Stop UK's Overseas Aid Shrinking and Breaking Promises to the World's Most Disadvantaged People

The United Kingdom's aid budget is set to be slashed for the third time in three years, with development organisations bracing for a £1.7 billion cut to be made in the next six months according to a report from Devex an international development media outlet. Recent cuts have caused closures of vital programmes, such as those supporting water sanitation and hygiene (WASH), nutrition, girls' education, and peacebuilding. The news of the likelihood of more cuts comes as it was revealed by the government's Statistics on International Development: Provisional UK Aid Spend 2022 report that, in 2021, the UK spent more bilateral aid on its own shores than on anything else, superseding health as the area receiving the most money.

The Foreign, Commonwealth and Development Office's (FCDO) is planning to spend around £7.58 billion in aid in the current fiscal year, "though this remains indicative," according to Foreign Secretary James Cleverly. The planned budget for the year was £10 billion as announced by the Treasury, meaning that the actual cut in spending in 2023/24 could be £2.4 billion. Prime Minister Rishi Sunak has refused to rule out extending the foreign aid spending cut by another two years to 2026-2027. Note that when Sunak was Chancellor in 2021, he stated that foreign spending should return to 0.7% of economic output by 2024-2025.

According to the <u>Statistics on International Development: Provisional UK Aid Spend 2022 report</u>, the UK used nearly a third of its foreign aid budget on domestic programmes in 2022. About £3.7 billion was spent on hosting refugees, mostly from Ukraine. While the UK is allowed to count refugee-hosting costs as official development assistance (ODA) under internationally agreed rules, it is one of only a few countries – and the only one in the G7 – to fund all the first year costs of Ukrainian refugees from its existing aid budget. A new report from the cross-party International Development Committee of MPs hits out at the use of the FCDO aid budget by other British departments at a time when funding for overseas development has been cut to just 0.55% of Gross National Income (GNI), well below the UN-stipulated spending of 0.7% (that the UK government had achieved in 2015). British ministers are being urged to spend the UK's reduced aid budget in the world's poorest and most vulnerable nations and to find additional funding to support the refugees.

There are further fears that the actual spending on foreign aid, excluding funds spent on refugees in their first year of arriving in the UK, is closer to 0.3% of GNI. These fears were further highlighted by Sarah Champion MP, the chair of the International Development Committee, in a <u>statement</u> to Members of Parliament at the end of 2022. At the time, Philip Barton, permanent under-secretary of the Foreign, Commonwealth & Development Office denied that this was true and said that the Treasury were continuously being engaged on budgetary means with regards to aid and development. The committee recommends that the Treasury ring-fences the equivalent of 0.5% GNI in the Official Development Assistance (ODA) budget for spending on development assistance delivered outside the UK from April 1, 2023. This figure should be in addition to funds allocated by the Treasury to support refugees.

A government spokesperson said the UK was still one of the <u>world's biggest foreign aid donors</u>, even after diverting some funds for domestic refugee support; organisations including Save the Children and Oxfam have disputed this claim, especially after having their own programmes cut due to the squeezing of the aid budget.

During the first big UK aid cuts, in June 2021, <u>Development Engagement Lab</u> witnessed the biggest increase in British public support for maintaining or increasing UK aid since the firm started tracking statistics in 2013. Support tipped into the majority (53%) in favour of

maintaining or increasing the aid budget. What's possibly more surprising is that, as of October 2022, most public support continues to hold. A further survey about public support for aid is due later in 2023.

Case Study: Save the Children in Afghanistan

What do these cuts look like in practice? The UK government has cut almost £6m in funding to a programme in Afghanistan supporting vulnerable women and girls. Save the Children said it has been told by the FCDO that it will receive just over £1m of a promised £7m to support more than 100,000 people to access essential basic services such as healthcare and education.

The charity said the year-long programme, which started in December 2022 and delivers classes to women and girls across Afghanistan, may now be forced to close this month. Save the Children is scrambling to secure funds to continue the work, which provides a lifeline for many who face the risk of early marriage, violence, and other forms of exploitation. The cut to Save the Children's programme, *Supporting Afghanistan's Basic Services*, comes three months after the Taliban issued a decree banning Afghan women from working for NGOs. The charity was among several organisations that suspended operations as a result. It has resumed its work after receiving assurances from the authorities that female staff will be safe and can work without obstruction.

More than 28 million people including 15 million children, need humanitarian assistance in Afghanistan, according to the UN.

Action

We have demonstrated that aid cuts are dismantling life-saving efforts from organisations in some of the world's most divided and poorest areas and it is crucial that we come together to remind the UK government to leave no one behind and remain committed to what it set out in its <u>International Development Strategy</u>, published in 2022, along with the <u>International Women and Girls Strategy</u>, which was published in March 2023. We need to call for a restoration of funding and to ensure that enough foreign aid is going to help the world's poorest people, at a time when hundreds of millions are living in poverty and conflict around the world.

We urge you to write to your local MP as well as the FCDO incorporating the points below:

- 1. Protect at least the 0.5% GNI figure dedicated to foreign aid within the Treasury (returning it as soon as possible to the promised 0.7%) to keep up the commitment for overseas programmes supporting education, women's and girls' rights, nutrition, and peacebuilding among others, which support the world's poorest. It is right that the UK supports more refugees at a time of such high need and the rules state the first year of their costs should count as ODA (aid), so, in order that this does not reduce our expenditure in the poorest parts of the world, our ODA budget should be increased accordingly, especially as it had been promised it would soon return to the 0.7% of GNI. There is fear among representatives from the International Development Committee and, indeed, not for profit organisations, that the real figure might become 0.3% of GNI and this must not be allowed to happen.
- 2. Continue to ensure there is transparency about the amount of ODA being spent on domestic programmes (i.e refugees arriving in the UK) vs overseas programmes. FCDO should set out clear and ambitious standards for transparency to be applied to all aid portfolios (including arm's-length bodies) through its unified systems, including default and timely publication of full programme documents, and a rigorous process for assessing, approving, and reporting on exclusions. The FCDO should continue working with ICAI (International Commission for Aid Impact) who work to ensure that UK aid is spent effectively and delivers value for taxpayers. With public support for

- increased aid rising steadily, it is crucial for the public to be informed about where the funds are being spent.
- 3. Do not let the aid cuts risk shrinking the UK's legal and moral responsibilities, especially during a global crisis. The aid cuts are not in line with building a 'Global Britain' but rather are dealing a devastating blow to millions of people women and girls, who are disproportionally affected who will be left without life-changing support.
- 4. Poverty plus aid cuts equate disaster. Whilst MPs voted to slash the aid budget, poverty levels rose in many countries. By voting to slash the aid budget, the government has broken the promise laid out in their election manifesto from 2019. We are currently living through a series of devastating humanitarian crises including in Syria, Yemen Sudan, Bangladesh, and Afghanistan and need to provide support.

Despite pleas from organisations to the government to undo the aid cuts so that they can continue their work in some of the world's most fragile states, there are genuine fears that instead of the cuts being removed, further vital funding will be cut over the next year or two to plug financial holes in the UK's economy brought about by the current global economic crisis. With a General Election likely in 2024, this is a good time for us to remind the government about their moral duties to protect the world's most vulnerable people.