

International Committee of the Red Cross

Submission to the International Development Committee inquiry

Effectiveness of UK Aid

About the ICRC

1. The ICRC is an impartial, neutral and independent organization whose exclusively humanitarian mission is to protect the lives and dignity of the victims of armed conflict and other situations of violence and to provide them with assistance. The ICRC also endeavours to prevent suffering by promoting and strengthening humanitarian law and universal humanitarian principles.
2. Established in 1863, the ICRC is at the origin of the Geneva Conventions and the International Red Cross and Red Crescent Movement, which also includes the IFRC and national societies. It directs and coordinates the international activities conducted by the Movement in armed conflicts and other situations of violence.
3. In the UK and overseas the ICRC works closely with the British Red Cross, which – in addition to its extensive work in the UK – supports other national societies around the world to deliver humanitarian assistance. The British Red Cross has also submitted evidence to this inquiry.

Summary

4. The UK Department for International Development (DFID) is a generous partner to the global humanitarian sector, including the ICRC and the entire Red Cross Red Crescent Movement.¹ We are grateful for DFID's continued support, which allows us to deliver humanitarian protection and assistance to some of the most vulnerable communities in the world and secures the UK's status as a global leader on humanitarianism.
5. There are areas where we feel the UK is performing well and we support continuity. However, there are also areas where improvements could be made to ensure that the UK's humanitarian aid is as effective as possible. Our submission offers some reflections on this subject based on our longstanding relationship with the UK Government.
6. In particular, we would welcome the UK Government:
 - Continuing to allocate 50% of DFID's budget to fragile states.
 - Continuing to work towards the Grand Bargain commitments, and to adhere to Good Humanitarian Donorship principles.
 - Further enhancing the quality of humanitarian financing through:
 - Non-earmarked financing;
 - Predictable and timely financing;
 - Reasonable and meaningful reporting;
 - Coherent and joined up programme management and operational delivery.
 - Further exploring the potential of innovative humanitarian financing.

¹ ICRC, [The Red Cross and Red Crescent Movement](#)

The UK Government and ICRC

7. At the time of writing, the UK Government is the third largest donor to the ICRC.² The continued partnership and support of HMG, in terms of funding, but also cooperation and collaboration, is vital to our work to provide protection and assistance to some of the most vulnerable populations in the world.
8. UK Aid contributions to the ICRC are generally not tightly earmarked, which means the ICRC can operate independently, with the agility necessary to respond to the needs of those in constantly changing circumstances amidst conflict and violence.
9. We are grateful to the UK Government for its investment, dialogue and diplomatic support, which enables us to continue to meet the humanitarian needs of those affected by armed conflict and other situations of violence. It also supports our efforts to uphold the vital protections enshrined in International Humanitarian Law, which remains an essential part of the rules-based international system.
1. The definition and administration of UK aid – who should be responsible, and accountable, for targeting and spending aid?
10. Over the last five years the percentage of UK Aid spent by Other Government Departments (OGDs), outside of DFID, has risen steadily.³ We will not pass judgement on that trend, but it is important to stress that - whichever department is spending aid - the rules remain the same. As a Member of the OECD Development Assistance Committee (DAC), the limits on what the UK can define as ODA spending are laid out clearly in the DAC's eligibility criteria. Whilst we understand that the UK's adherence to DAC guidelines has been a matter of debate in the UK in recent years,⁴ the ICRC has seen DFID show strong leadership in the OECD DAC. For example, during the development of the DAC Recommendation on the humanitarian-development-peace nexus, DFID worked to improve the effectiveness of the aid sector as a whole, bringing the ICRC into the conversation and remaining receptive to its interventions and committed to addressing specific considerations relating to neutral, impartial and independent humanitarian action.
11. The ICRC remains supportive of DFID's commitment to spend 50% of its budget in fragile states and regions, as set out in the 2015 Aid Strategy, targeting those in the hardest to reach places who are most likely to be 'left behind'.⁵ The countries defined by the UK as 'fragile'⁶ include some of those hardest hit by conflict and violence, such as Somalia, Yemen, DRC and South Sudan, where the ICRC has a significant and much needed presence. We would be concerned if the increasing allocation of aid to OGDs diverted funding away from these vital contexts, where the UK's support will be needed more than ever in the wake of the COVID19 pandemic.
12. We also welcome DFID's pledge to push for "full implementation of commitments made by agencies and donors in the Grand Bargain", which aim to improve the efficiency of humanitarian funding.⁷ Although there is more to be done (see section 2 below) DFID's provision of non-earmarked funding, for example, has been vital in enabling the ICRC to adapt its programming to

² As at 21 May 2020. The UK was the second largest donor to the ICRC in 2019.

³ DFID, [Statistics on International Development: Provisional UK Aid Spend 2019](#), April 2020

⁴ E.g. Devex, ['UK plans to break with international aid rules'](#), 22 August 2018

⁵ HMG, [UK aid: tackling global challenges in the national interest](#), November 2015, p. 4

⁶ See DFID, [Methodology Note: Fragile and conflict affected states and regions](#)

⁷ DFID, [Saving lives, building resilience, reforming the system: the UK Government's Humanitarian Reform Policy](#), September 2017, p. 5 (with 'Grand Bargain' commitments shown in full in Box 9, p. 19)

rapidly scale up prevention efforts against COVID19 in some of the most vulnerable regions and contexts. We hope that whichever department is spending UK Aid, the UK Government will continue working towards the Grand Bargain commitments and supporting neutral, impartial and independent humanitarian action.

13. Similarly, DFID was also one of the earliest members of the Good Humanitarian Donorship (GHD) initiative, an informal forum of likeminded donors which sets out important donorship principles and best practice.⁸ It is absolutely vital that UK government departments (whether DFID or others) spending ODA continue to adhere to these principles.
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 the cross-Government funds?
14. Currently, the ICRC only receives funding from DFID (centrally through CHASE and bilaterally through country offices), so whilst we cannot comment on spending by OGDs, we can share some brief reflections on the necessary conditions to ensure DFID's humanitarian aid is most effective.
15. High quality financing protects principled and independent humanitarian action. It recognises that the design and implementation of funding mechanisms determine how operations are delivered on the ground. High quality humanitarian financing that is flexible, predictable and with reasonable reporting requirements, enables humanitarian actors to assess and respond to needs independently and impartially.
 - i. **Non-earmarked financing:** enables humanitarian organisations to allocate funds independently and impartially based on needs, including for the most forgotten crises. Non-earmarked financing also enables humanitarian organisations to adapt and respond to rapid spikes in conflict and/or changing humanitarian situations, such as those of the COVID19 response.
 - ii. **Predictable and timely financing:** predictable financing remains key to achieving what the ICRC calls *sustainable humanitarian impact*, which refers not only to life-saving but also to life-sustaining action that supports people's ability to live and (re)build their lives with autonomy, agency and dignity.⁹ The ability to forecast on an annual, or ideally multi-year basis, means that humanitarian organisations can better forecast and plan concrete interventions both short and long term. This is particularly important in situations of protracted crises with humanitarian consequences that are both immediate and cumulative leading to chronic and recurrent longer term needs in addition to immediate emergency needs. Greater and more sustainable impact can be achieved as interventions can meet immediate humanitarian consequences and contribute to building resilience against secondary longer-term trends like climate change, population growth, urbanisation and macro/micro economic stresses.
 - iii. **Reasonable and meaningful reporting:** the need to deliver results fast has potentially been to the detriment of achieving more meaningful impact over the longer term for humanitarian actors. Reporting needs to be meaningful, and not a 'tick box' process. States should enable

⁸ [The Good Humanitarian Donorship Initiative](#)

⁹ For more information on the ICRC's approach to sustainable humanitarian impact, see the [ICRC Strategy 2019-2022](#), p. 14-17

humanitarian actors to outline the impact of their response, without exposing the identity, ethnicity, political or religious make-up of their beneficiaries, which could compromise their safety. Outcomes and/or impact of humanitarian action should not be assessed against political indicators (e.g. national security, migration control, national peace priorities).

- iv. **Coherent and joined up programme management and operational delivery:** It is of course reasonable for donors to expect due diligence from the organisations they fund. However, this should be executed in a manner that is fit for purpose of the individual organisation concerned, recognising mandates, missions and modus operandi, and it should not be detached from the operational reality. Conversations around compliance, accountability and assurance are better integrated as part of operational dialogue, and one that recognises the complexity of humanitarian environments and humanitarian needs.

The impact of policies made by Other Government Departments (OGDs)

16. It is also worth noting that policy decisions made by OGDs can have a considerable impact on the effectiveness of UK Aid. For example, decisions made by other departments on counter-terrorism and sanctions which do not provide for humanitarian exemptions can have far reaching consequences for neutral, independent and impartial humanitarian organisations, such as the ICRC. This is particularly the case where such organisations are supporting vulnerable populations within states subject to sanctions regimes or under the control of non state armed groups, which can be in some of the hardest to reach communities in states affected by conflict and violence. These decisions sit outside of DFID's control, yet have a significant impact on its ability to deliver outcomes from its humanitarian funding.
3. How should the national interest be defined, and what weight should it be given, in relation to targeting UK aid?
17. The ICRC's more than 150 years' experience of assisting and protecting vulnerable people affected by armed conflict around the globe, based on the principles of humanity, impartiality, neutrality and independence, has taught the institution that humanitarian action rarely takes place in a vacuum. Its operations occur in deeply politicised spaces characterised by competing interests.
18. The allocation of funds to humanitarian action reflect a donor's aid policies, but also their interests. The literature on this subject distinguishes between realism and idealism and concludes that aid allocation decisions are usually a balance between the two.¹⁰
19. ODI's Principled Aid Index is a useful resource here, as it assesses how principled OECD DAC donors allocate aid.¹¹ The Index distinguishes between unprincipled (purely self-regarding, short-termist and unilateralist) and principled (advocating for a safer, sustainable and prosperous world) national interest driven aid allocation. Assessing 24 DAC donors from 2013 to 2017, the Index put the UK in 3rd place, with the caveat that whereas the UK scores positively on the

¹⁰ See e.g. Stephen Brown and Jörn Grövingholt (eds) *The Securitization of Foreign Aid - security, development, and the securitization of foreign aid*, Basingstoke, UK, and New York, Palgrave Macmillan, 2016; or Nilima Gulrajani, Rachael Calleja, '[Understanding donor motivations – Developing the Principled Aid Index](#)', Working paper 548, ODI, March 2019

¹¹ Nilima Gulrajani, Rachael Calleja, [The Principled Aid Index: policy briefing](#), ODI, March, 2019

principle of needs-based allocation, it has slipped down on global cooperation and public spiritedness. The Index does not provide evidence beyond 2017. However, ODI also observed in a 2017 report on the dynamics between UK security, foreign policy, trade, and aid and development interests, that the UK position as a principled humanitarian actor is undermined by other foreign policy priorities, especially in contexts where the UK is an active party to a conflict. The report concluded that the UK needed to assert the independence of humanitarian action and reiterate that “*humanitarian aid should not be used as an instrument to pursue national security concerns.*”¹²

20. Considering the ICRC’s own positive experience with the UK as a major donor to its own operations, as well as the above-mentioned expert comments from ODI, the ICRC strongly urges that the UK’s national interest in targeting UK aid in armed conflicts and other situations of violence continues to be guided by the humanitarian principles of humanity, impartiality, neutrality and independence. Otherwise put, the UK should continue to adhere to the first principle of its own 2017 UK Humanitarian Reform Policy, its “steadfast support for international humanitarian law and humanitarian principles and protecting the most vulnerable”.¹³ It is important that all Government departments spending ODA are guided by this foundation stone of UK humanitarian policy.

4. Innovative Humanitarian Financing

21. Whilst slightly outside the terms of reference for this inquiry, when looking to the future of ODA it is worth considering the part that could be played by innovative humanitarian financing mechanisms. It is important to note that new financing mechanisms would not *replace* current ODA allocations, but could *complement* them with much needed additional funding, along with new ways of working, based on longer-term approaches, a focus on outcomes, collaboration across sectors and efficiency gains.

22. The President of the ICRC, Peter Maurer, is co-Chair of the World Economic Forum’s humanitarian investing initiative, of which DFID is a partner.¹⁴ The initiative aims to “stimulate new thinking to tackle long-term challenges of fragility, protracted crises and forced displacement”,¹⁵ as well as help build the market for innovative finance in humanitarian settings. This thinking will become even more important in the months and years to come, as the longer-term impacts of COVID19 are felt in both donor and developing countries. The UK and the ICRC play a leading role in this emerging space, which should allow for additional synergies in the years ahead.

¹² Jim Drummond, Victoria Metcalfe-Hough, Barnaby Willitts-King and John Bryan, [Beyond donorship: UK foreign and humanitarian action](#), ODI / HPG 2017, September 2017, p. 19

¹³ DFID, [Saving lives, building resilience, reforming the system: the UK Government’s Humanitarian Reform Policy](#), September 2017, p. 4

¹⁴ <https://www.weforum.org/projects/humanitarian-investing-initiative>

¹⁵ WEF, [Humanitarian Investing – Mobilizing Capital to Overcome Fragility](#), September 2019