

Executive summary

The United Kingdom has been a member of the Development Assistance Committee (DAC) since 1961; it was last reviewed in 2014. This report reviews developments since then, highlighting achievements and challenges, and providing key recommendations for going forward. The United Kingdom has fully implemented 44% of the recommendations made in 2014, and partially implemented another 44%.

Global development efforts. The United Kingdom's commitment to international development is a key element of its global brand and its soft power. It deploys significant resources and influence to shape and monitor global frameworks, with a focus on inclusion, stability, prosperity and good governance. Leadership on key issues, often by the Prime Minister, is complemented by investment in evidence and research. Despite an informal approach to policy coherence, development issues have been considered within national policy processes such as trade and climate change and more could be done to reinforce these efforts. The Department for International Development (DFID) has been proactive in explaining and defending its development co-operation efforts to journalists, policy makers and the wider public, using evidence to shape its strategy. Recognising that the Sustainable Development Goals (SDGs) are shared and universal, there is further scope to mobilise action by citizens and businesses in the United Kingdom.

Policy vision and framework. The United Kingdom's 2015 Aid Strategy sets out a clear and comprehensive vision and rationale for development co-operation, aligned with the 2030 Agenda for Sustainable Development. The strategy guides the international development activities of all government departments. Several core policy priorities, such as poverty reduction, gender equality and anti-corruption, are enshrined in legislation. The United Kingdom is a strong supporter of an effective, rules-based multilateral system and uses networks effectively, drawing on a mix of financial, diplomatic and technical resources. Following an integrated review in 2020, the United Kingdom is expected to update its foreign policy. This update provides an opportunity to clearly articulate a vision for development co-operation that reflects the changing nature of poverty, an expanding donor landscape and new commitments on climate change. It is also an opportunity to review and consolidate the various targets, pledges and commitments which have accumulated over the years with the aim of focusing more of the United Kingdom's resources on its core priorities and ensuring a long-term approach to these issues.

Financing for development. The United Kingdom has consistently provided 0.7% of its gross national income (GNI) as official development assistance (ODA) since 2013 – amounting to USD 19.4 billion in 2018 – and is one of only six DAC members to direct more than 0.2% of its GNI to least developed countries. Its legal obligation to meet its ODA target has encouraged innovative work across government, as well as advocacy for more activities to be considered ODA-eligible. In line with its strategy, the United Kingdom's bilateral funding is focused on fragile contexts and on health, governance and humanitarian assistance. An average of USD 10.2 billion was directed to multilateral organisations in 2017-18, the majority as core or pooled funding. Comprehensive information on individual grants is publicly available. The United Kingdom champions domestic resource mobilisation and engages businesses, banks and financial institutions in sustainable development. The CDC Group provides catalytic finance in fragile contexts. The United Kingdom could better communicate its approach to inclusive prosperity and link its work ranging from early technical assistance through to large-scale investment. There is scope for the

United Kingdom to expand the number of funding instruments that can blend ODA and non-ODA resources in a flexible and responsive manner.

Structure and systems. Since 2014, the United Kingdom's development co-operation has evolved from an approach that was largely driven by DFID to a whole-of-government effort involving 15 government departments. DFID has a strong decentralised country model complemented by centrally-managed programmes and multilateral partnerships. Combining this model with more regional approaches would allow the United Kingdom more scope to tackle complex issues such as climate change, migration, trade and stability. The depth and breadth of the United Kingdom's expertise is a cornerstone of its credibility and ability to influence. There is further scope to unlock skills and expertise across government to tackle development challenges. DFID's progressive policies for locally-appointed staff can inspire other government departments and the DAC. Keeping staff informed, engaged and motivated will remain critical. Staff and systems place a strong focus on performance and follow Treasury guidance on managing public money and ensuring value for money. Yet partners find DFID systems onerous, feeling that they pose an additional administrative burden, focus dialogue on compliance rather than shared analysis and transfer too much risk.

Delivery and partnerships. An engaged, informed and exacting donor, the United Kingdom is adept at drawing on a range of partnerships to deliver its development objectives. Partners appreciate its multi-annual, predictable and evidence-based funding, but feel that dialogue is currently focused on their role as implementers. Recognising partnerships and building partners' institutional capacity as valid development objectives in their own right would encourage more systematic consultation, communication and strategic dialogue with partners. Adopting a more deliberate approach to country ownership would entail strengthening and using a range of country systems and planning frameworks, as well as publishing country and regional strategies, based on evidence and broad consultation, that situate the United Kingdom's development co-operation objectives within its entire engagement in each country. Taken together, these measures would reinforce the United Kingdom's commitment to an effective multilateral system; a healthy, vibrant and effective civil society; and broad ownership of development processes.

Results, evaluation and learning. The United Kingdom remains a leader in its approach to results, evaluation and learning. Many new aid-spending departments have drawn on DFID expertise to manage for results, evaluate their programmes and build their institutional learning through learning networks. DFID initiated a more tailored approach to managing for results that uses different tools to meet different objectives – communication, accountability, performance – with greater emphasis on adaptive management and longer-term change. Similarly, DFID recently resumed centralised evaluations to aid more strategic decision making. Taken together, these approaches provide a strong basis for developing a harmonised approach to results and evaluation across government, supported by an accountability framework covering all government departments that manage ODA. More effort could be made to strengthen and use partner countries' data and research and to undertake joint evaluations.

Fragility, crises and humanitarian aid. The 2018 National Security Capability Review and Building Stability Overseas framework allow the United Kingdom to pursue peace and stability alongside other development co-operation objectives, while protecting and promoting its national interests. The United Kingdom is well equipped to analyse conflict risks and to consider levels of fragility in its programming. With a strong presence in fragile contexts, country teams look at the full spectrum of needs, helping to ensure a comprehensive response to crises. Combining its field and thematic expertise with flexible funding, the United Kingdom leads the way in implementing the humanitarian-development-peace nexus as recommended by the DAC, linking up its efforts in these three areas in ways that are complementary and flexible and driven by needs rather than administrative structures. The United Kingdom has the ambition and the means to help the humanitarian response system to react better to new types of crises and is a leader in implementing Grand Bargain commitments.

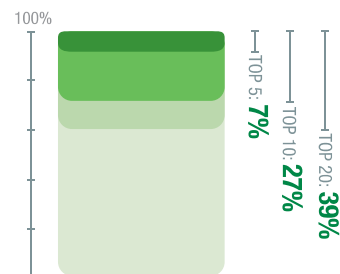
The DAC's recommendations to the United Kingdom

1. The United Kingdom should continue to allocate at least 0.7% of its GNI to ODA and retain the legislative requirement to have a direct line of sight between ODA and poverty reduction.
2. The United Kingdom should expand its range of funding instruments that can blend ODA and non-ODA funds in order to ensure that it can make best use of its resources and allow a comprehensive and flexible response to complex challenges.
3. As the United Kingdom begins to formulate new domestic and international policies, it should use available evidence to ensure these policies are coherent with its development objectives and systematically seek to understand the impact of domestic policies on developing countries.
4. The United Kingdom should set out a comprehensive vision for its support to international development that reinforces its policy priorities, engages the public and guides its resource allocations within and beyond the ODA budget.
5. The United Kingdom should develop an overarching framework to enable oversight and accountability for the whole of government contribution to international development.
6. The United Kingdom should develop a harmonised approach to results, monitoring and evaluation for development co-operation that: reflects good practice; meets a range of diverse needs; can be applied to all departments; and includes incentives to strengthen and use partner countries' data, statistics and results frameworks.
7. The United Kingdom should set out a clear and comprehensive whole-of-government approach to inclusive prosperity in developing countries, including fragile contexts, which retains a focus on poverty reduction while making strategic use of all tools to encourage private finance.
8. The United Kingdom should take further measures to enable risk-based management of development co-operation programmes, remaining committed to taking informed risks and to engaging in fragile and crisis-affected contexts, while avoiding heavy reliance on compliance and control.
9. The United Kingdom should go further to enable partners to engage with the development of policies and strategies and clarify approaches to consultation and publication. In particular, whole-of-government country strategies that are based on evidence and broad consultation and include both development co-operation objectives and indicative budgets should be formulated for all partner countries and made publicly available.
10. The United Kingdom should ensure that all strategic guidance recognises the importance of effective partnerships and country ownership for achieving sustainability of development outcomes, including the need to build institutional capacity in developing countries.

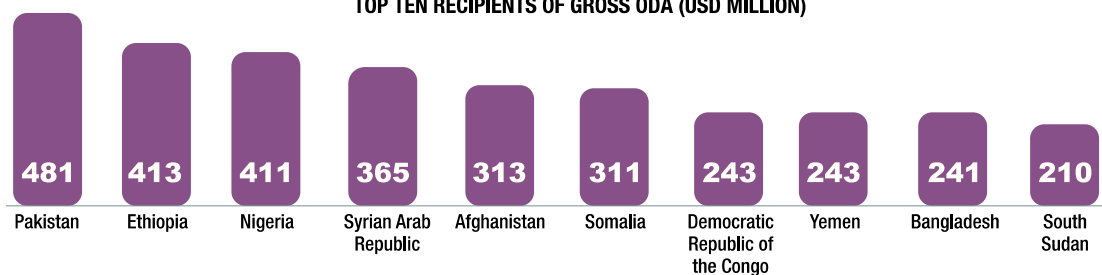
Figure 0.1. The United Kingdom's aid at a glance

| Net ODA | 2017 | 2018 | Change 2017/18 | ODA grant equivalent 2018 |
|-----------------------|--------|--------|----------------|---------------------------|
| Current (USD m) | 18 103 | 19 462 | 7.5% | 19 410 |
| Constant (2017 USD m) | 18 103 | 18 436 | 1.8% | 18 387 |
| In pounds (million) | 14 059 | 14 591 | 3.8% | 14 552 |
| ODA/GNI | 0.70% | | | 0.70% |
| Bilateral share | 63% | 63% | | 64% |

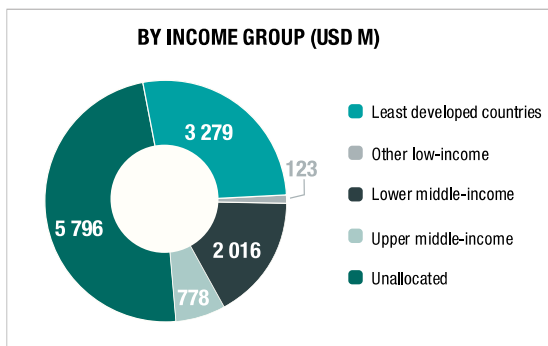
HOW CONCENTRATED IS THE UNITED KINGDOM'S ODA?
Share of ODA to top recipients, gross bilateral ODA



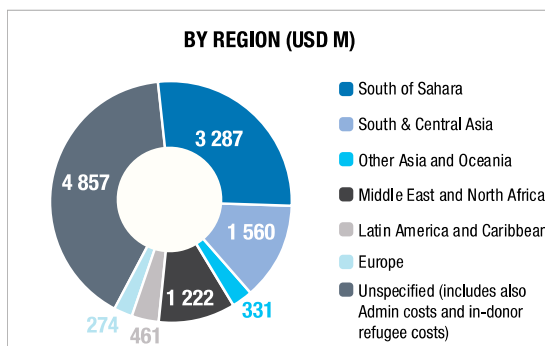
TOP TEN RECIPIENTS OF GROSS ODA (USD MILLION)



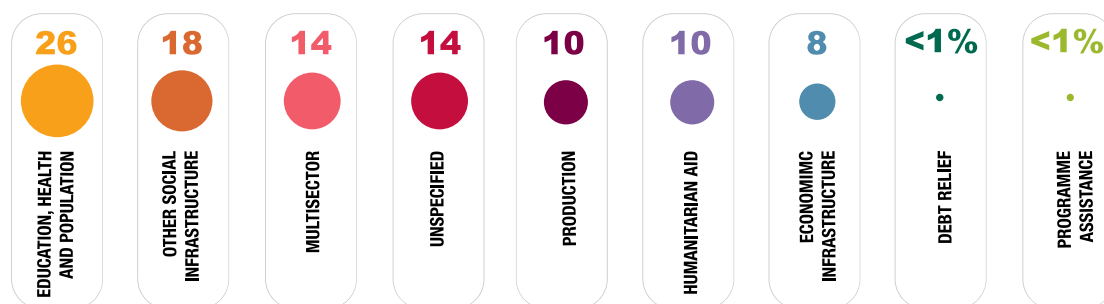
BY INCOME GROUP (USD M)



BY REGION (USD M)



BY SECTOR (%)



Data refer to ODA commitments.

Gross bilateral ODA, 2017-18 average, unless otherwise shown

Note: All groupings and definitions are as per Creditor Reporting System standards. Africa region funding is included under unallocated.

Source: OECD (2020^[3]), Creditor Reporting System (database), <https://stats.oecd.org/Index.aspx?DataSetCode=crs1>.

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