

Written evidence from Terres des hommes in support of the IDC Effectiveness of UK Aid enquiry

1 About Terre des hommes UK

- 1.1 We welcome the opportunity to provide evidence to the International Development Select Committee for its inquiry on UK overseas development assistance (ODA). Terre des hommes UK (Tdh UK) is an affiliate of Terre des hommes Foundation, the leading Swiss child relief agency.¹ Founded in 1960, Tdh is an impartial and independent NGO that supports vulnerable children and their families, regardless of their ethnic background, religion or political affiliation. It undertakes to make sustainable improvements to the living conditions and development of the most vulnerable children and promote and uphold their rights as defined in the Convention on the Rights of the Child (CRC). Through innovative child protection and health projects, Tdh supports over four million children and their families each year in around forty countries.

2 Summary

- 2.1 Tdh UK praises the UK Government's commitment to spending 0.7% of GDP on Overseas Development Assistance. But we have serious concerns about the ability of the current approach to sufficiently contribute to the realisation of the Sustainable Development Goals and deliver on our commitment to leave no one behind as our ODA does not prioritise coordinated, cross-government, sustained investment in children.
- 2.2 Children are not a minority constituency or special interest group. According to World Bank statistics, around a quarter of the world's current population are aged 0-14.² They comprise the majority of the population of the least developed countries and, even before COVID-19, one quarter of the world's children live in areas affected by conflict, natural disaster and epidemics. Children are consequently over-represented in especially vulnerable communities and comprise a significant proportion of those most likely to be left behind. Achieving the SDGs will require sustained, cross-government, coordinated ODA investment being targeted to reach the world's most vulnerable children.

3 The definition and administration of UK Aid

- 3.1 The UK's continued commitment to the ODA: GNI target of 0.7% agreed upon at the UN General Assembly should be applauded. We are proud to work in UK's International Development sector, based in one of the few countries that has continuously met this internationally agreed target.

¹ <https://www.tdh.uk/en>

² <https://data.worldbank.org/indicator/SP.POP.0014.TO.ZS>

- 3.2 We would like to emphasise the vital importance of UK aid's main purpose, which is to reduce poverty and contribute to the achievement of the Sustainable Development Goals.
- 3.3 The Development Assistance Committee of the OECD requires assistance to have the "promotion of the economic development and welfare of developing countries as its main objective" to be considered ODA. Sustainable development, 'economic development' and 'welfare', can only be achieved if it is underpinned by human rights and we ensure that no one is left behind.
- 3.4 DFID is the government body with the expertise, experience and purchasing power to make responsible decisions on targeting and spending ODA to most effectively support achievement of the SDGs for those most likely to be left behind. This expertise should not be neglected.
- 3.5 We would like to stress the importance and value of DFID as an independent and fully supported government department, with cabinet representation. Further, we would like to emphasise that DFID has the expertise and experience to lead the targeting and spending of UK Aid. We see an independent DFID, focused on leading the UK's work to end extreme poverty rather than a more narrowly defined 'national interest', as a critically important and successful part of the UK government.
- 3.6 DFID, at its best, is a world leader and vital to the UK's 'brand'. DFID have been a shining light for the UK in global agenda setting for vital topics such as Girls Education, women's rights, and disability rights. We hope it will continue to be a world leader in tackling global issues such as Climate Change and Global Health issues such as the COVID19 pandemic. These issues become ever more relevant in the day to day lives of billions of the world's populations and disproportionately affect the poorest.³⁴
- 3.7 At Tdh UK, we place enormous value on opportunities to engage with DFID, on policy for example. The individual expertise and professionalism of staff is of the highest order.
- 3.8 However, connections between the UK International Development Sector and DFID are not replicated with other government departments. The lack of links between non-DFID government departments and the UK International Development Sector not only lessens opportunities to share expertise and build joint positioning; it also further hinders non-profits who do not have reason to have previously established institutional relationships with government departments such as the Department for International Trade. (This furthers the

³ <https://www.un.org/press/en/2019/gaef3516.doc.htm>

⁴ <https://blogs.worldbank.org/opendata/impact-covid-19-coronavirus-global-poverty-why-sub-saharan-africa-might-be-region-hardest>

disconnect outlined in answer to question 3 below between private sector and non-profit suppliers.)

- 3.9 We understand the contribution that DFID has made to global UK commitments on behalf of children, who are most at risk of being left behind -- being a leading advocate for children's education, ending modern slavery and protecting girls from marriage and FGM. Recent progress made by DFID on behalf of the UK government include the Disability Inclusion Strategy (including the commitment to deinstitutionalisation); leadership on the Call to Action to end forced labour, modern slavery and human trafficking; Secretary of State representation on the Board of the Global Partnership to End Violence Against Children; and the Strategic Vision for Gender Equality; development of a Protecting Children Hub within the Department.
- 3.10 Using ODA to reduce levels of violence and exploitation and invest in children's survival, health and education, is often justified by emphasising the economic imperative: such ODA is often described as *maximising human capital* and *unlocking the economic potential* of low- and middle-income contexts, in which children comprise a considerable proportion of the population. This is underpinned by a growing evidence base demonstrating the return on investment for key childhood interventions.⁵
- 3.11 Whilst the economic case for investment is important, ODA to children should primarily be informed by rights-based approaches and a commitment to promoting and upholding their fundamental human rights, in line with the UN Convention on the Rights of the Child (CRC), one of the most widely ratified UN Conventions in the world.
- 3.12 Terre des hommes UK would like to stress the importance of adopting and implementing a co-ordinated cross-departmental Child Rights strategy to guide ODA in children. This strategy should be overseen by DFID. It should be underpinned by the United Nations CRC.
- 3.13 The UN CRC framework and values base are widely understood and unequivocal. A comprehensive child rights framework underpinned by child rights-based approaches (CRBA) would provide the UK Government with an overarching and coherent tool to inform its ODA with children, that is understood by governments and civil society globally.
- 3.14 Existing policy frameworks guiding ODA investments in children have been inconsistent. Frequent changes in leadership at DFID and the FCO and the development of different cross-departmental initiatives by those leaders (such as the National Action Plan on Women Peace and Security or a number of initiatives on girls education) have resulted in competing programmes and strategic framing where large groups of children are on the periphery or

⁵ see for example <https://heckmanequation.org/resource/the-heckman-curve/>

excluded from a programme altogether – such as boys. The lack of a comprehensive CRBA and framework to guide child-focused ODA has resulted in a series of thematic, issue-specific programmes. Whilst the issues addressed are undoubtedly important, they are typically symptomatic of environments where systems are insufficiently robust to effectively protect children. ODA would be more effective, sustainable *and* provide better value for money if it was designed to tackle root causes and invested, longer-term, to enhance the resilience of systems that protect children. This would deliver more sustainable results for greater numbers of children. All investments in systems strengthening should target the most marginalised groups of children and incorporate the views of those children on how best to protect and build their resilience.

- 3.15 It would be beneficial if there was greater stability in the leadership of the department, particularly at the Secretary of State position, as this would enable greater consistency in the development of policy over time.
- 3.16 Uncertainty in leadership was also attributed as a key factor for staff feeling stretched and stressed, as evidenced in the 2019 DFID staff survey.⁶ To ensure responsible and accountable UK Aid spending, there needs to be a commitment from the government to ensure responsible and accountable leadership of their key UK Aid department.
- 3.17 *We would also like to see less reliance on large private sector contractors.* Below are the lists of DFID’s top profit and non-profit suppliers. We are concerned that the leading suppliers for DFID include many Audit/ Consultancy companies that have small scale rights-based or poverty reduction expertise but receive the largest amount of funding dedicated to these ends. Further, there are issues of ‘conflict of interest’ with using ‘Big 4’ auditors as major suppliers – as noted by the UK’s Competition and Markets Authority.⁷

TOP-11 private-implementing partners* recipients of DFID funding, £

1	PricewaterhouseCoopers	106,057,605.71
2	Crown Agents Bank	64,507,962.45
3	Mott Macdonald	62,803,651.42
4	Palladium	47,736,183.04
5	DAI Europe	47,401,316.30
6	IMC Worldwide	32,549,849.26
7	Oxford Policy Management	30,703,633.30
8	KPMG	25,672,487.49
9	Crown Agents Ltd	23,213,392.79
10	Adam Smith International	17,742,491.42
11	Coffey International Development	12,918,976.59

*Because PwC is mostly involved in M&E activities, DevelopmentAid included in the list a 11th entity, supplier of services for the DFID]

⁷ <https://www.ft.com/content/08b676ce-1402-11e9-a168-d45595ad076d>

10 Non-Governmental and Civil Society Organizations, recipients of DFID funding in the first 9 months of 2019, £

1	International Committee of the Red Cross (ICRC)	82,750,000.00
2	Marie Stopes International (MSI)	30,420,969.24
3	Voluntary Services Overseas (VSO)	27,601,710.53
4	AgDevCo	25,020,289.63
5	Population Services International (PSI)	24,028,038.19
6	International Planned Parenthood Federation (IPPF)	23,548,164.28
7	Care International	22,256,080.27
8	Sightsavers	18,474,355.13
9	BRAC	16,500,000.00
10	Norwegian Refugee Council	12,660,417.53

Lessons have not been learned from IDC's 2017 report '*DFID's use of private sector contractors*'.⁸ Examples of conclusions from this report not being learned from by the UK government are multi-fold, including:

3.17.1 *"DFID must make every effort to level the playing field (between private sector suppliers and non-profits) in terms of information available."* This playing field has not been levelled. British Expertise members, a network of for-profit UK Aid suppliers, appear to be better informed 'insiders' for DFID procurement opportunities, compared to BOND members, the non-profit equivalent.

3.17.2 *"there is a strong suggestion from evidence to this inquiry that they (Framework Agreements) lock out organisations—particularly smaller ones with technical expertise—from bidding for DFID work"* DFID continue to use Framework Agreements heavily, despite this conclusion. This is best evidenced in DFID IMDP Multi-Discipline Framework.

3.17.3 *"the use of Payment by Results (PbR) is likely to work against the aim of DFID procurement being more inclusive."* The use of Payment by Results by DFID is especially damaging to non-profit organisations.

4 How effective and transparent is the UK aid spent by the Department for International Development (DFID) compared to aid allocated to other Government departments and to the cross-Government funds?

4.1 It is very difficult to provide strong evidence for the effectiveness of cross-Government funds and non-DFID government spending on UK Aid as there is so little information available about this spending. 7 out of 10 government departments are failing to meet aid transparency targets.⁹

4.2 DFID's role in the UK Aid is far greater than controlling the spending of it. DFID are the key partner for the UK International Development sector – as an influencer, communicator and defender of the power and importance of aid.

5 How should the national interest be defined, and what weight should it be given, in relation to targeting UK aid?

5.1 There has been a tendency in recent years to conflate UK Aid's remit with the Foreign and Commonwealth Office (FCO)'s remit. The rhetoric for DFID to

⁸ <https://publications.parliament.uk/pa/cm201617/cmselect/cmintdev/920/920.pdf>

⁹ <https://www.devex.com/news/7-out-of-10-uk-government-departments-failing-to-meet-aid-transparency-targets-96358>

represent “the national interest” can be directly linked to the UK’s exit from the European Union. It is an unhelpful merging of agendas.

- 5.2 The FCO and DFID have very different objectives – the FCO’s is “to promote the UK’s interests overseas, supporting UK citizens and businesses around the globe”; whereas DFID’s is to “lead the UK’s work to end extreme poverty”.
- 5.3 The UK’s targeting of aid should be focused on achieving the SDGs, ending extreme poverty and ensuring that no-one is left behind. It should not be primarily viewed through the lens of the ‘national interest’. It should promote and uphold human rights and adhere to humanitarian standards of non-discrimination. It should have the promotion of the economic development and welfare of developing countries as its main objective
- 5.4 Recent conflation of UK Aid with “the national interest” can be linked with an anti-rights approach from the UK government to international issues facing those most vulnerable, especially children. A stark example of this is the UK governments U-turn and rejection of the Dubs Amendment in the Brexit Bill.
- 5.5 Child Rights should be a key consideration of UK Aid, and a Rights Based Approach from the UK government, including a cross-departmental Child Rights strategy would enhance support from MPs and the general public to support those in poverty and the most vulnerable across the world.