

House of Commons House of Lords

Joint Committee on the National Security Strategy

The Conflict, Stability and Security Fund

Second Report of Session 2022–23

Report, together with formal minutes relating to the report

Ordered by the House of Commons to be printed 13 September 2023

Ordered by the House of Lords to be printed 13 September 2023

The Joint Committee on the National Security Strategy

The Joint Committee on the National Security Strategy is appointed by the House of Lords and the House of Commons to consider the National Security Strategy.

Current membership

House of Lords

Lord Butler of Brockwell (Crossbench)

Baroness Crawley (Labour)

Lord Dannatt (Crossbench)

Baroness Fall (Conservative)

Lord Reid of Cardowan (Labour)

Lord Robathan (Conservative)

Lord Sarfraz (Conservative)

Lord Snape (Labour)

Viscount Stansgate (Labour)

Lord Strasburger (Liberal Democrat)

House of Commons

Margaret Beckett MP (Labour, Derby South) (Chair)

Sarah Champion MP (Labour, Rotherham)

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Angus Brendan MacNeil MP (Scottish National Party, Na h-Eileanan an Iar)

Stephen McPartland MP (Conservative, Stevenage)

Sir Robert Neill MP (Conservative, Bromley and Chislehurst)

Bob Stewart MP (Conservative, Beckenham)

Tom Tugendhat MP (Conservative, Tonbridge and Malling)

After his appointment to a Ministerial post on 6 September 2022, <u>Tom Tugendhat MP</u> recused himself from meetings and ceased to receive Committee papers.

After his appointment to a Shadow Ministerial post on 4 September 2023, <u>Darren Jones MP</u> also recused himself from meetings and ceased to receive Committee papers.

The following Members were JCNSS Members until January 2023, when they were discharged from the Committee: <u>Baroness Anelay of St Johns</u>, <u>Baroness Hodgson of Abinger and Baroness Neville-Jones</u>.

Lord Ashton of Hyde was a JCNSS Member from January 2023 until June 2023.

Powers

The Committee has the power to require the submission of written evidence and documents, to examine witnesses, to meet at any time (except when Parliament

is prorogued or dissolved), to adjourn from place to place within the United Kingdom, to appoint specialist advisers, and to make Reports to both Houses. The Lords Committee has power to agree with the Commons in the appointment of a Chair.

Publications

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The Reports of the Committee are published by Order of both Houses. All publications of the Committee are on the Internet at www.parliament.uk/jcnss.

Committee staff

The current staff of the Committee are Grace Annan (Commons Committee Specialist), Lucy Arora (Head of International Affairs Unit), Carolyn Bowes (Commons Committee Operations Officer), Jessica Bridges Palmer (Media and Communications Officer), Harriet Deane (Commons Clerk of the Committee), Ashlee Godwin (Commons Head of International Affairs and National Security Hub), Clayton Gurney (Lords Committee Operations Officer), Beth Hooper (Lords Clerk) and Emma Makey (Senior Committee Specialist, International Development Committee).

Contact

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Summary

The Conflict, Stability and Security Fund (CSSF) was established to deliver a cross-Government response to challenges overseas that threaten UK national security, using both ODA and non-ODA funding.

Since 2020, there have been significant changes to the size and composition of the CSSF's budget, with reductions to the UK's aid budget resulting in considerable cuts to Official Development Assistance (ODA) programmes within the Fund. These changes have shifted the emphasis of the Fund away from peacebuilding and conflict prevention, creating a de facto de-prioritisation of development work within the Fund. We are concerned that the cuts to ODA-funded programmes within the CSSF are likely to impair the ability of the UK Government to anticipate conflict, prevent escalation, and respond effectively to areas of known instability across the world, which may be a false economy. In addition, these cuts may have impaired the Government's ability to respond effectively to recent crises in the Middle East and Sudan.

The CSSF is in the process of merging with other funds to form the new Integrated Security Fund (ISF), with the objective of creating greater coherence between international and domestic work to tackle national security challenges. The CSSF has developed a distinct identity as an agile and responsive fund under control from the centre, often undertaking projects that other funders would often deem too high-risk. There is a risk that this identity will be diluted amongst other more disparate policy aims in the new Fund, and that domestic political pressures will take priority.

We are also concerned about the lack of clarity surrounding core practical points relating to the transition period, and the impact of this uncertainty upon organisations currently implementing CSSF programmes. It is also unknown to what extent the current commitments to transparency, monitoring and evaluation of activities will continue. We recommend that the Government provides regular updates to the Committee during the transition period, and commits to maintaining existing levels of transparency, monitoring and evaluation.

1 The Conflict, Stability and Security Fund

About the Fund

- 1. In 2015, the Government established the Conflict, Stability and Security Fund (CSSF) to tackle conflict, stability and security challenges overseas, focusing on those that threaten UK national security.¹ The Fund was designed to deliver against both national security and UK aid strategy objectives.² In 2020/21, it operated across 13 Government departments and agencies and had a total spend of £1.26 billion.³ The Fund blends Official Development Assistance (ODA) and non-ODA funding and, historically, has maintained a roughly half-and-half split between these two elements. The Fund is also divided between discretionary and non-discretionary funding, with the majority of discretionary spending classed as ODA.⁴ With a primary focus upon fragile and conflict-affected areas, CSSF discretionary programmes undertake work through a mixture of geographical and thematic portfolios.⁵ The approach to programming is centred around four core principles: integration across government, catalysing further activities, tolerating high risk and adopting an agile approach.⁶
- 2. Since the establishment of the CSSF, the Joint Committee on the National Security Strategy has taken on the role of scrutinising the Fund's programmes and expenditure, holding annual evidence sessions to do so. In 2017, our predecessor Committee expressed significant concerns about the coherence, accountability and transparency of the Fund, and made recommendations for improvement, with a particular emphasis upon transparency. Since then, the CSSF has made a number of improvements, including the regular publication of Annual Reports containing details of the Fund's expenditure and core achievements. The Fund also now publishes programme summaries and annual review summaries for most programmes. 8

- 1 Conflict, Stability and Security Fund, 'About us', accessed 10 August 2023
- 2 Conflict, Stability and Security Fund, 'Annual Report 2016/17' July 2017, p3
 The CSSF replaced the Conflict Pool, a fund focused upon conflict prevention, stabilisation and peacekeeping.
 The Conflict Pool was administered by the FCO, DFID and MoD.
- Conflict, Stability and Security Fund, 'Annual Report 2020/21', December 2021, p20
- For example, in 2020/21, 77% of discretionary spending was classed as ODA. Discretionary spending includes geographic and thematic programme activity. Non-discretionary spending covers activities such as UN, OSCE and NATO peacekeeping, support to criminal tribunals and operational funds for the MOD. Conflict, Stability and Security Fund, 'Annual Report 2020/21', December 2021, p22
- The UK Government's 2015 Aid Strategy, "UK aid: tackling global challenges in the national interest" established a target to spend 50% of the UK's ODA in fragile and conflict affected states.
- 6 Conflict, Stability and Security Fund, 'About us', accessed 10 August 2023
- Joint Committee on the National Security Strategy, Second Report of Session 2016–17, 'Conflict, Stability and Security Fund'. HL Paper 105, HC 208. The following year, the International Development Committee also expressed concerns about the transparency of the Fund (see International Development Committee, Fifth Report of Session 2017–19, 'Definition and Administration of ODA', HC 547
- 8 Some CSSF programme documents are not publicly available due to the sensitive nature of the work detailed within them.

Impact of cuts to the ODA budget

- 3. The Government's decision to reduce the UK's ODA spending from 0.7% to 0.5% of GNI⁹ from 2021 has had a significant impact upon the CSSF's budget. ^{10,11} In 2021/22, the first full financial year in which the reduction applied, the Fund's total spend fell by £401.5 million to £858.7 million—a 32% reduction compared to the previous financial year. ¹² This decrease was largely attributable to significant cuts to the ODA component of the Fund, including funding for programmes to promote peacebuilding and strengthen civil society in some of the world's most fragile and conflict-affected regions. ¹³
- 4. The table below shows changes to CSSF spending over a three-year period from 2020/21 to 2022/23:

	FY 20/21 (s	pend)	FY 21/22 (spend)	FY 22/23 (all	location)
TOTAL	£1260.2m	100%	£858.7m	100%	£889.2m	100%
Of which						
ODA	£610.3m	48%	£347.1m	40%	£367.1m	41%
Non-ODA	£649.9m	52%	£511.5m	60%	£522.1m	59%
Discretionary	£690.2m	55%	£513.5m	60%	£513.7m	58%
Non-discretionary	£570.0m	45%	£345.1m	40%	£375.5m	42%

Source: Conflict, Stability and Security Fund Annual Reports 2020/21 and 2021/22; Conflict, Stability and Security Fund Allocations 2022/23, HCWS525, 26 January 2023

In 2020/21, the Fund's ODA spend was £610.3 million, representing 48.4% of its total expenditure. ¹⁵ By 2021/22, this had reduced by 43% to £347.1 million (representing 40.4% of the Fund's total spend) ¹⁶ with ODA allocations remaining broadly similar for 2022/23. ¹⁷

5. As an exception to this trend, the Asia Pacific portfolio received an increase of 31.7% to its ODA allocation for 2022/23 compared to spending in 2021/22, alongside an uplift to its non-ODA allocation. This appeared to correspond with the Government's strategic 'tilt' towards the Indo-Pacific region, announced in the 2021 Integrated Review and reinforced

- 9 Gross National Income
- Since 2020, UK ODA spending has decreased due to the contraction of the UK's Gross National Income (GNI) during the covid-19 pandemic and the UK Government's decision to reduce the ODA spending target from 0.7% to 0.5% of GNI, which took effect in 2021. In 2022, the Government provided a small uplift for ODA spending connected to the conflict in Ukraine and spending on in-donor refugees, taking the actual spend to 0.55% of GNI.
- 11 The 2021/22 CSSF Annual Report acknowledges the impact of the reduction, stating that the reduction "has required significant reprioritisation across the UK government".
 Conflict, Stability and Security Fund, 'Annual Report 2021/22', January 2023, p16
- 12 Conflict, Stability and Security Fund, 'Annual Report 2021/22', January 2023, p17
- 13 Unlike the 2015 UK Aid Strategy, the International Development Strategy (published in 2022) does not contain an explicit commitment to spend 50% of UK ODA in fragile and conflict affected states.
- 14 Figures given are rounded to nearest £0.1 million
- 15 Conflict, Stability and Security Fund, 'Annual Report 2020/21', December 2021, p21
- 16 Conflict, Stability and Security Fund, 'Annual Report 2021/22', January 2023, p18
- Over this period, the overall composition of total UK ODA spending has changed significantly, with Home Office ODA spending increasing by 130.2% from 2021 to 2022. The CSSF's share of overall UK aid spending reduced by 28% from 2021 to 2022. ODA statistics are published on a calendar year basis.

 Foreign, Commonwealth and Development Office, 2022 Statistics on International Development: Provisional UK

Aid Spend 2022, page 13

by the 2023 Integrated Review Refresh.¹⁸ It should be noted that this increase is from a very low base, however, and ODA spend in the region for 2022/23 is still only forecast to represent 5% of total CSSF ODA regional spending.¹⁹

- 6. We asked the Government to outline the process it used to determine which CSSF programmes to terminate, suspend or reduce as a result of cuts to ODA spending. The Cabinet Office told us that the Foreign Secretary agreed that CSSF funds should be used exclusively for programmes requiring integrated, cross-government funding.²⁰ The Joint Funds Unit (which provides oversight and management of the Fund) then proposed portfolio financial allocations within the Fund based upon a core set of principles, namely strategic alignment with Government priorities, national security priorities, the CSSF core principles (as outlined above) and evidence of impact.²¹ Ben Merrick (Director, Joint Funds Unit) told us that the process included making "very difficult decisions and it was essentially about relative prioritisation".²²
- 7. As a result of the prioritisation process, some programmes were closed. These included:
 - Security and justice reform programming in Nigeria and East Africa,
 - Serious organised crime work in the Caribbean,
 - Governance work in Eastern Europe and Central Asia and the Western Balkans,
 - Regional programmes in the Middle East and North Africa,
 - Security and democracy programming in Afghanistan and Pakistan, and
 - Multilateral reform and support.²³

Some programmes were merged with other existing programmes (for example, some individual programmes in Nigeria were combined),²⁴ and some were transferred to other Government departments.²⁵ Others received uplifts to their non-ODA budgets in place of ODA funding (for instance, the Jordan Security and Stability, and Lebanon Security programmes).²⁶

8. The Middle East and North Africa (MENA) and South Asia regional portfolios experienced the largest cuts. Funding for CSSF ODA programmes in South Asia reduced

- 20 Cabinet Office, CCS0003, para 5
- 21 Cabinet Office, CCS0003, para 5
- 22 Q9 Ben Merrick
- 23 Cabinet Office, CCS0003, para 6
- 24 In 2022/23 the North East Nigeria programme was subsumed into the Nigeria programme. The West Africa Response programme was subsumed into the Upstream Threats programme. Cabinet Office, CCS0003, para 11
- 25 For example, some elements of CSSF work in Sudan was transferred to the FCDO. Cabinet Office, CCS0003, para 11
- 26 Cabinet Office, CCS0003, para 6

In 2020/21, the CSSF ODA Asia Pacific regional spend was £9.09 million. In 2021/22, the CSSF ODA Asia Pacific regional spend was £8.9 million. In 2022/23, the CSSF ODA Asia Pacific regional allocation was £11.2 million. Conflict, Stability and Security Fund, 'Annual Report and Accounts 2020/21', December 2021, p21; Conflict, Stability and Security Fund, 'Annual Report and Accounts 2021/22', January 2023, p18
Conflict, Stability and Security Fund Allocations 2022/23, HCWS525, 26 January 2023

¹⁹ Ibid. Other portfolios within the region covered by the Indo-Pacific tilt (such as South Asia) did not receive uplifts.

by 88% between 2020/21 and 2021/22.²⁷ ODA spending for CSSF programmes in the MENA region more than halved between 2020/21 and 2021/22 and fell again in 2022/23.²⁸ The table below shows substantial changes to CSSF bilateral programmes in North Africa, with programmes in the region experiencing reductions and closures:

Table 2: Changes to CSSF Bilateral Programmes in North Africa

	FY 20/21	FY 21/22	FY 22/23
Algeria	£8.5m ODA	£2m ODA	Programme closed
Egypt	£12m ODA	£4m ODA	£4m ODA
Libya	f12.4m ODA f0.1m non-ODA	f6m ODA f0.1m non-ODA	f6m ODA f0.6m non-ODA
Morocco	£8.1m ODA	£2.5m ODA	Programme closed
Tunisia	£15m ODA	£4m ODA	£2m ODA

Source: CSSF Programme summaries, CCS003,29 PQ 19564130

- 9. We received written evidence from organisations implementing CSSF programmes that had been affected by these funding cuts. These organisations noted a shift in the emphasis of the Fund, away from development-focused projects focused on conflict prevention in fragile and conflict affected states and towards work with a heavier security focus. Mercy Corps stated:
 - ... the 2020/2021 and 2021/2022 CSSF Annual Reports suggest the CSSF is no longer pursuing development objectives as a core part of its strategy. It increasingly focuses on tackling threats and challenges to national security, as further supported by language in the Integrated Review Refresh 2023.³¹
- 10. Other organisations questioned the decision to cut CSSF ODA programmes in regions with high incidences of instability, such as the Middle East, impairing the ability of the UK Government to seek proactively to prevent conflict.³² In written evidence submitted to us in 2022, the HALO Trust said:

Cuts to the UK's Official Development Assistance (ODA) budget have disproportionately affected bilateral and discretionary spending, including

- 27 In 2020/21, the CSSF ODA South Asia regional spend was £80.394 million. In 2021/22, the CSSF ODA South Asia regional spend was £9.94 million. CSSF regional spending for South Asia includes Afghanistan. Conflict, Stability and Security Fund, 'Annual Report and Accounts 2020/21', December 2021, p21; Conflict, Stability and Security Fund, 'Annual Report and Accounts 2021/22', January 2023, p18
- In 2020/21, the CSSF ODA MENA regional spend was £150.117 million. In 2021/22, the CSSF ODA MENA regional spend was £73.62 million. In 2022–23, the CSSF ODA MENA regional allocation was £56.894 million. Conflict, Stability and Security Fund, 'Annual Report and Accounts 2020/21', December 2021, p21; Conflict, Stability and Security Fund, 'Annual Report and Accounts 2021/22', January 2023, p18; Conflict, Stability and Security Fund Allocations 2022/23, HCWS525, 26 January 2023
- The Cabinet Office told us that the decision to close the programmes in Algeria and Morocco was taken as they "did not provide a strong enough strategic fit in comparison to other priority countries within a tightened resource framework".
 - Cabinet Office, CCS0003, para 14
- 30 PQ 1956 1 [on Libya: Conflict, Stability and Security Fund], 7 September 2023
- 31 Mercy Corps, CCS0001, para 23
- 32 The 2021 Integrated Review also set out the importance of an integrated approach of 'persistent engagement' as a means of deterring and preventing conflict.

through the CSSF. CSSF initiatives have been cut in the Middle East and North Africa (MENA), which is not consistent with the aim and potential of the fund given the frequency and impact of conflict in the MENA region.³³

- 11. At the end of the 2020/21 financial year, the CSSF's programme in Sudan was closed "in response to ODA constraints". Programmes in neighbouring South Sudan and Ethiopia were also closed. Selected priority activities supporting Sudan's political transition (which had previously been funded through the CSSF) were moved to FCDO bilateral ODA funding. He merrick told us that this enabled "a fair amount of the peacebuilding work" to continue. In evidence to the International Development Committee, Natalia Chan (Senior Conflict and Security Advisor, Saferworld), noted that "even though the CSSF was cut, FCDO staff in country did make the effort to try to continue a peacebuilding portfolio". It is unclear how much funding was made available for these programmes by the FCDO, however.
- 12. Some witnesses have questioned the coherence of these funding decisions with broader UK Government policy aims within the Horn of Africa and broader Red Sea region, especially given the later outbreak of conflict. Commenting on the decision to cut ODA programmes in Sudan, Dr Kate Ferguson (Co-Executive Director, Protection Approaches) told the Foreign Affairs Committee:

It is very difficult to say that it was strategic or informed when you look at the Horn of Africa more broadly, where risks of violence, of instability, and of myriad polycrises are really metastasising, with big regional and global impacts.³⁹

Following these cuts, in a letter to the International Development Committee, the Foreign Secretary acknowledged that:

work is now underway to identify whether CSSF funding can be used in future to support relevant objectives in Sudan and the possible regional repercussions.⁴⁰

13. The Conflict, Stability and Security Fund (CSSF) was established to deliver a cross-Government response to challenges overseas which threaten UK national security, using both Official Development Assistance (ODA) and non-ODA funding. ODA programmes within the CSSF have suffered significant cuts, shifting the emphasis of the Fund away from peacebuilding and conflict prevention and creating a de facto deprioritisation of development work within the Fund. We are concerned that the cuts to ODA-funded programmes within the CSSF are likely to impair the ability of the UK

- 33 HALO Trust, CSF0002
- 34 Cabinet Office, CCS0003, para 11
- 35 Ibid
- Correspondence from the Foreign Secretary to the International Development Committee regarding the humanitarian crisis in Sudan, 13 June 2023, para 10
- 37 Q17 Ben Merrick
- Oral evidence taken before the International Development Committee on 16 May 2023, Humanitarian crisis in Sudan. HC 1370. O14
- 39 Oral evidence taken before the Foreign Affairs Committee on 20 June 2023, The situation in Sudan, HC 1312, Q77. Dr Ferguson also noted the difficult circumstances under which FCDO staff had to make decisions to cut programmes.
- 40 Correspondence from the Foreign Secretary to the International Development Committee regarding the humanitarian crisis in Sudan, 13 June 2023, para 10

Government to anticipate conflict, prevent escalation, and respond effectively to areas of known instability across the world, which may be a false economy. In addition, these cuts may have impaired the Government's ability to respond effectively to recent crises in the Middle East and Sudan.

Changes to the international security context

14. Since the CSSF's inception in 2015, the international security context has evolved significantly. The Integrated Review and Integrated Review Refresh outlined new and emerging threats to the UK's security. Baroness Neville-Rolfe described how the trends identified in the Integrated Review Refresh have helped to shape the strategic direction of the CSSF, namely:

shifts in the distribution of global power; interstate systemic competition over the nature of the international order; rapid technological change, which we have all seen; and worsening transnational challenges. These have all accelerated since the first Integrated Review and things have become more multi-polar and fragmented.⁴¹

In response, the CSSF has adjusted its portfolio to respond to immediate threats, such as by pivoting resources to provide increased support to Ukraine following the outbreak of war in 2022, as well as developing new portfolios in emerging areas, such as increasing funding for its cyber portfolio (a relatively new area of work for the Fund).⁴²

- 15. Additionally, it has developed a new International State Threats portfolio, with a remit to "continue to improve the UK's ability to detect, disrupt, defend and deter threats, both in the physical world and in cyberspace." This portfolio builds on existing work undertaken by the CSSF in related areas, such as cyber (where the Fund has provided support to Georgia in implementing a National Cyber Security Strategy) and tackling disinformation (where the Fund has provided emergency support to media partners in Ukraine, to continue investigation and provide reporting on the war). The portfolio received an annual allocation of £13.6 million for the 2022/23 financial year.
- 16. It is unclear to what extent this new portfolio provides additional value, however, given the CSSF's emphasis on sharing learnings across existing thematic and geographic portfolios. Ben Merrick told us that "some of this is experimenting with different approaches to how we can respond to the nature of those threats" and that "we seek to link to the other portfolios". It is also unclear how this work will evolve as part of the new Integrated Security Fund.

⁴¹ Q1 Baroness Neville-Rolfe

⁴² In 2020/21, the CSSF Cyber portfolio total spend was £5.29 million. In 2021/22, the CSSF Cyber portfolio total spend was £18.07 million. In 2022/23, the CSSF Cyber portfolio total allocation was £26.08 million. Conflict, Stability and Security Fund, 'Annual Report and Accounts 2020/21', December 2021, p21; Conflict, Stability and Security Fund, 'Annual Report and Accounts 2021/22', January 2023, p18

Conflict, Stability and Security Fund Allocations 2022/23, HCWS525, 26 January 2023

⁴³ Conflict, Stability and Security Fund, 'Annual Report and Accounts 2021/22', January 2023, p10

⁴⁴ Conflict, Stability and Security Fund, 'Annual Report and Accounts 2021/22', January 2023, p10

⁴⁵ Conflict, Stability and Security Fund Allocations 2022/23, HCWS525, 26 January 2023

⁴⁶ Q14

⁴⁷ Q12

Integrated Security Fund

- 17. As part of the Integrated Review Refresh in March 2023, the Government announced that the CSSF would be merged with other funds to form the Integrated Security Fund (ISF). 48 Ministerial responsibility for the Fund will sit within the Cabinet Office.
- 18. The remit of the ISF will focus upon tackling the security challenges outlined in the Integrated Review Refresh, creating a stronger link between domestic and overseas security work.⁴⁹ This will be reflected in the activities of the new Fund, which will incorporate domestic security activity, such as work through the National Cyber Programme.⁵⁰ Ben Merrick told us that:

the emphasis on conflict and stability will very much continue. Conflict reduction and prevention remain very important in the work we are doing. It is the integration point that we are especially keen to emphasise.⁵¹

With a broader remit that places a greater emphasis upon work which blends domestic and international security, however, it is unclear what priority will be given to the CSSF's original objectives, or whether elements of those objectives will be deprioritised. It is also unclear whether the core principles of the CSSF (integration, catalysing further activities, tolerating high risk and agility) will be retained, including in the face of spending pressures on domestic activity.

- 19. The CSSF has developed a distinct identity as an agile fund, under control from the centre, ⁵² undertaking work to prevent conflict and promote stability overseas, including projects that other funders would often deem too high-risk. In the transition to the Integrated Security Fund (ISF), there is a risk that this identity will be diluted amongst other more disparate policy aims, and that domestic political pressures will take priority.
- 20. The CSSF is in a transition period. Baroness Neville-Rolfe told us:

We are in the process of setting [the Integrated Security Fund] up. We have set the budgets for the current year under the CSSF, and the work that is ongoing in the team is to work out exactly what changes will take place in the integrated fund.⁵³

There are still a number of uncertainties about the transition period, namely:

- The length of the transition,
- The potential for transaction costs/duplication of bidding for programme partners (such as NGOs), and

⁴⁸ The other funds are the National Cyber Programme and the Economic Deterrence Initiative.

⁴⁹ Q1 Ben Merrick

⁵⁰ Q28 Ben Merrick. The National Cyber Programme implements aspects of the 2021 National Cyber Strategy.

⁵¹ Q2 Ben Merrick

The Prime Minister and members of the National Security Council (NSC) set the strategic direction of all UK work on security, defence, development and diplomacy, which then informs the work of the CSSF. Ministerial oversight of the Fund is held at Minister of State level within the Cabinet Office. The Deputy National Security Adviser is responsible for administering the Fund on behalf of the Minister and National Security Council.

⁵³ Q1 Baroness Neville-Rolfe

• Whether existing transparency commitments will continue (including, for ODA-eligible programmes, mapping against attainment of relevant Sustainable Development Goals in programme documents).

The Cabinet Office told us:

We are confident that the transition will be made without unnecessary transaction costs. As the Fund transitions, there will not be any duplication in the bidding process. Ministers will oversee a single allocation process for the next financial year, which will consider and agree portfolio allocations towards the end of the year.⁵⁴

21. We are concerned about the lack of clarity surrounding core practical points relating to the ISF transition period, and the impact of this uncertainty upon organisations currently implementing CSSF programmes. It is also unknown to what extent the current commitments to transparency, monitoring and evaluation of activities will continue.

22. We recommend that the Government should:

- Write to the Committee on a quarterly basis during the transition period for the Fund, providing details of timelines and progress made, and sharing examples of how the bidding process is clarified with NGOs during this period;
- Commit to ensuring that the Integrated Security Fund maintains the CSSF's current levels of transparency in the publication of information on programme activity, spend and performance (for ODA-eligible ISF programmes, documents should demonstrate mapping against relevant Sustainable Development Goals); and
- Commit to ensuring that the Integrated Security Fund maintains the CSSF's current level of monitoring and evaluation of activities.

Conclusions and recommendations

- 1. The Conflict, Stability and Security Fund (CSSF) was established to deliver a cross-Government response to challenges overseas which threaten UK national security, using both Official Development Assistance (ODA) and non-ODA funding. ODA programmes within the CSSF have suffered significant cuts, shifting the emphasis of the Fund away from peacebuilding and conflict prevention and creating a de facto de-prioritisation of development work within the Fund. We are concerned that the cuts to ODA-funded programmes within the CSSF are likely to impair the ability of the UK Government to anticipate conflict, prevent escalation, and respond effectively to areas of known instability across the world, which may be a false economy. In addition, these cuts may have impaired the Government's ability to respond effectively to recent crises in the Middle East and Sudan. (Paragraph 13)
- 2. The CSSF has developed a distinct identity as an agile fund, under control from the centre, undertaking work to prevent conflict and promote stability overseas, including projects that other funders would often deem too high-risk. In the transition to the Integrated Security Fund (ISF), there is a risk that this identity will be diluted amongst other more disparate policy aims, and that domestic political pressures will take priority. (Paragraph 19)
- 3. We are concerned about the lack of clarity surrounding core practical points relating to the ISF transition period, and the impact of this uncertainty upon organisations currently implementing CSSF programmes. It is also unknown to what extent the current commitments to transparency, monitoring and evaluation of activities will continue. (Paragraph 21)
- 4. We recommend that the Government should: (Paragraph 22)
 - Write to the Committee on a quarterly basis during the transition period for the Fund, providing details of timelines and progress made, and sharing examples of how the bidding process is clarified with NGOs during this period;
 - Commit to ensuring that the Integrated Security Fund maintains the CSSF's current levels of transparency in the publication of information on programme activity, spend and performance (for ODA-eligible ISF programmes, documents should demonstrate mapping against relevant Sustainable Development Goals); and
 - Commit to ensuring that the Integrated Security Fund maintains the CSSF's current level of monitoring and evaluation of activities.

Formal minutes

Wednesday 13 September 2023

Members present:

Margaret Beckett MP, in the Chair

Sarah Champion MP

Richard Graham MP

Angus Brendan MacNeil MP

Stephen McPartland MP

Lord Butler

Baroness Crawley

Baroness Fall

Lord Robathan

Viscount Stansgate

The Conflict, Stability and Security Fund

Draft Report, (*The Conflict, Stability and Security Fund*), proposed by the Chair, brought up and read.

Ordered, That the draft Report be considered, paragraph by paragraph.

Paragraphs 1 to 22 agreed to.

Summary agreed to.

Resolved, That the Report be the Second Report of the Committee.

Resolved, That the Chair make the Report to the House of Commons and that the Report be made to the House of Lords.

Ordered, That embargoed copies of the Report be made available.

Adjournment

Adjourned till Tuesday 17 October at 4.00pm.

Witnesses

The following witnesses gave evidence. The transcript can be viewed on the <u>inquiry</u> publications page of the Committee's website.

Monday 22 May 2023

The Baroness Neville-Rolfe DBE CMG, Minister of State, Cabinet Office; Ben Merrick, Director, Joint Funds Unit, National Security Secretariat, Cabinet Office; Naomi Penia, Head of Integrated Security Fund Implementation, Cabinet Office

Q1-28

Published written evidence

The following written evidence was received and can be viewed on the <u>inquiry publications</u> page of the Committee's website.

CCS numbers are generated by the evidence processing system and so may not be complete.

- 1 Cabinet Office (CCS0003)
- 2 Mercy Corps (CCS0001)
- 3 Women for Women International (CCS0002)

List of reports from the Committee during the current Parliament

All publications from the Committee are available on the <u>publications page</u> of the Committee's website.

Session 2022–23

Number	Title	Reference
1st	Readiness for storms ahead? Critical national infrastructure in an age of climate change	HC 132
1st Special	Readiness for storms ahead? Critical national infrastructure in an age of climate change: Government response to the Committee's First Report of Session 2022–23	HC 1181

Session 2021–22

Number	Title	Reference
1st	The UK's national security machinery	HC 231
1st Special	The UK's national security machinery: Government Response to the Committee's First Report of Session 2021–22	HC 947

Session 2019-21

Number	Title	Reference
1st	Biosecurity and national security	HC 611
1st Special	Biosecurity and national security: Government Response to the Committee's First Report of Session 2019–21	HC 1279