumulative effect of all these little projects going. Could your team investigate whether there is any way that we can look at, even if it is on a gross basis, whether particular groups are being disproportionately impacted?

Andrew Mitchell: The answer to that is yes, but I was talking about the impact assessment done here on amounts of £1 million or above. Of course impact assessments are done on the ground for amounts less than that. Perhaps I should write to the Committee on precisely that point about impact assessments where there have been a degree of separate cuts in the same thematic area. I will do that.

Q381 **Chair:** If I could draw you back to the merger very briefly, which aspects of the merger did you believe were suboptimal?

Andrew Mitchell: I think that I set it out while I was a Back Bencher pretty clearly.

Q382 **Chair:** Your fears became a reality when you got into post.

Andrew Mitchell: There are aspects of the merger that have worked, which I saw for myself in Somalia.

Q383 **Chair:** Could we focus on your expression—the suboptimal?

Andrew Mitchell: The issues that are suboptimal could be addressed by structural change of the type that we are discussing. The Committee will be able to decide, because I want to make sure that you have all this information, whether or not we repair those structural difficulties and repair them effectively in due course.

Q384 **Mr Bacon:** Could I ask you to unpack a little more what the structural changes would be? I well remember the Overseas Development Administration. It was there for many years. Lynda Chalker was famously the Minister for a long time. Describe what it would look like with the new structure, such that you had more impact than you now do and interlocutors overseas would have a clearer understanding of what they had to do that they do not now have. We have a director general of development. We have a Minister. Everyone knows who they are around the world, one hopes. What are the changes that you are describing and how would they change things on the ground?

Andrew Mitchell: At the moment we do not have a second Permanent Secretary in the Foreign Commonwealth and Development Office. The



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accounting officer is Sir Philip Barton, the Permanent Under-Secretary of the FCDO. I was a PPS in the Foreign Office under Lynda Chalker, back in 1998.

Mr Bacon: It was Tim Lankester, was it not, who was Permanent Secretary?

Andrew Mitchell: Yes. I am not sure whether he was there then, but he certainly was later on; at the time of Pergau dam, I think he was there. The structure then, which made for much stronger accountability, was the development silo within the Foreign Office. In those days, it also had its own people out in the different posts around the world, who were answerable to that silo.

I am not suggesting that that should happen now, because joining everyone up geographically with the ambassador or high commissioner as head of the UK platform is a good thing. It leads to greater coherence. There were times when sometimes DFID stuck out like a bit of a sore thumb in geographies around the world. That is not the best way of doing it. It is better to have one UK leadership on the platform. You still have all the skills that Mrs Latham was talking about within that.

Q385 **Mr Bacon:** Are you suggesting that the second Permanent Secretary should be the accounting officer for the DFID budget and be presented with *Managing Public Money* by the Permanent Secretary of the Treasury in the normal way?

Andrew Mitchell: We may get to that. Mr Bacon is pushing me further than discussions have yet reached.

Q386 **Chair:** Would that be your hope?

Andrew Mitchell: Maybe there are other ways of doing it but, on the face of things, that would be a very sensible change to make, I would have thought. There may be better ways of doing it, but I would have thought that would be a very good change to make. I am not suggesting replicating something that worked before 1997 under Mrs Thatcher. I am suggesting updating it so that it is fit for the future, the difference being that such an entity would not deal with the geographical work. It would deal with the thematic work.

We need something that looks at these global public goods—climate change is clearly one; migration and pandemics are others—and brings some coherence to that thematic work. For example, there are great British universities that generate ideas and solutions to problems; thinktanks that generate policy, which can then be used by Governments politicians; charities, which actually are pretty good at liaising with whatever entity is in place, but often do things and make development happen on the ground. These are all areas where Britain has excelled. All three of those particular subgroups would interact better if there was a hub that they knew was addressing these global public goods.

Q387 **Mr Sharma:** What plans do you have to shift decision-making power towards communities and civil society organisations in countries where



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aid programmes are delivered?

Andrew Mitchell: Development works only when you do it in partnership. It is not something that rich countries do to poor countries. You have to do it in partnership and agreement. Building up civil society is how you build up accountability, so that Governments and leaders are accountable to the people they represent and serve. That theme that Mr Sharma mentions is one that we are always championing. We should always do as much as we possibly can to drive forward that stream of work.

Q388 **Mr Sharma:** In case this is not happening, where the civil society and many other communities are not involved, do you have any plans that, if you come across that, you will be pushing it?

Andrew Mitchell: We are always trying to push it and we look at different ways of doing that. If the Committee has any advice on how to drive that forward, we would be very interested in hearing it, but we are always looking at all possible ways of achieving those good results.

Q389 **Mr Sharma:** In your view and in your own plan, how would you do it?

Andrew Mitchell: Do you mean in general?

Mr Sharma: Yes, in general, rather than specifically.

Andrew Mitchell: How would you drive forward accountability within civil society? There are all sorts of different models. You want to ensure that, in terms of the work we do to drive forward the agenda on women and girls, the work on accountability, the work that Britain has done extremely successfully in trying to help countries run their public finances, all those things contribute to that agenda.

Q390 **Chair:** This Committee published an inquiry into aid spend that went into Afghanistan and the consequences of the withdrawal of the US and British. One criticism that we made, but also we repeatedly heard witnesses make, was that the UK ODA spend went to the structures of Government, rather than focusing on civil society, so, when those Government structures collapse, the civil society is not in a place to stabilise that country. Is that a criticism you recognise?

Andrew Mitchell: Yes, of course it is, although on Afghanistan we always tried to work through non-governmental bodies for very obvious reasons. Now, when we are spending hundreds of millions of pounds on helping the humanitarian efforts in Afghanistan, we are doing it through organisations in the multilateral system, such as the IRC and so forth, precisely for that reason. Much of that spend at the moment is humanitarian, rather than building accountability and state progress.

Q391 **Chair:** I think it is the only country in the world where girls cannot go to secondary school. Is that something that you intend to challenge?

Andrew Mitchell: We will do anything we can to help. There are some inspirational people. I am thinking of one who set up a school for Afghan women in Rwanda, where they are drawing students from some of the



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refugee camps to which Afghanis have fled. We certainly will do everything we can to help ensure that girls in Afghanistan get the 12 years of education that is a core British commitment. The Chair will understand that, at the moment, it is extremely difficult to advance that agenda

Q392 **Mrs Latham:** You have just been talking about Afghanistan. Clearly there is an issue in Ukraine—all sorts of issues at the moment. Last week, we heard from Lesia Vasylenko, one of the Ukrainian parliamentarians who was over, that up to 180,000 square kilometres of her country is affected by mines. I understand that the UK's main programme to address this, the Global Mine Action Programme, has been affected by delays due to spending cuts at FCDO. Can you update us on this and give an indication of when the next round of GMAP is likely to be announced and be up and running?

Andrew Mitchell: We are supporting what HALO, which is engaging in precisely this work, is doing in Afghanistan. Indeed, colleagues in the House have seen what HALO is doing in Afghanistan.

Mrs Latham: MAG is the other group.

Andrew Mitchell: In terms of the future work on that, perhaps I can let the Committee have a note on that. We are extremely supportive and have been very impressed by what HALO is doing to help in Ukraine.

Q393 **Mrs Latham:** Once the war is over, if and when it is over, you cannot go about your normal life if you have so many mines. It is so huge there. There is also the organisation MAG that would like to help. There are two organisations that we should be funding to help in that place.

Andrew Mitchell: We have in the past. I saw for myself, many years ago on a visit to Laos and Cambodia, the effect that these awful weapons have on blowing off the limbs of children many years after they have either landed or been planted. HALO and MAG are two organisations that have been very substantially funded by the British Government and British taxpayer to extraordinary effect.

As Mrs Latham said, part of the reason why we do that is not just the damage that they do, particularly to children who have limbs blown off. It is also that they make agriculture impossible. You have to clear the land in order to grow the food, which stops people from starving. It is a very good development activity with very good outcomes and we strongly support it. In terms of the future plans, perhaps I can write to the Committee and set out precisely what we are going to do on that.

Q394 **David Mundell:** On that point, that would be very helpful. I had the opportunity to go to Ukraine to see the work of HALO. I should declare that its head office is based in my constituency. It was extremely revealing as to the extent of the work that it has been able to do and the impact that the mines have on the wider community.

I wanted to ask you a couple of questions about the management of the ODA budget, which you referenced in your opening remarks. The autumn



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statement set out that the Government would spend around 0.5% of GNI on ODA until the principles that you articulated are met for the return to 0.7%. In your opening remarks, you then said that it was currently running at 0.55%.

Andrew Mitchell: That is correct, yes.

Q395 **David Mundell:** On that basis, do you regard that as sufficient to meet the Government's development objectives?

Andrew Mitchell: The point I was making earlier is that we are spending more than we spent when we were a development superpower. I invite the Committee to draw conclusions from that. I have tried to answer the question of why I think that is and the Committee may well have helpful views on that.

We made a commitment to 0.7% that Parliament decided it would reduce to 0.5% until those two positions are met. As the Minister for Development, I must live within the budget that Parliament has set. I have tried to set out ways in which we can augment it, expand it, make it do more and squeeze more out of it.

I do not know whether you want to get into this now or not, but the problem is that we are meeting these very high costs of refugees coming to Britain. The first year of costs is foursquare within the criteria that govern the ODA budget. At no point am I suggesting that we should change the rules. I have always regarded the rules as almost more important than the money. Once you change the rules, you are opening Pandora's box and everyone will try to get a bit of it. I am very committed to the rules.

Under the rules, the first-year costs of a refugee coming from an ODA-eligible country, so not Hong Kong, but coming from Syria, as they were, Afghanistan, as they were and still are, and Ukraine, come out of the budget. Of course, they are open-ended. We are quite good at working out what that means, because we have had to live in the past with unknown humanitarian spend. We never quite know what is going to be the demand on the humanitarian element of a budget, because we do not know what is going to happen.

We know that, under climate change, it is happening more often, but we never quite know. We do not know the full extent of the costs of that first-year refugee expenditure at the moment and we are having to make a judgment. We expect that it will become less. It is probably towards its peak at the moment and we are very hopeful that those figures will diminish.

In addition to that, the Chancellor of the Exchequer has himself taken a specific interest in trying to drive these costs down. That will be very much to the advantage of the budget. In the end, as you and I have said to each other in the past, Mr Mundell, we could spend twice as much as the 0.7% and get really good value for taxpayers' money.



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The 0.7% was the figure that the developed world settled on. It is now 0.5% and I very much hope it will go up to 0.7%, but every penny of this budget is spent in Britain's national interest. Tackling conflict and building prosperity not only helps people in the poor world but makes us more prosperous and less subject to the effects of external conflict. Every penny of it is spent in Britain's national interest. Our job is to accept the figure we have, drive it to maximum effect and get best possible value for money for UK taxpayers.

Q396 Chair: You said how obsessed you are on the DAC rules around ODA spend, and rightly so. I am concerned that we are hearing that the UK is pushing those rules absolutely to the edge. We are also the only G7 country that puts all of our refugee costs in the UK against ODA. Do you actually know what your budget is? It feels as though the Home Office pretty much has an open wallet here. Can you plan? Do you know what your slice of the pie is?

Andrew Mitchell: You are absolutely right; we do not know. International development, by definition, is long term. You need to be able to make decisions that are not disrupted as a result of uncertainties. You need to be able to make these decisions and invest the money to get the best results you can. The reality is that I do not know what the full extent of the Home Office demands will be. I am trying to drive them down. The Chancellor of the Exchequer has done that through this new committee that we are setting up. We are going to try to drive them down as well and minimise them. In the end, this is an open-ended cost and we do not know.

Q397 Chair: How can you plan?

Andrew Mitchell: It is very difficult. The point I was making earlier was that there is an element of that anyway in the development budget because of the humanitarian spend. This makes it extremely difficult. You spoke about other countries. All this expenditure in the first year is ODA-able, in the jargon of the trade. Other countries have increased their budget to take account of these costs, because it is ODA-able money, and so has Britain. The Treasury has provided an extra £2.5 billion of money over this year and next year.

Q398 Chair: You have just published the statistics on development spend. Home Office spend has gone up 73% from 2021. We can only anticipate that that is going to be increasing. Rather than FCDO having, historically, the biggest slice of the pie, in fact the majority of it, that makes us think that you are going to have a very small slice of what is left. You are looking at about 25% if the Home Office carries on in the way that it has been going.

Andrew Mitchell: Those figures sound about right.

Chair: That is shocking.

Andrew Mitchell: They are what they are. The point I am making is that I do not think it is prudent for any of us to say, although this is within the 0.7% criteria, we want it offloaded because what you are doing then is



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undermining the OECD DAC rules that are set and which are incredibly important. I have always believed that if Britain was able to reopen them there would be an awful lot of people who would come after the money across Whitehall.

Q399 **Chair:** I completely agree, but the other G7 countries are using treasury reserves. They are not picking the pockets of the poorest in the world, which is what we seem to be doing.

Andrew Mitchell: The other countries like us are increasing the ODA spend. That is why we are at 0.55%, because the Treasury has accepted these arguments and has increased it by £2.5 billion over this year and next.

Q400 **Chair:** I think you said it was £1.5 billion at the beginning. You have just said it is £2.5 billion.

Andrew Mitchell: It is £1 billion this year and £1.5 billion next year.

Q401 **Chair:** Is that new money?

Andrew Mitchell: That is additional ODA money, and that is how we have reached the 0.55%, yes.

Q402 **Chair:** Is that ring-fenced for the Home Office or is that ring-fenced for you?

Andrew Mitchell: That is ring-fenced for the ODA budget.

Q403 **David Mundell:** The Chair has touched on the points that I was going to follow through, other than perhaps just for you to confirm that you are confident that the 0.5%—and indeed with these additional funds—will actually be spent within the year so that we will have met that commitment.

Andrew Mitchell: I am very clear that we are reaching for every penny we can get and will spend it as best we can within the ODA rules, yes.

Q404 **David Mundell:** On the budget, I wanted to ask you two specific questions. First, we were very pleased, within the context of what might otherwise have happened—and hopefully you had some influence in it happening—that there was £1 billion pledged in relation to the seventh replenishment of the Global Fund, but the full amount of sums pledged for the sixth replenishment has not yet been paid over. I wonder when you envisage that happening and from which budgetary year.

Andrew Mitchell: The Global Fund board has made it clear that it is pleased with what Britain has produced. Of course, it would like more. We have now given the Global Fund taxpayers' money to the tune of, I think, about £5.4 billion with £1 billion in the latest replenishment, as Mr Mundell said. It was a much-discussed figure. We had to try to get it right. The Global Fund is some of the best spending that the British taxpayer procures. It is spent absolutely brilliantly, which is why we wanted to get them this money. It will save 1,276,000 lives on the estimates that we have. It will avert, across all three diseases, 28.5



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million infections. It will provide additional antiretrovirals for 1.8 million people and it will provide, in the poor world, the dispensing of 86 million mosquito nets.

It is a fund that Britain helped set up. We reformed it in 2010 along with the Americans, because it had gone slightly off the rails, and those reforms have made it one of the most effective spenders in this absolutely critical area, so I am pleased that we have been able to find £1 billion to pledge. In terms of the payment schedule, I can certainly give you the full details of when we are expecting to dispense, but that has been agreed with the board of the Global Fund, which is content.

Q405 David Mundell: My question was not about the seventh. It was about the sixth because, in 2019, we made the replenishment pledge, and all the funds have not yet been paid over.

Andrew Mitchell: They will be. Would you like a note on when they are going to be paid?

Q406 David Mundell: I would certainly like a note because I share your positivity about the Global Fund and advocated for a generous replenishment. As you will read, potentially, in the forthcoming report, there is positivity, although I regret that it could not have been slightly more.

Andrew Mitchell: Of course, and you can always spend more, but I still think that, in the current straitened circumstances, £1 billion for the Global Fund is a good outcome. It is partly a good outcome, Mr Mundell, because of the eloquent arguments that you and others put in order to secure it.

David Mundell: We can see why you have been resurrected, Mr Mitchell.

Andrew Mitchell: I will personally write to Mr Mundell, giving him details about when those payments will be made.

Q407 David Mundell: Thank you. The second thing you can write to me about is the nutrition for growth pledge, because £1.5 billion was pledged in the last hours of the nutrition for growth replenishment period by this Government. It would be very helpful to understand how those funds are to be paid out and used over the period in question. The focus was, I think, as you have alluded to in your priorities, on humanitarian aid. I, again, very much welcomed that pledge, but I would want to see it being delivered.

Andrew Mitchell: Absolutely, and that will be the second part of the letter I will send to you. My officials have heard what you have said, and we will account to you, too, for the way in which that pledge is being administered.

Q408 Mr Sharma: As it is generally accepted now that the ODA budget has been spent by the Home Office on hosting the refugees in the UK, what assessment have you made of the effect of aid spending on refugees in the UK on the capacity of your department to help the poorest elsewhere



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in the world?

Andrew Mitchell: The way in which this works, Mr Sharma, and I am sure you would agree with this, is that we have a budget and calls on that budget. The calls that are made on the first year of refugee spending are very significant and very difficult to quantify, for the reasons we have been discussing. We will both bear down on the amount of money taken by the Home Office and DLUHC in that respect, which, as I say, the Treasury has been most helpful in doing, and try to improve the quality of the spend that is agreed through this Committee, which I described earlier.

In the end, the aim of the international development budget is very clear. It is to try to ensure that we build safer, less conflict-ridden and more prosperous societies overseas. It is a British priority to lead on development and exert the soft power influence, which a former Foreign Secretary described as Britain punching above its weight. That is our priority. We pursue this in every way we can and make sure that the money does the maximum amount of good, which is what our taxpayers expect to happen.

The priorities within that are set out by the international development strategy, and, as I have tried to explain, there are two of the four parts of that strategy that we are going to everything we possibly can to preserve. The first is the humanitarian spend, which is under such strain and stress at the moment because of the effects of the appalling invasion of Ukraine and because of climate change, which is driving the drought that happens now on a very regular basis. It used to happen every seven years, then five, and now it happens almost every year. We use it to the best possible effect, but the humanitarian spend and the spend on girls and women are right at the top of our priorities.

Q409 **Chair:** Minister, you have done a very good presentation of the lines, but do you feel that supporting middle-income country refugees in a high-income country helps alleviate extreme poverty?

Andrew Mitchell: Clearly, no.

Q410 **Chair:** Is that not, fundamentally, what the ODA spend is meant to do?

Andrew Mitchell: We cannot pick and choose which of the ODA rules we abide by.

Q411 **Chair:** No, but we can pick and choose which budget it comes from.

Andrew Mitchell: I accept that it is ODA eligible, and the Treasury has increased over these two years the amount of money available by £2.5 billion. We have to be respectful and grateful to the Treasury for doing that—

Q412 **Chair:** And the British taxpayers for funding it.

Andrew Mitchell: Yes, absolutely, but we are where we are, and, once this illegal, brutal and barbaric invasion of Ukraine has ended, this will not be cost on the UK development budget.



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Chair: If only refugees were able to go home to a safe space as quickly as that.

Q413 **Mr Sharma:** What do you think about the Government's ODA spending in China, the world's second-largest economy? What are your views on that?

Andrew Mitchell: Yes, I was rather surprised to see about the ODA spending in China because the first thing I did when David Cameron sent me to DFID was to say to officials that there was to be no more money paid out to China unless it was legally required, so that was supposed to be the end of programme expenditure in China. I have looked at this, and, in fact, by and large, bilateral programme spending in China has stopped. It does great damage to the reputation of the development budget to spend money in China, but the areas where it is continuing include Chevening scholarships, for example, and the British Council.

Most people would say that both of those types of expenditure are a good thing to do. I am trying to ensure that, where you have thematic spending like that, it is not scored against a country but is scored separately, so that, in a totally open and transparent way, people can then see where we are doing scholarships and how much we are doing on scholarships, which is very good use of taxpayers' money.

The British Council is a brilliant organisation that we all want to see continuing to exert an increasing amount of the good that it is doing around the world. That should not be scored against geography; it should be scored thematically. That will then stop a tax on the development budget of the type we have seen over China.

Q414 **Mrs Latham:** How much is the budget that we are spending in China? You just said it should be thematic and it does not matter what the geography is. Actually, it does, because this is a big-income country. Why are we spending anything there? I get the Chevening and the British Council. What else are we spending, and why?

Andrew Mitchell: All such expenditure should be open. We should all be able to see it, and it should not be hidden away. By saying it should be done thematically, I am not trying to hide anything.

Q415 **Chair:** It did sound like that.

Andrew Mitchell: My commitment to total transparency, the importance of which I learned about in development, is absolute, but, if you turn over the page of the *Daily Mail* and see that Britain is spending aid money on China, you get very irritated for all the reasons that Mr Sharma and Mrs Latham have just given. If people saw that Britain had a major scholarship programme that was bringing people here, as a result of which they would absorb British values and society, and benefit from British institutions of learning and universities, or that the money was being spent on boosting the British Council around the world, they would reach a much better judgment on those matters. Of course, say where it



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is being spent, but that would be a more accurate way of explaining why and where we spend this money than just having a lump that is China.

Q416 **Mrs Latham:** You just spoke again, where it does sound not transparent, about boosting the British Council around the world. I am not asking about the British Council around the world because I actually think it does an amazing job. I am asking about the money that is going to China. When we are talking about how the *Daily Mail* reader thinks about it, they also think the same about India.

Andrew Mitchell: Yes, the same thing applies to India. We did not stop all aid money to India in 2010. The judgment was, at that time, that something like 40% of all the malnourished children were living in India, and we thought we should walk the last mile with them, so we changed the programme into one of technical assistance but also of investment in pro-poor business. That has been very successful. We set it up and it means that the British taxpayer gets a return on their investment.

In the cases of both China and India, I think today it is virtually impossible to defend ODA spending. Maybe the Committee will give us some guidance on this, but the only way it can be justified is if it is seen as working in a particular thematic area like scholarships, which do have benefit for Britain as well as for the people who are in receipt of those scholarships, and the British Council. To your point about whether it is justifiable in the pages of the *Daily Mail* to be spending hard-pressed taxpayers' money in India and China, the answer is that it is extremely difficult to defend.

Q417 **Chair:** You are the Development Minister. Can you not just put your foot down?

Andrew Mitchell: You know, Chair, that government is a collaborative process where you have to have agreement on things, but I have set out the position that I take, I hope, clearly and to the satisfaction of the Committee.

Q418 **David Mundell:** Can I just ask you some further questions, Mr Mitchell, about the ODA budget? On 17 November, the Foreign Secretary announced that the pause on non-essential aid spending had been lifted. On the basis of evidence that you have given this afternoon, does that have any meaning, in the sense of whether there is any money available to be spent on non-essential aid?

Andrew Mitchell: Mr Mundell is right that the pause, except for certain very restricted and defined areas, was absolute, and that it has now been lifted. Within the constraints of this year's budget, there is no longer a pause, but the work of officials, as we set out at the beginning of this meeting, is now to try to live within our means for this financial year, of which there are only three and a half months left. The budget is incredibly constrained, but, in terms of the pause of any spending, apart from this very narrow window, that has been lifted now, so spending is taking place.



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Q419 **David Mundell:** Would you be able to give us an example of spending that has been able to take place post 17 November and was not able to take place ahead of it?

Andrew Mitchell: You would have to make a very strong case on humanitarian grounds while the pause was in operation. Now there are examples of humanitarian spend, for example, that I announced in Somalia last week, when I was there, which would have been caught by the pause and are now not caught by the pause. That was some spending on the WFP and some humanitarian money getting help, in particular, to IDPs and others within Somalia, where Britain and our allies wanted to try to make sure we were able to help.

Q420 **David Mundell:** Is the conclusion from that then that humanitarian aid was not defined as essential?

Andrew Mitchell: In order to breach the pause, it had to be absolutely critical. The spending I announced in Somalia last week, which is extra spending and additional to what had previously been announced, would not have been announced during the pause but was able to be announced last week.

Q421 **David Mundell:** Is that because it was essential but not absolutely critical?

Andrew Mitchell: That is one way of describing it, yes.

Q422 **David Mundell:** I think people can draw their own conclusions from those sorts of head-of-a-pin definitions.

Andrew Mitchell: These are two very difficult gateways to go through. They move from the quite extraordinarily difficult to the very difficult indeed, but the answer is that we bore down on all spending during the pause in every way we could. Those constraints continue to exist in the cuts that we are making to any expenditure for the rest of this year, but the second gateway is not as tight as the first.

Q423 **David Mundell:** I am sure your visit to Somalia will have been welcomed, particularly with the announcement you were able to make. On the basis of where things currently are, do you think that there is sufficient flexibility to be able to respond to humanitarian crises such as the one in the Horn of Africa as they occur?

Andrew Mitchell: To take the crisis in the Horn of Africa, this is incredibly serious. We are spending £156 million in the Horn of Africa on humanitarian work. These crises coming now, with the failure of the rains and the drought, are increasingly common. They make spending money on resilience, adaptation and combating climate change all the more urgent. As well as doing humanitarian spend, we really need to be doing a lot of that, and Britain has, through the COP and so on, been very clear that we have a very strong commitment on the International Climate Fund to try to do that.



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We are certainly pulling our weight in spite of the reductions in available ODA. We are a major influencer there. We corral extra money in from other countries in the way that I described earlier. The crisis in Somalia is enormously worrying. There is no doubt that 300,000 people are caught in the famine. In Somalia, 1.8 million children are malnourished; 500,000 people will die in Somalia unless they get help; and probably 1,000 children have already died in this famine, so there is an enormous amount to do.

In terms of the £156 million, £61 million of British taxpayer's money is being spent inside Somalia, and it is procuring the sorts of results that we would wish. We are giving cash assistance to 400,000. We are managing to procure clean water for 1.5 million. We are vaccinating 85,000 children and helping to provide shelter for 90,000 families, so we are there and very active. The honest answer to your question is that we could always do more, but Britain is helping move the dial and is having a big effect in Somalia.

It is not just in this area because we are helping to beat back the terrorists. There are British troops helping and advising the security forces and the Somali army, and doing some training in Somalia, and so, on that wider picture too, Britain is helping to move the dial. It is a very good example of why development spending is very much in our national interest. It was not so long ago that there were more people with British passports training in terrorist camps in Somalia than there were in Pakistan or Afghanistan.

Disorder there, quite apart from destroying the lives of millions of people—particularly girls and women—ricochets out and affects us on the streets of Dumfries, Birmingham and London. That disorder indirectly affects us as well, so it is a good example of why this is very good expenditure on every level.

Q424 **Chair:** I agree, and I am sure the Committee agrees with you. Did you do an impact assessment into the pause on programmes like that?

Andrew Mitchell: As I said earlier, impact assessment have been done.

Chair: Specifically on the pause would be helpful.

Andrew Mitchell: I will come back to you on that point.

Q425 **Chair:** Is it also a bit of smoke and mirrors to say that the pause has been lifted when there is hardly any money left on the bilateral spend?

Andrew Mitchell: No, I do not think so, because, although the money is greatly restricted, the fact is that, during the pause, it was not being spent, except in these specific areas that I mentioned.

Q426 **Chair:** Not by your Department anyway.

Andrew Mitchell: Yes. There is now more spend, but it is within very constrained budgets. The effect of the pause was basically because the budget was effectively out of control. Given the new constraints, it was



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out of control. The pause was to enable us to regroup. We are now regrouping, and these very substantial reductions in expenditure, even as we speak, are being agreed and negotiated by officials.

I should explain that the way we are doing it is not from central direction in the UK. We are saying to the posts and the officials charged with this, "You are the people on the ground. You work out how best to deliver these reductions in spending."

Q427 **Chair:** Hearing that the budget was out of control is somewhat chilling.

Andrew Mitchell: It was out of control in the sense that the money had been cut back but we had not dealt with the expenditure streams, and that is what is happening now.

Q428 **Chair:** It has been reported that the FCDO's Syria team has been told to cut £6 million to £8 million from its overall budget of £50 million, so I hear what you are saying. The amount comes from central HQ, and, on the ground, they have to actually implement that. Have the Government conducted an impact assessment specifically around women and girls when cuts like this have been forced through?

Andrew Mitchell: I will have to write to you on the specific way in which the impact assessments are addressing that, but impact assessments are taking place.

Q429 **Chair:** Is it right that London makes the decisions of how much is going to be cut and then the people on the ground have to make decisions about where the cuts are going from?

Andrew Mitchell: I think it is. I arrived only a few weeks ago, but I started out in addressing this by saying we should not be salami slicing expenditure.

Q430 **Chair:** It sounds as though we are.

Andrew Mitchell: I started out by saying that we should not be salami slicing because that is the easy way; that we should take a view on programmes; that, in such a constrained environment, salami-slicing is the easy way out; and that it is much better to look at programmes that you can cut or that others can replace us in doing.

Q431 **Chair:** "You" being London rather than "you" being the people on the ground.

Andrew Mitchell: Yes, the instruction coming from London, but, unfortunately, in the end, because it is such a short period of time and because it is so difficult to do that, for this year—of which, as I said, there are only just over three months left—it has to be salami slicing, so we are requiring these cuts across the whole of the portfolio of the bilateral spend.

Q432 **Chair:** This is what terrifies me. What really concerns me is that there is not that oversight to make sure that something like LGBT rights—which are, probably in most countries, a tiny amount of the budget and a



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bilateral programme—are not cut all over the world just because we did not think to ask where the cuts were happening. That is what concerns me. The vision does not seem to be in place.

Andrew Mitchell: “Vision” would be an overoptimistic word for this. On LGBT rights, all of us are acutely conscious of the importance of doing everything we can to preserve that. The issue, for us running this, is about the best way to make these very fierce and draconian cuts. Is it by central direction from London? Is it better to give the people with the knowledge on the ground who will understand acutely the effect of these cuts a central direction and let them make the decision on the ground? These are extremely able, highly qualified development professionals.

Chair: You have a brilliant team.

Andrew Mitchell: The judgment is, and I am sure that it is right, that it is better to let them make the decision with general direction from London rather than referring it back to London.

Q433 **Chair:** That is not what is happening. For example, you could ask the Bosnian team where they could make savings with least impact and you could ask other countries around the world, but, if you are telling them to cut £6 million to £8 million, that is a very different proposition that you are putting to them.

Andrew Mitchell: We are telling everyone that they need to make percentage cuts across the whole—

Q434 **Chair:** What is the percentage?

Andrew Mitchell: I think it is around 30%, but you will appreciate that we are talking about the last quarter.

Q435 **Chris Law:** It is good to see you here, Minister, for the first time. Like you, all of us sitting around this table did not support the cut, so I was pleased to see you speak about it. I want to bring you to that because, in the midst of the pandemic, when we talked about building back better, the least-developed countries and lower-income countries took the biggest cuts to their ODA budgets. Are those cuts consistent with His Majesty’s Government to leave no one behind?

Andrew Mitchell: We are where we are with the cuts. You and I, Mr Law, had our say on them in the House of Commons, but my job now, as the Minister, is to live with the decision of the Government and the House of Commons, and try to make sure that we cut the cake in the best and most professional possible way given the constraints we face. That is what we are trying to do.

Q436 **Chris Law:** Previously, you were not the Minister. You are now; you are in Government. You can make choices. The political choice is yours. What are the chances of you putting effort into reversing those cuts at a time when it is hurting the most vulnerable in the world right now, many of whom have not even received their first dose of Covid vaccine, let alone the wider socioeconomic and political impact of what happened during the



pandemic? That is what I mean by this.

Andrew Mitchell: What I can do, should do and am doing is to maximise the spend, which is a little bit about negotiating with the Treasury—as I said, we have had the increase that we have discussed—and trying to make sure that we get a quart out of a pint pot. Maximise the money and then make the professional judgments about how we spend that money to the best possible effect, for our taxpayers and for the people we are trying to help. Whatever the budget is, that is the duty of the Development Minister.

Q437 **Chris Law:** I completely agree. Would you not agree that it has been a double cut? We had a cut to GNI as a result of Covid and we have not really recovered from leaving the EU. On top of that, we have cut the 0.7% to 0.5%, and I do welcome that it has come up to 0.55%. I will be more specific. The FCDO also substantially reduced bilateral aid to the Horn of Africa since 2021 despite repeated warnings at the time about the impending failure. The investment is welcome now, but surely prevention is better than a cure.

Andrew Mitchell: It is, and I gave an example just now in Somalia that, with the increased rapidity of these dreadful natural disasters taking place, almost on an annual basis now the rains are failing, you have to look to resilience and climate change adaptation as well as the humanitarian work. Where you have very limited resources and a humanitarian crisis, we are unable to invest as much as we would wish in resilience and adaptation. The ICF funding, which Britain is producing and that the Prime Minister confirmed at the COP in Egypt, is very substantial over these five years. Some of that money will go directly to the work that I was describing and which you are rightly saying is essential.

Q438 **Chris Law:** I wanted to take that a bit further, because you have mentioned several times the UK being a development superpower. Previously, I would have completely agreed with you there. However, do you not feel that we have not only lost our reputation in the world but lost really vital partners in the world who do not trust us any more?

Andrew Mitchell: In development, predictability is everything because it is so long term to get the results that everyone wants to see. If the budget gets changed and you are unable to fulfil the commitments you have made, that is clearly very bad for the country's reputation and for development. It is, as you say, one of the reasons why, while we used to be a development superpower, we have currently lost that reputation.

Q439 **Chris Law:** Does that make us a development minnow?

Andrew Mitchell: No, because we are still a very substantial force in development. We are a force financially in terms of the significant budget of more than £10 billion a year, but we are also a force intellectually, driving forward agendas that Britain leads on and which are of enormous importance in some very difficult parts of the world. We are not a minnow, but can we do more and re-establish our reputation as a superpower? I believe that we can if we make the right decisions,



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particularly on structure. When those two tests are met and we revert to the 0.7%, that will make it all the easier to pursue and win these objectives we are trying to procure.

Q440 **Chris Law:** I am just listening to what you are saying, Andrew, and I trust every word that you are saying on this. I want to know how you are going to rebuild that trust specifically. If I have a contract with you, I am working really hard, I have developed skills, intelligence, experience and institutional memory, and then my contract is cut without even a phone call, why would I trust you in the future?

Andrew Mitchell: We will have to win back that trust. What Mr Law says about the pain that is involved in making these cuts is very real.

Q441 **Chris Law:** My last question is really about long-term funding. It does not matter where we take evidence from. Wherever, as a Committee, we have visited, we have heard it year in, year out. We are excellent at getting projects started up, we are excellent at getting them to completion, but we have no strategy to make sure they continue to have long-term benefits. Are we likely to see more long-term funding and flexible funding in the future, and, if so, how soon are we likely to see that?

Andrew Mitchell: I cannot say at the moment how soon, but that is certainly something we strive for. In making sure that those long-term effects are understood and procured, this Committee plays a very significant role in terms of accountability, but so does the ICAI because that is exactly the sort of thing that the ICAI looks at in understanding whether expenditure that we make on development is delivering for taxpayers and also the results we want to see on the ground. Quite a chunk of that is within our own hands to make sure it takes place.

Q442 **Chris Law:** Can I ask for your assurances then? The cuts that came and came so immediately were in conflict-affected areas where we were helping to intervene. We had climate mitigation and adaptation programmes in Indonesia that were abruptly cut halfway through. We have been working on health programmes; 99% of the world was cleared of polio, and we cut that as well. Can I plead with you to make sure that there are no more ideological cuts going forward and that they will be based on evidence?

Andrew Mitchell: This is not a particularly ideological area. I always used to say that development policy is not Labour, Tory or SNP; it is British. Ideology in this area, I hope, is pretty light and we go with what works, which is the right way to do development. Go with what works and procure the results accordingly.

Q443 **Chris Law:** Sorry, Andrew, just to be clear, we are not going to see again the kinds of catastrophic errors that were made during the cuts with no discussion with partners. Is that what you are saying?

Andrew Mitchell: I completely agree with you about the dangers of making spending that is not predictable. If expenditure that people believe to be predictable then becomes unpredictable, it is extremely



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damaging. There is nothing between us on the analysis that you are posing on the effect of these funding streams being disrupted.

Q444 **Chair:** Minister, we have some quickfire questions, if you could indulge us.

Andrew Mitchell: It is like the interview with *The Times* newspaper.

Q445 **Chair:** You are giving us great lines. First of all, the integrated review is being refreshed. Given your comments about India and China, does that mean that you no longer see the imperative for an Indo-Pacific tilt?

Andrew Mitchell: No. The Indo-Pacific tilt is Government policy and will be supported in a number of ways, including by BII, formerly CDC. In terms of the refresh, the Prime Minister is asking what an outstanding development contribution to British policy should look like. We will try to give a good answer to that as part of the refresh.

Q446 **Chair:** Do you have any idea on timescales? We were told it was going to be quick.

Andrew Mitchell: That is my understanding, but that will be up to No. 10.

Q447 **Chair:** You spoke about ICAI, which is an astounding and truly independent organisation, although obviously it reports to and is overseen by us. In the last couple of years, ICAI has been left with less than half its staff and has been unable to recruit using FCDO systems, which has caused huge delays in its scrutiny work. In one example, we intervened because a commissioner was not given permission by the FCDO to go to Afghanistan to do their inquiry. What steps are you taking to make sure that ICAI is properly resourced?

Andrew Mitchell: On Sir Hugh's visit to Afghanistan, we, obviously, have a duty of care to Sir Hugh. We are doing our best to try to find ways to facilitate that visit, but we cannot resile from what is a perfectly proper duty of care for staff and colleagues in ICAI. I have seen the chief commissioner of ICAI to assure her of the commitment of the FCDO to everything she is going to do. As I say, I have not been able to agree as the Minister responsible with every recommendation of every ICAI report that has passed across my desk so far. For the reasons that you have said, the ICAI reports to this Committee, not to Ministers, so that Ministers cannot sweep inconvenient truths under the carpet. We have a duty to make sure that it is funded adequately to fulfil that role. While I am a Minister, I will do everything I can to ensure that that is the case.

Q448 **Chair:** Excellent, and we give you a commitment that we will make sure that those reports come to you in a timely and efficient manner to hold your feet to the fire. You have referenced BII a couple of times. Our development investment institute does some great work around the world and was always part of a suite of development options. It works on \$5.50 as its baseline for the countries that it invests with, which are basically middle-income countries. The World Bank uses the figure of \$1.90 a day as its definition of poverty. How effective can it be when the majority, it



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seems, of our bilateral development money is going through BII to alleviate extreme poverty?

Andrew Mitchell: There is a role for both, but let us be in no doubt about the success of BII.

Chair: It is a huge success.

Andrew Mitchell: While I was in Somalia, I was looking at work that they are doing investing in a port there through Dubai Ports, and it is incredibly impressive that it is doing that. BII is supposed to invest—

Q449 **Chair:** I would imagine P&O staff are not so thrilled though.

Andrew Mitchell: Why not?

Chair: That was the organisation that basically sacked all of the P&O workers.

Andrew Mitchell: Let us not get into that, but, in terms of the investment in Somalia, this is a brilliant piece of spending and very important for the development of Somalia as a country. I completely accept what you are saying on the other side of things.

Q450 **Chair:** When BII is not part of that broader suite, should so much money still be going to it?

Andrew Mitchell: I think it should. Bear in mind that the investments that BII has made, indirectly and directly, are providing a million jobs. In the poor world, that is a million families with food on the table. It is paying wages from those investments where tax on the wages is something like \$3 billion, and those companies that BII is investing in are paying tax to Governments, although it may not always be spent well by those Governments, of \$1.5 billion. That is absolutely extraordinary. Every £100 that BII invests drags in behind it £82 of private sector money. These are extraordinary achievements.

How do people in the poor world lift themselves out of poverty? It is by having a job and by being economically active.

Q451 **Chair:** It is also by having an education and not being married off at 12.

Andrew Mitchell: Yes, but it is by having a job, whether it is in the rich or poor world, that you lift yourself out of poverty, and 90% of all jobs around the world are created by the private sector. In my view, BII's contribution to British development aims is astronomically high, and we need to recognise that. I used to say that I thought that, in 50 years' time, it would be BII/CDC rather than DFID that was the visible symbol of Britain's commitment to international development. Of course, DFID is now gone, so that is not an analogy that would work any more, but I do think the work that BII is doing is incredibly significant in elevating the economic and social conditions of some very poor people in very poor parts of the world.

Q452 **Chair:** Can I shift you to debt relief? We are wrapping up an inquiry into



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debt relief, and this Government have been very good advocates for writing off debt. The problem has been the private sector. I wonder if you believe there is an impetus for legislating around the private sector so that is not making money off the backs of the poorest.

Andrew Mitchell: Are you talking about vulture funds here?

Chair: Effectively, yes.

Andrew Mitchell: Vulture funds are incredibly unattractive, and we should certainly look at legislation to see whether we can help with that.

Q453 **Chair:** Most of them operate under UK or US law, so we do have a lot of influence when it comes to this.

Andrew Mitchell: When I was a Back-Bencher, Margaret Hodge and I, on a cross-party basis, looked a lot of things in this area. I am sure that we should see whether there is more we can do to champion that.

Q454 **Chair:** That is excellent to hear. As a final question, we have our report on atrocity prevention in with the Department, and you are not over time for responding to us on that. It is something that we care very deeply about. Ukraine was one of our case studies, as was Bosnia, and there are many other examples around the world, Syria being a classic one. It seems to us that using all the skills of FCDO to spot the early warning signs when it comes to hate crimes targeting specific groups is a really good use of the excellent staff we have. Is that something that you recognise? The former Foreign Minister, then Prime Minister, did say that she could see a strong leading role for the UK taking on atrocity prevention around the world.

Andrew Mitchell: I will read the report with very great interest and come back to you on it.

Chair: It is a good report.

Andrew Mitchell: We saw the big conference taking place in London just a week ago on preventing sexual violence in conflict, something that William Hague and, I think, Angelina Jolie set up 10 years ago. It is very good to see a consistency of policy drive from Britain and from the British Government on this vital area. I saw the impact of some of that too when I was in Somalia, so it ricochets all around the world. It is a very good example of Britain at its best, and I look forward to looking at your report on atrocities through that lens.

Q455 **Chair:** It is very important to note that atrocities do not happen only in conflict situations. While I, of course, welcome the pledge of £12.5 million on PSVI, in the context of how much money has been cut from preventing violence against women and girls, it is a drop in the ocean. The final, final one from me is this. Of the money that was cut, particularly around women and girls, which was meant to be a priority for this Government, will you be looking in your three-year strategy to embed things like women and girls' futures into all ODA programmes, rather than just having these little specific pots of money that we see for



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things like that?

Andrew Mitchell: Yes, I will. As I say, women and girls and humanitarian are two of the four priorities where we are going to do anything we can to protect them. You have eloquently underlined the reasons why that is the right thing to do.

Chair: Minister, thank you so much. You have been incredibly generous with your time. As I said at the beginning, you are the right Minister at the right time, so we are very grateful for that, but that does not mean to say that we will not be challenging you every now and again.