

***Submission to the International Development Select Committee's Inquiry
Effectiveness of UK Aid and the work of DFID***

Evidence submitted by ActionAid UK

May 2020

About ActionAid

ActionAid is an international charity that works with women and girls living in poverty. Our dedicated local staff are helping end violence against women and girls and changing lives, for good.

Founded as a British charity in 1972, ActionAid works in 45 countries. We are now headquartered in South Africa, with staff and partners in Africa, Asia, the Americas and Europe. Our vision is a world free from poverty and injustice in which every person enjoys the right to a life with dignity. Our top priority is to end the inequality that keeps women and girls locked in poverty, and to restore the rights denied them from birth. We focus our work on three key areas; women's economic empowerment, ending violence against women and girls, and women's and girls' rights in humanitarian crises.

ActionAid has extensive experience of working with the Department for International Development (DFID) and UK Official Development Assistance (ODA) through programmes that address the root causes of poverty, violence and injustice – especially that faced by women and girls, who are often the most affected by poverty and discrimination.

Drawing from our experiences of working with DFID in the UK and in delivering UK ODA and witnessing first-hand the impact it has on women and girls living in poverty, this submission highlights the important issues and suggested approaches we think the UK Government should consider as part of its Integrated Review.

For more information on our work, and to discuss further the evidence raised below, please contact Bruce Warwick, Government Relations and Advocacy Adviser, at bruce.warwick@actionaid.org.

Summary

ActionAid welcomes this inquiry into the effectiveness of UK aid and the work of DFID. The denial of the rights of women and girls is a grave injustice and remains a principal underlying cause of poverty worldwide. Globally, countless women and girls experience violence and inequality. This is exacerbated during times of conflict, natural disaster or crises – such as the COVID-19 pandemic. ActionAid knows from experience that public health crises have gendered impacts, often compounding existing inequalities.

The UK has shown leadership on international development and the rights of women and girls living in poverty. This has been facilitated by an independent expert and evidence-led Department for International Development (DFID) that adheres to international minimum standards and strives to be fully transparent and accountable to the UK taxpayer and Parliament.

With COVID-19 threatening to reverse international progress on development and gender equality, the work of DFID and UK aid remains important in addressing poverty and gender inequality worldwide. To ensure all UK ODA is effective in alleviating poverty and addressing gender equality in the Global South, ActionAid recommends the UK Government, DFID and other government departments (OGDs) should:

- Ensure UK ODA is focused primarily on poverty alleviation and gender inequality above any commercial, foreign policy or security interests, in line with the 2002 International Development Act, 2014 Gender Equality Act and OECD Development Assistance Committee (DAC) rules.
- Ensure UK ODA, wherever it is spent, is fully transparent and accountable to the UK taxpayer, meeting targets set out in the 2015 Aid Strategy, and through the maintenance of key scrutiny bodies and international standards.
- Safeguard DFID's internationally renowned technical expertise – which is key to supporting the most marginalised around the world including women and girls living in poverty – and ensure OGDs and cross-departmental funds build this expertise into the share of UK ODA for which they are responsible.
- Increase the current proportion of ODA spent on gender equality, preventing violence against women and girls and on women and girls' rights policy and programming.
- Ensure that hard-won progress on women's rights across the world through DFID programming is supported and maintained through high quality and targeted UK aid spend, designed and assessed through consultation with southern-led Women's Rights Organisations (WROs), and by creating clear opportunities for local WROs to access funding fairly.

With emerging evidence suggesting COVID-19 will have distinctly gendered implications, especially within the poorest and most marginalised communities, the importance of both maintaining such standards within DFID and embedding them across OGDs is clear^{1,2,3}.

While ActionAid welcomes action taken to date by DFID to address COVID-19 impacts, there are some areas of DFID's work that require further improvement to ensure aid effectiveness both now and into the future. On this basis, ActionAid recommends DFID to:

- Ensure responses are rapid and focused at community level. This means ensuring the funding allocated to the Rapid Response Facility (RFF) is commensurate with the delivery capacity and reach of non-governmental organisations (NGOs). Despite many NGOs being able to respond within 48 hours if resources are available, much of DFID's approach appears focused through multilateral agencies when we know from other emergencies these agencies often cannot disburse funds quickly enough.

¹ United Nations, 'Policy Brief: The Impact of COVID-19 on Women', April 2020, available at: <https://www.unwomen.org/en/digital-library/publications/2020/04/policy-brief-the-impact-of-covid-19-on-women#view>

² BBC, 'Why COVID-19 is different for men and women', April 2020, available at: <https://www.bbc.com/future/article/20200409-why-covid-19-is-different-for-men-and-women>

³ Centre for Global Development, 'How will COVID-19 affect women and girls in low and middle-income countries', available at: <https://www.cgdev.org/blog/how-will-covid-19-affect-women-and-girls-low-and-middle-income-countries>

- Ensure information around funding streams is timely, comprehensive, transparent and accountable.
- Fully recognise the value of NGOs in reaching the most marginalised communities rapidly and commit to working collaboratively with them through meaningful engagement and consultation.
- Provide maximum flexibility in current funding arrangements, for example by de-restricting of current grant expenditure, swift agreement to re-purposing of funds where requested to implement COVID-19 response activities.
- Recognise the ‘unintended consequences’ of COVID-19 and other crises and take a holistic approach to gender equality. For example, the impact of measures taken to address the disease such as gender-based violence, children unable to attend school and, in many countries, the risk of abuses of power by police or security forces enforcing lockdown measures.

1. The definition and administration of UK aid – who should be responsible, and accountable, for targeting and spending aid?

- 1.1. Alleviating poverty and ending gender inequality are not foregone conclusions. COVID-19 highlights this in stark detail. It is right that DFID, as the primary spender of UK ODA, is legally bound by the provisions of the 2002 International Development Act and the 2014 International Development (Gender Equality) Act^{4,5}. These acts require DFID to provide aid where it is likely to contribute to poverty reduction and to consider the impact aid spending has on gender equality. These provisions contribute towards the UK’s ability to effectively address poverty and gender inequality and to the UK’s reputation as a leader on international development.
- 1.2. The UK Government maintains that even after appointing a fully joint junior ministerial team, with separate Secretaries of State, DFID ministers retain authority over decisions on DFID aid spending⁶. Given the expertise and experience DFID has in delivering aid effectively and transparently, this is welcome.
- 1.3. However, over a quarter of UK ODA is now spent by other government departments (OGDs) and cross-departmental funds⁷, which are not legally bound by the provisions set out in the International Development Act 2002 or International Development (Gender Equality) Act 2014 (IDAs).
- 1.4. Allowing the administration, responsibility and accountability for the targeting and spending of UK ODA to fall to OGDs and cross-departmental funds that are working to different departmental objectives and without clear legal requirements on poverty reduction and gender equality risks aid being misspent and failing to achieve its core purpose. Evidence shows that UK aid spent outside of DFID is focused mainly on middle-income countries where the UK has security, economic and climate interests⁸.
- 1.5. ActionAid recommends the UK Government should prioritise the adoption of a whole-government approach to development and require that all UK ODA, regardless of where it is spent, aligns with the provisions of the IDAs requiring a focus on poverty reduction and assessing for its impact on gender equality. The UK Government should ensure that OGDs and cross-departmental funds spending UK aid use the OECD’s ‘gender marker’ to help track spending and demonstrate which OGDs spending ODA have gender equality marked projects

⁴ International Development Act 2002, available at: <http://www.legislation.gov.uk/ukpga/2002/1/contents>

⁵ International Development (Gender Equality) Act 2014, available at: <http://www.legislation.gov.uk/ukpga/2014/9/contents/enacted>

⁶ Department for International Development: Written question and answer – HL2836, 23 March 2020, available at: <https://www.parliament.uk/business/publications/written-questions-answers-statements/written-question/Lords/2020-03-23/HL2837/>

⁷ DFID, ‘Statistics on International Development: Provisional UK Aid Spend 2019’, April 2020, available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/878395/Statistics-on-International-Development-Provisional-UK-Aid-Spend-2019.pdf

⁸ ICAI, ‘The current state of UK aid: A synthesis of ICAI findings from 2015 to 2019’ June 2019. Available at: https://icai.independent.gov.uk/wp-content/uploads/The-current-state-of-UK-aid_Synthesis-of-ICAI-findings.pdf

as: a main (principle) objective as gender equality, a secondary (significant) objectives, or no objectives or activities aimed at addressing gender-specific barriers.⁹

- 1.6. Any cross-governmental approach requires clear leadership and oversight. On this basis, ActionAid recommends this approach be led by a cabinet-level Secretary of State for International Development to surface and shape cross-government decisions. They must also be given responsibility for leading a cross-departmental committee with the objective of ensuring that all UK ODA is administered according to the principles of poverty reduction, gender equality, and transparency and accountability.
- 1.7. The substantial technical expertise and capability on administering and spending UK ODA that exists within DFID must also be considered as part of this approach. This expertise is responsible for innovative, in-depth, and effective development work that goes beyond tokenistic measures and supports the most marginalised around the world including women and girls living in poverty. It is vital that OGDs and cross-departmental funds build this expertise into the UK ODA for which they are responsible.

2. 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 cross-Government funds?

- 2.1. The UK has a good record of spending most aid well. DFID is recognised as world leader in delivering UK ODA transparently and in adherence with accountability mechanisms. This aid has been effective in transforming the lives of millions around the world including women and girls living in poverty. DFID, which in 2019 accounted for almost 75 per cent of total UK ODA, has consistently scored 'very good' in the Aid Transparency Index, last published in 2018^{10, 11}.
- 2.2. The National Audit Office (NAO) and the Independent Commission for Aid Impact (ICAI) have both published reports questioning the value and effectiveness of aid spent by departments other than DFID¹². This is in part due to the standards of transparency in these departments. Efforts are underway to improve aid transparency across government.
- 2.3. The 2015 Aid Strategy sets a target for all government departments to be ranked as 'good' or 'very good' in the Aid Transparency Index within five years¹³. However, a recent UK Aid Transparency Review Process assessed all government departments showing the majority fail to achieve the target set in the 2015 aid strategy. Other than DFID, just the Department for Health and Social Care (DHSC) and the Department for Business, Energy, and Industrial Strategy (BEIS), scored 'very good' and 'good' rankings respectively. The majority of OGDs reviewed, including the Foreign and Commonwealth Office (FCO), scored 'fair' with the Department for Education (DFE) and the Department for Work and Pensions (DWP) scoring 'poor' and 'very poor' respectively.
- 2.4. Publish What You Fund's (PWYF) latest report highlights the steps that government departments, and the UK Government as a whole, can take to uphold the same transparency

⁹ DAC gender equality policy marker, available at: <https://www.oecd.org/dac/gender-development/dac-gender-equality-marker.htm>

¹⁰ DFID, 'Statistics on International Development: Provisional UK Aid Spend 2019', April 2020, available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/878395/Statistics-on-International-Development-Provisional-UK-Aid-Spend-2019.pdf

¹¹ Publish What You Fund, 'Aid Transparency Index 2019', available at: <http://www.publishwhatyoufund.org/reports/2018-Aid-Transparency-Index.pdf>

¹² National Audit Office, 'The effectiveness of Official Development Assistance expenditure', June 2019, available at: <https://www.nao.org.uk/report/the-effectiveness-of-official-development-assistance-spending/>

¹³ HM Treasury and DFID, 'UK aid: tackling global challenges in the national interest', November 2015: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/478834/ODA_strategy_final_web_0905.pdf

and accountability standards as DFID and ensure aid is being spent effectively and fulfilling its core purpose of alleviating poverty¹⁴.

- 2.5. ActionAid recommends the UK Government to outline how it is working towards fulfilling PWYF's recommendations and improving transparency of UK aid and its impact, with a view to further strengthening the UK's ability to progress gender equality and reduce poverty. For example, more meaningful project descriptions or making further improvements to the publication of results (two recommendations made to DFID specifically) would contribute to increased transparency and detail of gender projects and their effectiveness, including a more specific list of gender equality components.
- 2.6. ActionAid recommends that UK ODA spent by OGDs should be reduced unless these departments and cross-departmental funds can show they are as transparent and effective at addressing poverty and considering the impact of aid on gender equality as DFID, DHSC or BEIS. All government departments that scored below 'good' in the Aid Transparency Index should develop and publish a plan for undertaking continued improvement to the transparency of their aid programmes in order to meet the 2015 aid strategy targets by the end of 2020. Moreover, recognising that significant changes are required for many departments to meet transparency standards in under a year, any new aid strategy should set out further targets on transparency.
- 2.7. All UK ODA should be fully transparent and accountable to the UK taxpayer, including through the maintenance of key scrutiny bodies and international standards such as the ICAI and the International Development Select Committee and other parliamentary committees.
- 2.8. Evidence shows the importance of such bodies in leading to improvements, albeit in some cases incremental, to the way government departments and cross-departmental funds disburse aid. The CDC provides a good example of how scrutiny has served to highlight concerns about its approach and push the group to make improvements. A recent ICAI report notes that while there remains room for improvement, the CDC Group has, since 2017, implemented a number of strategies which place greater emphasis on gender equality and which more seek to more explicitly align to the Sustainable Development Goals and the UK Government's approach.
- 2.9. On aid effectiveness and gender equality specifically, ActionAid welcomes the recent NAO report in holding DFID's ambitious Strategic Vision for Gender Equality to account¹⁵. It is vital that DFID capitalises on certain recommendations within this report to further strengthen its work and ensure all aid programming, across Whitehall, is effective in addressing gender inequality. ActionAid supports the view set out in response to the report by the Gender and Development Network (GADN), particularly its recognition that an action plan is needed to overcome the barriers to mainstreaming gender across all of DFID's and OGDs' work¹⁶. It is important to reflect that aid effectiveness, particularly when it comes to DFID's gender work, requires flexibility in responding to local contexts and evolving best practice. DFID and OGDs should utilise the expertise and experience of civil society organisations to develop its approach further.

Consulting Women's Rights Organisations

- 2.10. The UK Government has stated that, as part of the Integrated Review, which is expected to have substantial and long-term implications for the UK's development policy, it will consult with experts beyond Whitehall in order to ensure the best possible outcome¹⁷. It is right the

¹⁴ Publish What You Fund, 'How Transparent is UK Aid? A review of ODA spending departments', January 2020, available at:

https://www.publishwhatyoufund.org/wp-content/uploads/dlm_uploads/2020/01/How-Transparent-is-UK-Aid_Digital.pdf

¹⁵ NAO 'Improving the lives of women and girls overseas', April 2020, available at: <https://www.nao.org.uk/wp-content/uploads/2020/04/Improving-the-lives-of-women-and-girls-overseas-Summary.pdf>

¹⁶ GADN, 'GADN response to the National Audit Office 'Improving the lives of women and girls overseas' April 2020. Available at: <https://static1.squarespace.com/static/536c4ee8e4b0b60bc6ca7c74/t/5ea98ca9ae7de93891c3f6a0/1588169898228/GADN+NAO+Report+Response.pdf>

¹⁷ Integrated Security, Defence, Development and Foreign Policy Review: Written question – 29976, 16 March 2020, available

Government has set out this intention from the outset. ActionAid knows from direct experience working with Women's Rights Organisations (WROs) that government programmes and policies are most powerful and effective when they are shaped by a diverse range of voices, including those working directly with women and girls.

- 2.11. Since the announcement of the Integrated Review in February 2020, however, no formal guidance or timeline has been published by the UK Government on how CSOs or other external actors can formally engage. This is despite the fact that a letter sent by the Deputy National Security Advisor to the Foreign Affairs Committee on 9 April 2020 stated that plans were already underway for "private briefings" with external stakeholders¹⁸.
- 2.12. The lack of transparency around the consultation process to date and the absence of formal channels through which CSOs can contribute their expertise give cause for concern. ActionAid recommends that meaningful and inclusive engagement with Southern-led civil society and other stakeholders should be a key component of the Integrated Review process. This engagement and leveraging of expertise should be appropriately funded and WROs should be paid for their inputs.
- 2.13. Looking beyond the Integrated Review, all UK aid programmes, regardless of the department designing or administering them, should be shaped by the voices of those most familiar with the challenges we seek to address. DFID's response to COVID-19 is an example of where meaningful consultation and collaborative working with WROs should be a priority
- 2.14. From experience, ActionAid know that local Women's Rights Organisations (WROs) know better than anyone how to prevent and respond to violence against women and girls within their own communities. WROs are critical actors and are often the first to respond in crisis situations. They bring invaluable knowledge of the local context and the needs of women and girls, can mobilise quickly and efficiently drawing on existing community connections and networks, and their efforts multiply benefits for whole communities, and can pave the way for longer-term structural change.
- 2.15. By involving both national and local WROs in all stages of design and delivery of programmes and by funding them directly, UK aid programmes will be more sustainable and will be rooted in the communities, delivered by the experts who are most invested in the outcome. In an internal paper for ActionAid produced by WRO partners, they call for co-creation of programmes, long term investment and funding sustainability as core tenets of partnership¹⁹. Funding for WROs must be flexible and adaptable to changing contexts and must always be focused on the poorest and most vulnerable beneficiaries, particularly in light of COVID-19.
- 2.16. At ActionAid, we know from experience that UK aid has helped grassroots women's rights organisations do vital, long-term work to break the cycle of poverty and violence in their communities²⁰. Consultation with WROs can be done through national networks and must be meaningful, accountable and all costs, including time spent, should be fully repaid. GAPS, a network of development, human rights, humanitarian and peacebuilding NGOs, has produced a resource outlining what meaningful engagement looks like²¹.

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

at: <https://www.parliament.uk/business/publications/written-questions-answers-statements/written-question/Commons/2020-03-16/29976/>

¹⁸ Foreign Affairs Committee, Tweet, 15 March 2020, available at: <https://twitter.com/CommonsForeign/status/1250408705344102401>

¹⁹ Partners who produced the paper: Tanzania Gender Networking Program (TGNP), AFNET (Tanzania), Bharatiya Muslim Mahila Andolan (India), Sisterhood Network (India), Widows and Orphans Movement (Ghana), Songtaba (Ghana)

²⁰ For example, 'She Can', 'Amplify Change in Rwanda', and 'Fit for the Future'.

²¹ Gender Action for Peace and Security, GAPS, 'Beyond Consultation: A tool for meaningfully engaging with women in fragile and conflict affected states', https://beyondconsultations.org/images/Beyond_Consultations_Tool.pdf

- 3.1. The primary focus of UK aid should be on supporting the poorest and most marginalised people in the world – including women and girls. ActionAid recommend that the pursuit of using UK ODA in the national interest should not be at the expense of the principles of poverty reduction, gender equality, transparency and effectiveness. UK aid, spent in accordance with these principles, helps bring about a safer, more just and prosperous world that benefits everyone in the long term, including the UK.
- 3.2. ActionAid is concerned that using UK aid for national interest as defined in narrow or short-term economic or foreign policy terms, rather than developmental, risks limiting the effectiveness of UK ODA and undermining progress made on poverty reduction and gender equality. ICAI have stated that a focus on mutual prosperity diverts UK aid away from the poorest countries and the most marginalised people²².
- 3.3. Through the Integrated Review, it should be noted that UK aid, as it adheres to the principles of poverty reduction, gender equality, and transparency, is a significant source of UK soft power²³. If the UK Government is looking to enhance the UK's global influence and interests, they would be right to recognise the value of aid and development, as defined with a focus on poverty alleviation and gender equality and delivered effectively through accountable institutions, to the UK's international standing, soft power and bilateral relationships. If the UK is seen to be withdrawing from a focus on poverty alleviation and development, this could limit the UK's influence and ability to encourage other countries to prioritise development and mobilise resources.
- 3.4. DFID's work on gender equality is an example of where ambitious and innovative development work contributes to the UK's standing. DFID's Strategic Vision for Gender Equality (2018-2030) positions the UK as a leader on women's empowerment, putting women and girls' rights at the centre of its international policy and playing a key role in influencing others.
- 3.5. More specifically, DFID's work on preventing violence against women and girls (VAWG) is a fantastic example of this in action. The flagship What Works to Prevent Violence programmes produced substantive evidence that reducing intimate partner violence is achievable within a programme lifecycle. Ending VAWG is fundamentally an issue of women's human rights, and the Government should be commended in consistently framing it in this way.
- 3.6. The UK's leadership on this issue has helped retain its influential position amongst progressive donors, and in turn increases the UK Government's influencing power. Not only is this work having a major impact globally, it provides exceptional value for money for the UK taxpayer, as highlighted during the first oral evidence session for this inquiry, and closely aligns with UK values and government priorities on preventing violence against women and girls.

²² ICAI, 'The current state of UK aid: synthesis of ICAI findings' June 2019, available at: https://icai.independent.gov.uk/wp-content/uploads/The-current-state-of-UK-aid_Synthesis-of-ICAI-findings.pdf

²³ Portland, 'The Soft Power 30: A Global Ranking of Soft Power 2019', available at: <https://softpower30.com/wp-content/uploads/2019/10/The-Soft-Power-30-Report-2019-1.pdf>