



House of Commons
International Development
Committee

**The Changing Nature
of UK Aid in Ghana
Review: report from
the Sub-Committee
on the Work of ICAI:
Government response
to the Committee's
Sixth Report**

**Sixth Special Report of Session
2019–21**

*Ordered by the House of Commons
to be printed 9 February 2021*

HC 1198
Published on 16 February 2021
by authority of the House of Commons

The International Development Committee

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

On 1 September 2020, DFID and the Foreign and Commonwealth Office were merged to form the Foreign, Commonwealth and Development Office (FCDO). The Committee remains responsible for scrutiny of those parts of FCDO expenditure, administration and policy that were formerly the responsibility of DFID.

Current membership

[Sarah Champion MP](#) (*Labour, Rotherham*) (Chair)

[Mr Richard Bacon MP](#) (*Conservative, South Norfolk*)

[Theo Clarke MP](#) (*Conservative, Stafford*)

[Brendan Clarke-Smith MP](#) (*Conservative, Bassetlaw*)

[Pauline Latham MP](#) (*Conservative, Mid Derbyshire*)

[Chris Law MP](#) (*Scottish National Party, Dundee West*)

[Ian Liddell-Grainger MP](#) (*Conservative, Bridgwater and West Somerset*)

[Navendu Mishra MP](#) (*Labour, Stockport*)

[Kate Osamor MP](#) (*Labour, Edmonton*)

[Dr Dan Poulter MP](#) (*Conservative, Central Suffolk and North Ipswich*)

[Virendra Sharma MP](#) (*Labour, Ealing Southall*)

Current membership of the Sub-Committee on the work of the Independent Commission on Aid Impact (ICAI)

Formally, all members of the Committee are members of the Sub-Committee. In addition, the Committee has established a Sub-Committee core group:

[Theo Clarke MP](#) (*Conservative, Stafford*) (Chair)

[Mr Richard Bacon MP](#) (*Conservative, South Norfolk*)

[Sarah Champion MP](#) (*Labour, Rotherham*)

[Chris Law MP](#) (*Scottish National Party, Dundee West*)

[Kate Osamor MP](#) (*Labour, Edmonton*)

[Dr Dan Poulter MP](#) (*Conservative, Central Suffolk and North Ipswich*)

Powers

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

Publications

© Parliamentary Copyright House of Commons 2021. This publication may be reproduced under the terms of the Open Parliament Licence, which is published at www.parliament.uk/site-information/copyright-parliament/.

Committee reports are published on the [Committee's website](#) and in print by Order of the House.

Committee staff

The current staff of the Committee are Grace Annan (Committee Specialist), Philip Aylett (Second Clerk), Gordon Clarke (Clerk), Paul Hampson (Committee Operations Officer), Chloe Jago (Senior Media and Communications Officer), Rowena Macdonald (Committee Operations Officer), Emma Makey (Senior Committee Specialist), Leo Oliveira (Committee Operations Manager), Alison Pickard (Committee Specialist), Jack Tennant (Assistant Inquiry Manager–Apprentice).

Contacts

All correspondence should be addressed to the Clerk of the International Development Committee, House of Commons, London SW1A 0AA. The telephone number for general enquiries is 020 7219 1223; the Committee's email address is indcom@parliament.uk

You can follow the Committee on Twitter using [@CommonsIDC](https://twitter.com/CommonsIDC).

Sixth Special Report

The International Development Committee published its Sixth Report of Session 2019–21, *The Changing Nature of UK Aid in Ghana Review: report from the Sub-Committee on the Work of ICAI* (HC 535) on 20 November 2020. The Government's response was received on 28 January 2021 and is appended below.

Appendix: Government Response

Conclusions and Recommendations

Note: Conclusions in italics taken from IDC report and indicate specific recommendation

Conclusion 1: Based on the findings presented in the review and the evidence we heard during our oral evidence session, we feel that a Green/Amber rating was an appropriate assessment of the UK aid portfolio in Ghana, and we endorse the six recommendations made to the UK Government by ICAI. We hope that, considering the Minister's comments, the new FCDO will openly consider not only the recommendations from ICAI's review, but our own recommendations outlined below. Whilst the International Development Committee's future remains uncertain, we hope that this Report and its recommendations will highlight the importance of the relationship between ICAI and a dedicated Parliamentary Select Committee with responsibility for ICAI. (Paragraph 24).

FCDO Response: The Government welcomes the IDC sub-committee report and its endorsement of ICAI's positive review of UK aid in Ghana. In particular, we welcome the sub-committee's commendation of the UK's "consistent focus on gender equality and leaving no one behind concurrent with the growing shift towards a 'mutual prosperity agenda'". As Minister Duddridge emphasised during the IDC hearing, the FCDO values the IDC's views and recommendations. They will be taken into account as the FCDO proceeds with its new strategic processes, in particular the Integrated Review and country business planning.

Priorities for UK Aid in Ghana

Conclusion 2: We welcome the apparent success that the UK mission in Ghana has had integrating different elements of HMG. We hope that the FCDO will utilise the opportunity that the DFID-FCO merger presents to help further integrate the UK's support for a Ghanaian transition beyond aid. We will continue to monitor the effectiveness of UK aid delivery in country offices under the new structure. (Paragraph 34).

FCDO Response: The Government welcomes ICAI's recognition of the coherence and collaboration across HMG in Ghana; and the IDC's acknowledgement of this. As the impact of the global pandemic on the UK's economy and public finances have necessitated us to move to a target of spending 0.5% of Gross National Income on ODA, now is the moment to double-down on increasing the effectiveness of our spending and integrate it with our diplomatic and other expertise. HMG in Ghana will continue to focus on combining the full set of HMG levers more coherently to deliver transformative interventions.

Supporting a successful transition beyond aid

Conclusion 3: Whilst the UK appears to be offering relevant and effective contributions to supporting Ghana's economic development through increased domestic revenue mobilisation, evidence suggests that a sustainable transition hinges on continued support to other sectors as well. (Paragraph 39).

Conclusion 4: *In order to support the transition towards a 'Sustainable', 'Wealthy' and 'Resilient' Ghana, the UK should maintain a diverse aid portfolio in Ghana with both financial and technical support in social sector areas such as healthcare and education.* (Paragraph 39).

FCDO Response: As Minister Duddridge emphasised during his recent visit to Ghana for the inauguration of the new Government, the UK is committed to deepening our relationship with Ghana based on mutual prosperity and a shared ambition to lift people out of poverty and create jobs for the future. This is clearly demonstrated in our:

- direct funding for vaccinations, treatment for neglected tropical diseases, community lessons for out of school children, and support for distance learning and girls' education;
- bringing together technical assistance and HMG expertise to build Government of Ghana capacity and strengthen their systems to raise and spend their own resources more efficiently, effectively and equitably; and
- pivot towards funding COVID-19 prevention activities and social assistance for the most vulnerable (see FCDO response to conclusion 10).

In his letter of 25 November to the Chair of the IDC, the Foreign Secretary set out 7 global challenges on which all UK aid will be focused. These included tackling climate change, responding to COVID-19 and building global health security, supporting girls' education, delivering solutions based on science, research and technology, strengthening open societies and conflict resolution, leading humanitarian and economic response, and building trade and economic development. A new HMG Strategy for Ghana will be established in line with these themes, and set out the Government's objectives and delivery plan, including for our development cooperation. UK aid is making a real difference in Ghana and will continue to do so.

Conclusion 5: The UK aid portfolio in Ghana has the opportunity to successfully support the 'Ghana Beyond Aid' agenda, and in doing so, enhance the sustainability of UK aid's results in Ghana. However, the increasing amount of ODA being spent through multilaterals should continue to complement the successes of previous bilateral programmes and align with the UK's priorities in Ghana. (Paragraph 45)

Conclusion 6: *The FCDO should seek to increase its leverage in, and cooperation with, multilateral programmes in Ghana that are supported by UK aid to ensure they are coherent with UK aid priorities.* (Paragraph 45)

FCDO Response: As set out in DFID's response to ICAI's review, we welcome ICAI's recognition of the vital role our multilateral investments and partners play as we support Ghana to move beyond aid. All UK investments - bilateral or multilateral - need to be spent effectively and deliver real results on the ground. FCDO's country network has a

vital role to play in ensuring that. In Ghana, as noted in the IDC evidence session, HMG Accra is already stepping up to this challenge, working closely with the World Bank in particular to ensure a coherent, mutually supportive approach. For example, we are working together to support the government on getting girls back into school (when they reopen) and focus on their learning.

We will apply the full force of UK effort to galvanise international action, and spur collaboration between like-minded partners to deliver on the Sustainable Development Goals. The UK cannot deliver alone and the establishment of FCDO will create opportunities to increase our effort and impact in shaping an international development system which delivers our objectives and projects our values. The global need for development finance far outstrips levels traditional donors can provide. Multilateral Development Banks will remain key, alongside new development finance solutions (such as the COVAX facility, which the UK has championed).

Conclusion 7: We welcome the way DFID has successfully engaged and worked with Ghanaian civil society organisations on anti-corruption and democratic governance. However, significant progress remains to be done across the aid portfolio to ensure a sustainable transition away from aid.

Conclusion 8: *In order to continue to make informed decisions on aid allocation, Ghanaian citizens' needs and preferences should continue to be included when assessing how fast to reduce aid in key social sector areas such as health, education and livelihoods. This should be achieved through continuing engagement with Ghanaian civil society, drawing on previous experiences with the STAAC and STAR-Ghana. (Paragraph 56)*

FCDO Response: As noted in DFID's response to the ICAI review, the transition of our development relationship with countries should be done thoughtfully, based on evidence of country need, aid effectiveness and ability to self-finance. This includes citizens' needs and preferences.

Following the spending review, FCDO are reviewing how we use ODA to deliver the greatest possible impact with resources. This will require a strategic effort with clear goals. We will focus our support for health system strengthening and girls' education where need is greatest. We will focus on technical assistance to build governments' own capability to deliver growth and development as countries exit poverty and we will focus our financial aid where the need is highest

FCDO will continue to engage with Ghanaian civil society including STAR Ghana. In 2021–22, STAR Ghana is focusing on promoting transparency and accountability in the delivery of quality social services (in particular to vulnerable groups) and supporting Ghana's efforts to recover from the COVID-19 pandemic.

Impact of Coronavirus

Conclusion 9: We welcome the fact that the UK aid portfolio over 2011–2018 is widely acknowledged as having had a positive impact on Ghana's economic and social development, reflecting some of the top priorities of Ghanaian citizens and the Ghanaian Government's Beyond Aid Strategy. We welcome DFID's direct delivery interventions,

but as the UK aid portfolio shifts towards reducing financial support for Ghana's social services, we are concerned about the impact on the most vulnerable, especially in the context of the Covid-19 pandemic. (Paragraph 64)

Conclusion 10: We recognise and welcome that Ghana has made substantial development gains supported by UK aid, and welcome the successful role the UK has had in supporting this. However, the coronavirus pandemic and its global economic impact may negatively affect Ghana's economic trajectory and development needs, particularly in areas where UK ODA spend has reduced in recent years. (Paragraph 69)

FCDO Response (to IDC conclusions 9 and 10): FCDO is deeply concerned about the impact of COVID-19 on Ghana. In 2020, economic growth has reduced from 5.8% to 0.9% (IMF) and the deficit will expand to 16.4%, the highest in Sub-Saharan Africa. Schools are not yet fully open (planned reopening in January 2021) and there is evidence of increased gender-based violence. Debt servicing will squeeze public sector expenditure in both the social sectors and capital investment.

In response to this, FCDO has increased its support for: health communications to prevent spread of COVID-19 including to children and persons with disabilities; provision of handwashing supplies; manufacturing of facemasks; social assistance to reach the poorest and most vulnerable households; health services in under-served districts; distance and community-based education to ensure children can still learn even while schools are closed; and epidemiological modelling and research into the impacts of COVID-19 on education, health and social protection outcomes to inform policymaking and risk mitigation initiatives.

Conclusion 11: We welcome the Government's continued commitment to girls' education, especially in the northern regions of Ghana where strong inequalities remain. It is clear that the UK aid portfolio in Ghana has been largely successful in supporting social sectors such as education, which in turn fosters sustainability. Evidence suggests that women and girls will bear the brunt of negative impacts from the COVID-19 pandemic and will continue to need dedicated support in developing countries. (Paragraph 73)

Conclusion 12: *To help support an 'Empowered' and 'Inclusive' Ghana and in line with the Prime Minister's priorities for the UK aid budget, the FCDO should continue to ensure girls' education remains a priority across UK aid spending in Ghana, especially in the poorest parts of the country. In light of pressures on the UK aid budget due to Covid-19, the Department should engage with the Ghanaian Government to review the impact in terms of support for quality education in Ghana.* (Paragraph 73).

FCDO response (to IDC conclusions 11 and 12): FCDO is deeply concerned by the impact COVID-19 is having on women and girls. In Ghana there is evidence that gender-based violence, child marriage and teenage pregnancy are increasing, and more children are entering the labour force. FCDO Ghana is therefore stepping up its focus on gender equality, ensuring it is at the heart of everything we do.

In the Foreign Secretary's letter to the IDC Chair of 25 November, he set out a global commitment to get 40 million girls into education and 20 million more girls reading by the age of 10. It is clear girls' education will remain a priority for UK aid. From 2021–2025, the UK plans to support girls from disadvantaged backgrounds to get back to school in Ghana and improve their literacy, numeracy and life skills. In addition, FCDO is providing

technical assistance to the Ministries of Education and Gender to strengthen their capacity to improve girls' education. In early 2021, FCDO will work with Government of Ghana and non-state partners to conduct a review of the Girls-PASS programme 2012–2020, to assess the longer-term impact of UK Aid on quality girls' education.