



Setting a new Course: Principles and recommendations for the UK's international development strategy

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Acknowledgments

This paper was written by Abigael Baldoumas, Helen Rumford and Rowan Popplewell. It was produced with contributions from a number of working groups, sector allies and Bond colleagues. In particular, the authors would like to thank Kit Dorey, Simon Starling, Yolaina Vargas Pritchard, Zoe Abrahamson the co-chairs and steering committees of the Child Rights Group, Conflict Policy Group, Disability and Development Group, Humanitarian Working Group, Resilience Learning Group, Sanctions and Counter-terrorism group, Sustainable Development Goals Group, Transparency Working Group and the UK Working Group on Sustainability and Transitions co-chaired by StopAids and Results UK as well as Catherine Pettengell from CAN UK, Sophie Efange from GADN, Jerome Phelps and Tess Woolfenden from the Jubilee Debt Campaign and Ruth Bergan from the Trade Justice Movement for their inputs. The paper would not have been possible without their time, expertise and support. The final product including any errors or omissions is the responsibility of the authors.

Executive summary

Introduction

As the government plans its development approach for the next decade, it faces a difficult global context. Covid-19 has intensified existing inequalities and created new ones. Restrictions and pressures on civil society have increased, development gains are being lost and millions of people are living with the impacts of climate change. Addressing these challenges requires a bold, ambitious new international development strategy (IDS).

This paper sets out a vision for international development in 2030 and a path to get there. It imagines a future where development is decolonised, the Sustainable Development Goals (SDGs) achieved, the climate emergency managed, and where open societies and human rights are supported. It tells a story of the UK making a significant contribution to these global achievements, building on the strategic priorities and the Integrated Review of Security, Defence, Development and Foreign Policy. It brings together the collective expertise of the UK's development sector to articulate the essential principles, issues and components the UK Government should consider as they draft the new strategy.

A new vision for international development for the UK

The UK's role in the world is evolving. The UK's development approach needs to evolve as well. The UK now has the opportunity to build on the best of what has gone before, whilst putting in place a framework fit for the future. The vision in the IDS should be a forward-looking approach to international development that is focused on alleviating poverty, shaping the international order to address structural inequalities and humanitarian needs, delivering sustainable development, and promoting gender equality and racial justice in ways that put the people who have been the most marginalised first. The IDS must set out a vision with the following outcomes at its heart:

- **Achieving the SDGs and 'leaving no one behind'** - The IDS must focus on poverty reduction and inclusion, and set out how the UK will deliver its commitment to achieve the SDGs, including the commitment to leave no one behind, prioritising those who are furthest behind, who have least opportunity and who are most excluded.
- **Decolonised and decentralised development** - The UK should set out how the IDS will redress enduring global power imbalances and systemic inequalities and promote gender equality and racial justice.

- **Sustainable economic development** - The IDS should set out an approach to economic development that promotes sustainable, inclusive, equitable economies and is focused on addressing poverty reduction and structural inequalities.
- **Effective humanitarian response** - The IDS must promote an effective, principled and inclusive humanitarian response system that can respond to urgent needs as required.
- **Conflict prevention** - The IDS should ensure that development approaches and interventions focus on addressing the root causes and issues driving conflict and that all UK international interventions, at the least, do no harm.
- **Sustainability and climate action** - The IDS must promote sustainability, ensuring that all official development assistance (ODA) is aligned with the Paris Agreement principles and present a sustainable approach to trade, investment and economic development.
- **Open societies, civic space and human rights protected** - The UK government must protect human rights and civic space. The IDS should set out how it will work with civil society and human rights defenders to promote them in a strategic manner.

Delivering a new vision

As well as outlining a new vision, the IDS must clearly set out how its objectives will be achieved. The UK has many levers available to it to pursue sustainable global development. To be effective these levers must work together in a coherent way, with diplomatic efforts supporting development and humanitarian efforts.

Effective ODA must be based on need and poverty-focused, aligned with aid effectiveness principles and the Paris Climate Agreement and delivered through meaningful partnerships. It also requires a fundamental rethink of the approach to ODA in order to decentralise power and decision-making and build equitable and transformative partnerships.

There must also be a larger commitment to reshaping the international rules that keep low- and middle-income countries from flourishing. The UK must use its diplomatic influence to help create a new global system that works for all by striving to reform unfair international rules and undemocratic structures. The UK government should help reshape the international development approach, recognising other governments and local communities as equal and expert partners, and bringing in and promoting the voices of those who have been traditionally excluded from conversations.

Whatever the delivery mechanism, all interventions must be:

- **Committed to fairer global rules** - The UK's ODA must go hand in hand with a larger commitment to reshaping the international rules of the game that keep low- and middle-income countries poor, using its diplomatic influence in international fora to promote a more equitable and sustainable system.
- **Committed to shifting power** - The IDS should outline how the government will decentralise power so embassies and partners can ensure decisions are made as close to the relevant communities as possible. It should catalyse a shift to more collaborative ways of working, one that focuses on building equitable partnerships and establishing transformative partnerships with civil society globally.
- **Committed to the effective use of financing for development.** Allocation of UK ODA should be needs-based, not compromised or directed by national security or political agendas, and guided by aid effectiveness principles. Resources freed from debt and climate finance should be additional to ODA.
- **Coherent** - The IDS should be guided by the principle of policy coherence. It should ensure that all other international actions do not undermine the UK's development objectives, are conflict and gender-sensitive and do no harm.

- **Poverty-focused** - The IDS should set out a vision for international development in 2030 that is focused on ending poverty and, in line with the SDGs, puts the people who have been the most marginalised at its centre.
- **Rights-based** - The UK government has a duty to uphold universal human rights. The IDS should adopt a right-based approach to development, focused on combating discrimination and promoting dignity, fairness and equity.
- **Transparent and accountable** - The UK government should support partner governments to become more open, transparent and accountable to their citizens and continue to champion transparency standards. It should also ensure transparency and enable effective scrutiny of its own policies, practices and spending.
- **Evidence-based and measurable** - All UK decisions on international development should be grounded in evidence, including lived-experience, and the IDS should set out clear objectives, benchmarks and indicators against which its implementation and progress can be measured.

We have combined these outcomes, means and principles into guidance and recommendations for the IDS. There are strong foundations that need to be maintained and areas that need to evolve and change. We look forward to seeing this translated into a powerful strategy that delivers on the FCDO's strategic objectives and the outcomes in our vision.

Section 1: Introduction

With less than 10 years to go, achieving the SDGs seems further away than ever.¹ Extreme poverty is increasing for the first time since 1998.² Humanitarian needs are being driven to all-time highs, with over 235 million people in need.³ Of these, 85% live in just 20 countries.⁴ Millions of people across the world, including here in the UK, are living with the impacts of climate change and climate-related disasters⁵ – homes are becoming uninhabitable, land unfarmable and access to clear water unpredictable. The coronavirus pandemic has intensified existing inequalities and created new ones.⁶

People who have been marginalised, including women, children, youth, older people, people with disabilities, informal workers, refugees, displaced people and ethnic, religious and caste minorities, are disproportionately affected by these intersecting crises and often excluded from response and recovery efforts.⁷ Restrictions and pressures on civil society, and constraints on humanitarian access, were increasing in many parts of the world before Covid-19, and the pandemic has exacerbated the situation in some of these countries.⁸ All countries have experienced an economic shock in terms of national wealth, trade, jobs and incomes. But low income and fragile countries have been less able than other countries to mobilise the necessary resources to protect their citizens' health, support their financial recovery, bail out industries and restart trade.⁹

¹ United Nations. (2021). *The Sustainable Development Goals Report 2020*.

² United Nations Office for the Coordination of Humanitarian Affairs. (2020). *Global Humanitarian Overview 2021*.

³ United Nations Office for the Coordination of Humanitarian Affairs. (2020). *Global Humanitarian Overview 2021*.

⁴ International Rescue Committee. (2021). *Watchlist 2021*.

⁵ World Meteorological Organization. (2021). *State of the Global Climate 2020*

⁶ I. Goldin, R. Muggah. World Economic Forum. (2020). *COVID-19 is increasing multiple types of inequality*.

⁷ Nobody Left Outside Initiative. (2020). *COVID-19 in marginalised groups: challenges, actions and voices*; A. Guterres (2020) *Pandemic reveals how excluded are society's most marginalised*. [Video address to UN]

⁸ Human Rights Watch. (2020). *Human Rights Dimensions of COVID-19 Response*.

⁹ International Monetary Fund. (2021). *Macroeconomic Developments and Prospects in Low-Income Countries – 2021*.

From health epidemics to the displacement of people through conflict and climate-related disasters, these interconnected global challenges serve as a reminder that problems in one part of the world often have direct and indirect impacts in the UK. Now is our chance to help tackle the systemic issues that have left countries ill-equipped to withstand a global health emergency and are preventing progress towards the SDGs. This requires the UK government to set out a bold, ambitious and deliverable IDS.

This paper, bought together by Bond and its members, sets out a vision for international development in 2030 and a path to get there. It imagines a future where development is decolonised, the SDGs are achieved, the climate emergency is managed, and open societies and human rights are supported. The importance of these universal and interconnected goals and actions have never been clearer: none of us are safe until we are all safe.

This report brings together the collective expertise of the UK's development sector to articulate the essential principles, issues and components the UK government should consider as it develops the new IDS. The paper intentionally focuses on how the UK can play its part in building a more sustainable, inclusive, equitable and resilient world for all, rather than setting out targets and objectives by sector. We recognise the need for investment and action across all sectors to deliver the SDGs and set out the mechanisms to do that.

The new IDS should present a clear vision for international development to 2030 and set out how the UK will deliver this. It should take a forward-looking approach to international development, one that is focused on alleviating poverty, addressing structural inequalities and humanitarian needs, delivering sustainable development, and promoting gender equality and racial justice, in ways that put people who have been the most marginalised first. It should provide the framework for civil servants to align policies and develop new programmes and for external stakeholders to understand how to support and complement the government's approach. We would expect it to include:

- A clear statement on the priorities that will underpin the UK's approach to aid and development, including a commitment to reduce poverty and address structural inequalities.
- Detail on how this strategy fits with and will support existing commitments and other strategies, strategic frameworks and approaches.
- Explanation of the role the UK intends to play in shaping international rules on ODA and promoting an effective international aid system, including through the reform of the UN system.
- Outline of planned ways of working, including departmental and country-office roles, and how the UK Government will engage with civil society at a global, regional, national and local level.
- Detail on the UK's planned approach to different aid modalities and mechanisms, including types of financing, disbursement channels, and steps to improve the quality of funding reaching partners.
- Outline of the UK's planned approach to diplomacy, and its role within wider international architecture, to pursue development objectives.
- A robust monitoring and evaluation framework that includes indicators, milestones and benchmarks for the main objectives, including a commitment to publish evaluations.
- Information on the UK's planned approach to transparency and accountability in relation to aid and development.
- A 2030 vision: what role will the UK's international development work play in delivering the 2030 agenda? What will success look like globally and in specific countries at the end of this period?

Section 2: A new vision for international development for the UK

Bond's 2030 vision

By 2030, we want to see progress in a range of areas and have outlined seven critical areas below, with more and greater detail provided throughout the paper.

- The SDGs delivered and the promise to leave no one behind fulfilled.
- Development decolonised and decentralised.
- More sustainable, inclusive, equitable economies with fair global rules in line with the SDGs.
- An effective, principled and inclusive humanitarian response system that can respond to needs as required.
- Effective conflict prevention, reduction and resolution, leading to a rise in peacefulness.
- Global greenhouse gas emissions cut to limit global temperature rise to 1.5°C, and the policies and investments in place to pursue low carbon and resilient development pathways.
- Open democratic societies with strong civil society, where human rights are protected.

The new IDS must focus on how the UK can best contribute to alleviating poverty, achieving sustainable development and addressing humanitarian needs. To achieve these goals, it must look at the intersections between international development and humanitarian crises, open societies, civic space, human rights, climate change, biodiversity loss and conflict prevention, reduction and resolution. It should set out how the strategy fits with and supports existing UK commitments and other current and proposed strategies, including those on gender equality, racial justice, economic development, conflict prevention, open societies, climate change and human rights.

2.1 The UK's current approach to development

The UK's role in the world is evolving, and so is the country's approach to development. The Integrated Review sets out an ambitious vision for the UK to 'remain a world leader in international development'.¹⁰ This confirmed the UK's commitment to the global fight against poverty and to achieving the SDGs by 2030.¹¹ Realising this ambition requires an IDS that builds on the best of what has come before while putting in place a framework fit for the future. It requires rethinking what both leadership and partnership looks like for the UK.

In the wake of the decision to suspend the commitment to spend 0.7% of gross national income (GNI) on ODA, the Foreign Secretary announced a new strategic framework for ODA in a letter to the International Development Committee,¹² pre-empting both the conclusions of the Integrated Review and the forthcoming IDS. The strategic framework was seen by the Foreign Secretary as ways to make ODA more effective.

¹⁰ HM Government (2021). *Global Britain in a Competitive Age: the Integrated Review of Security, Defence, Development and Foreign Policy*. pp.6.

¹¹ *Ibid.* pp.20.

¹² D Raab MP. (2020). *Letter to Sarah Champion MP and International Development Committee*. Available at: <https://committees.parliament.uk/publications/3683/documents/38142/default/>

The seven priorities highlighted by the Foreign Secretary are a mix of global challenges (such as climate change, global health security, humanitarian preparedness and response, human rights and open societies), ways of tackling international development challenges (such as science, research and trade) and single issues such as girls' education.¹³ Whilst recognition of some of the big global challenges are welcome, significant gaps exist that undermine these ambitions. The list includes health but not water and sanitation, for example, famine but not nutrition, girls' education but not gender equality or wider education. The strategic framework raises serious concerns within the wider international development community due to the missing commitment to poverty reduction. There are also fears that UK interests rather than development or humanitarian needs will dominate decisions about resource allocation.

Since the publication of the strategic framework, the Foreign Secretary has outlined where current ODA spend will be focused.¹⁴ This shows a greatly reduced country footprint (with ODA no longer going to 100 countries and territories)¹⁵ and a focus on the seven global challenges. While the narrow drawing of thematic and geographic priorities is understandable in the context of the deep cuts to the 2021 ODA budget,¹⁶ a 10-year strategy requires a broader and more inclusive approach which looks at the interconnected nature of issues, anticipates the unpredictability of crises and conflict and ensures the UK has the right expertise and resources. For example, achieving the commitments on girls' education is not just a matter of funding projects that create places for girls in schools, it requires a raft of actions that address the barriers girls face, including poor sanitation and hygiene in schools, the absence of healthy diets and good nutrition, gender-based violence and other protection risks, sexual and reproductive health issues and a lack of support for education as a basic service.¹⁷ This is best achieved by putting 'the advancement of gender equity and equality at a central pillar of plans and policies to build back better', as promised by the G7 in Cornwall in May.¹⁸

As the government drafts a comprehensive IDS, there is an opportunity to address these concerns, build on the existing strategic framework, and outline how it will use its international development and diplomatic expertise to genuinely be a 'force for good' in the world.

In Bond's 2030 vision, we have identified seven critical areas that must be at the heart of a new UK approach. Below, we outline the fundamentals this strategy needs to cover to achieve this vision.

2.2: Setting a new course

Delivering the Sustainable Development Goals and 'leaving no one behind'

The SDGs provide a comprehensive, coherent framework for sustainable development policy dialogue and cooperation. The new strategy should outline how the UK, as a significant donor, can play an important role in supporting the process of SDG implementation in line with SDG target 17.2 (achieving the 0.7% target). It should

¹³ Ibid.

¹⁴ D Raab MP. (2021). *Letter to Sarah Champion MP and International Development Committee*. Available at: <https://committees.parliament.uk/publications/6155/documents/68757/default/>

¹⁵ <https://www.devex.com/news/uk-ends-bilateral-aid-to-more-than-100-countries-territories-100087>

¹⁶ D Raab MP. (2020). *Statement on Official Development Assistance*. Available at: <https://hansard.parliament.uk/commons/2020-11-26/debates/A2442925-0DA2-4262-B564-1C6FEE24881A/OfficialDevelopmentAssistance>

¹⁷ World Bank Group. (2021). *Girls' Education Strategy*.

¹⁸ The Group of Seven (G7). (2021). *Carbis Bay G7 Summit Communiqué: Our Shared Agenda for Global Action to Build Back Better*.

clearly articulate how the UK will support governments to develop and implement SDG plans and budgeting, and support other stakeholders, including civil society, to hold governments to account.

In September 2015, as the international community adopted the SDGs, the then Prime Minister David Cameron brought together world leaders, civil society and business leaders to champion the global promise to 'leave no one behind'. The policy paper outlining the government's promise in this area was developed as a joint DFID and FCO policy.¹⁹ In it, the FCDO commits to 'putting the last first' and pledges that 'people who are furthest behind, who have least opportunity and who are the most excluded will be prioritised'. While this commitment remains active on paper, unless it sits at the heart of the new IDS it will remain an empty promise from the government.

It is a moral obligation to leave no one behind and thereby end the entrenched disadvantages experienced by the most vulnerable, which arise from intersectional – often structurally embedded – discrimination and have been severely exacerbated by the Covid-19 pandemic. The IDS should prioritise realising the 'leave no one behind' commitments by ensuring that all policies are (a) properly assessed to ensure they will have a positive impact on people who have been made the most vulnerable and marginalised and will do no harm; and (b) monitored through effective data collection to determine impact and strengthen accountability. The 'leave no one behind' principle is the key to sustainable development, which will ultimately improve stability, security and trade globally.

Decentralised and decolonised development

The recognition of global challenges and our shared interest in their resolution provides a starting point to decolonise development. It can help to breakdown the false dichotomy between the 'developed' and the 'developing' world, which sees the former as the source of solutions to the problems of the latter.

The new IDS should acknowledge the colonial roots of modern poverty, global inequality, international development, climate change, and biodiversity loss.²⁰ It is an opportunity to present a vision that redresses enduring power imbalances and systemic inequalities and reimagines international development. By implementing a restorative justice approach to rebuilding economic systems and action on climate change that focuses on the experiences, voices and solutions of communities and people that have been marginalised, the strategy can support the shifting of power and resources to local communities for equitable and people-led development.

This new approach would recognise and value the locally produced knowledge, expertise and lived experience of people and communities. It would be rooted in equitable representation of previously marginalised and minoritised voices in decision-making spaces. It would be realised through the resourcing of community and locally-led organisations. This will help to strengthen civil society and enable activists and organisations to respond to restrictions and pressures and, in doing so, build open societies and protect human rights.

Sustainable economic development

The IDS should set out an approach to economic development that promotes sustainable, inclusive, equitable economies and is focused on addressing poverty reduction and structural inequalities. It should go beyond ODA, to ensure the UK uses the multiple levers of its international influence to address unjust and unequal policy

¹⁹ HM Government. (2015). *Leaving no one behind: Our promise*.

²⁰ See, amongst others: J Hodge, G Hold, M Kopf (2015), *Developing Africa: Concepts and practices in twentieth-century colonialism*; Frankema E.H.P (2015), *The Colonial roots of inequality*; M Mahony, G Endfield (2018) *Climate and colonialism*.

regimes around tax, trade, debt and investment that perpetuate underdevelopment and strain international cooperation. Investment in gender-responsive, universal, accessible and democratically accountable public services must be a priority for the UK's foreign and development approach to ensure a broad-based, inclusive, feminist economic recovery. To support the flourishing of local economies as a core component of sustainable economic development, decision-making on investment and resource ownership should be made as close to the relevant communities as possible.²¹ This would also mean an end to all policies and programmes that remove local ownership and accountability over the economy, for example, through the promotion of public-private partnerships and privatisation of public services.²² The IDS should include a commitment to review the UK's primary measures of welfare and economic performance, looking beyond GDP, GNI and growth, which are being increasingly recognised as insufficient measures for a country's economic or social performance.

During Covid-19, women and girls have played a vital role as frontline responders while being disproportionately affected by job losses, increased unpaid care burdens, domestic violence and barriers to critical services.²³ The IDS should include a specific focus on addressing the structural barriers women face in terms of livelihoods, employment and economic wellbeing. This should include recognition of the central role of care in supporting economic activity, reduction of unpaid care burdens through the provision of gender-transformative public services and the provision of fully-funded universal social protection as well as gender-responsive policy-making and budgeting. It should also ensure the creation of decent work for women with a living wage by investing in social infrastructure and other sectors where women are over-represented. To ensure coherence across the UK's strategy for economic development, ODA and other resource transfers from bilateral and multilateral creditors should not be conditional on austerity measures that reduce women's economic wellbeing.

Informal workers represent 61% of all workers globally, a total of 2 billion worldwide²⁴, many of whom do not enjoy sufficient workplace protections. Many global supply chains have supported a race to the bottom in terms and conditions, and workers and farmers at the bottom of the supply chain often receive very little of the final value of their products.²⁵ The IDS should recognise this by including a comprehensive approach to labour standards and human rights in trade and investment regimes and supply chains, ensuring all ODA and foreign direct investment supports the creation of decent work (according to the ILO definitions) that pays a living wage with safe and secure working environments, in meaningful consultation with trade unions and civil society.

Humanitarian preparedness and response

Humanitarian needs are increasing, driven by the ongoing coronavirus pandemic, protracted crisis, conflicts and the climate emergency.²⁶ These trends reinforce the need for a strong humanitarian preparedness and response pillar within the forthcoming IDS. The UK has historically ranked among the most generous donors to humanitarian responses and has a global reputation for effective, principled humanitarian programming.²⁷ The IDS should outline how the UK will continue to bilaterally fund humanitarian responses that can reach frontline responders quickly and effectively, continue to support multilateral partner responses, protect and promote principled and inclusive humanitarian responses, continue to drive reform in humanitarian financing internally and across the UN. It should also outline how it will maintain a well-resourced rapid response fund.

²¹ Concord. (2020). *Rebuilding better with sustainable and inclusive business models*.

²² UNISON (2020). *UK aid and privatisation*.

²³ Gender and development network. (2021). *Feminist proposals for a just, equitable and sustainable post-COVID-19 economic recovery*.

²⁴ International Labour Organisation (2018). *Women and men in the informal economy: A statistical picture. Third edition*.

²⁵ M Anner (2015). *Stopping the race to the bottom: Challenges for worker rights in supply chains in Asia*.

²⁶ United Nations Office for the Coordination of Humanitarian Affairs. (2020). *Global Humanitarian Overview 2021*.

²⁷ Ibid.

The IDS should demonstrate an unqualified commitment to humanitarian principles²⁸ and good humanitarian donorship,²⁹ both of which aim to ensure the independence, neutrality, and impartiality of humanitarian responses. The strategy should also confirm a commitment to needs-based funding and 'do no harm' principles. Demonstrating that UK humanitarian funding is driven by need, and not compromised or directed by national security or counter-migration agendas, has two clear benefits: firstly, it supports the ability of humanitarians to deliver assistance in the most difficult contexts by maintaining safety and access for frontline responders; secondly, such efforts play a critical role in promoting and protecting the UK's reputation as a global leader in humanitarian action.

The UK has clearly stated that it intends to support the rules-based international order³⁰, and the IDS plays a key role in this endeavour. Violations of international law, including attacks on civilians in conflict, the denial of humanitarian access, sexual and gender-based violence and the use of hunger as a weapon of war, all contribute to increased levels of humanitarian needs and suffering. The creation of the FCDO provides opportunities to bring UK diplomatic leverage to bear on these pressing humanitarian concerns, and the UK's leadership of the G7 Famine Prevention and Humanitarian Crises Compact sets out clear commitments to address some of these issues.³¹ Commitments made at the G7 and other forums should be translated into practice through the IDS, ensuring UK policy is compliant with these objectives and driving global efforts to address impunity for international law violations through robust accountability mechanisms.

The strategy should reaffirm the UK's commitments to locally-led development, accountability to affected populations, protection of civilians, resilience, and gender, age and disability inclusion. It should set out a comprehensive approach to the humanitarian-development-peace nexus, one that balances the gains from a more integrated approach with the risks to humanitarian principles. The UK should prioritise flexible support, which can pivot from humanitarian assistance to supporting wider development efforts and vice versa.

Conflict prevention, reduction and resolution

Preventing, reducing and resolving conflict is vital for tackling poverty and supporting international development. By 2030, 80% of people in the world classified as 'extreme poor' are projected to live in fragile states.³² This is an urgent and global challenge. Peacefulness continues to decline, and rising exclusion and repression is leading to political turmoil; both violence against civilians and riots have increased rapidly since 2015.³³ Resolving conflict has a positive impact on development efforts; the World Bank's landmark *Pathways to Peace* report concludes that, '[Conflict] prevention agendas, in turn, should be integrated into development policies and efforts, because prevention is cost-effective, saves lives, and safeguards development gains'.³⁴

The government's conflict prevention strategy has a key role to play in supporting the delivery of the IDS, while the IDS will be central to conflict prevention, reduction and resolution and peacebuilding. Developmental approaches must focus on addressing the root causes and issues driving conflict. Previously, only around 2-3% of ODA was spent on conflict prevention.³⁵

²⁸ UN General Assembly Resolution 46/182 (1991) and Resolution 58/114 (2004).

²⁹ Endorsed in Stockholm (2003). *Principles-and-good-practice-of-humanitarian-donorship*.

³⁰ HM Government (2021). *Global Britain in a Competitive Age: the Integrated Review of Security, Defence, Development and Foreign Policy*. pp.6.

³¹ HM Government (2021). *G7 famine prevention and humanitarian crises compact*.

³² OECD (2018). *States of Fragility 2018*.

³³ Kishi R, Pavlik M, Jones S. (2020). *Year in review: Armed Conflict Location & Event data project*.

³⁴ World Bank Group (2018). *Pathways for Peace: Inclusive Approaches to Preventing Violent Conflict*.

³⁵ Analysis of spending based on OECD public data (2020).

Building peace takes time, but it also requires flexible funding to respond to rapidly evolving contexts and conflict dynamics. To respond to rapidly changing contexts the UK needs to invest in standing peace capabilities, such as expertise in mediation and mediation support, flexible funding (including for local organisations) and participatory conflict analysis.

The UK should fully embrace the peace strand of the humanitarian, development and peace, nexus. Crucially this should not be left as a responsibility for the conflict team within the FCDO alone but be part of the culture across departments wherever assistance (or broader conflict interventions) is being delivered within a fragile or conflict-affected country. When working through multilateral development donors, especially international financial institutions like the World Bank, the UK should actively encourage them to adopt a more active and direct presence in countries affected by conflict, and ensure that the way they operate in these contexts does no harm, is conflict sensitive, rights-based and upholds humanitarian principles.

Climate action

Climate change presents one of the greatest development challenges of our time; it threatens to reverse development gains and increase poverty, hunger, and inequality.³⁶ It is clear that the eradication of poverty and inequality cannot be achieved without also addressing the causes and consequences of climate change. By 2030, according to the IPCC, the world needs to have the policies and investments in place to be able to limit global temperature rise to 1.5°C.³⁷ It will also mark the beginning of a decade in which we will see climate change impacts continue to worsen and disproportionately affect low- and middle-income countries and the people who have been the most marginalised.³⁸ That makes this decade a crucial time for climate action.

The UK must ensure that all ODA spend becomes fully aligned with the goals of the Paris Agreement, that grant-based climate finance increases significantly (particularly for adaptation and to address loss and damage in low- and middle-income countries), and that policy coherence is reached across government to ensure the UK does not continue to invest in harmful practices on the one hand and actions to address that harm on the other.

Robust, science-based and forward-looking strategies are needed for UK International Climate Finance (ICF) and for mainstreaming climate change throughout ODA and all government spending and priorities, both domestically and internationally. This requires full integration of these priorities in the IDS, mechanisms for managing trade-offs and ensuring, at a minimum, a 'do no harm' approach as well as a new ICF strategy.

Open societies, civic space and human rights

In the Integrated Review, the UK makes a commitment to support open societies and defend human rights³⁹ and to work with local civil society and human rights defenders to defend universal human rights.⁴⁰ Protecting and promoting civic space and creating an enabling environment for civil society, human rights defenders and humanitarian agencies will be crucial to the delivery of the IDS. Civil society organisations (CSOs) and human rights defenders are significant development actors, as well as having specific roles in humanitarian crises and efforts to prevent and resolve conflict.

³⁶ Intergovernmental Panel on Climate Change. (2018). *IPCC Special Report on Global Warming of 1.5°C*.

³⁷ Ibid.

³⁸ Ibid.

³⁹ HM Government (2021). *Global Britain in a Competitive Age: the Integrated Review of Security, Defence, Development and Foreign Policy*. pp.6.

⁴⁰ Ibid. pp.47.

Local CSOs and human rights defenders require space to operate, the freedom to associate and assemble, access to information and the ability to express themselves freely online and offline. The IDS must recognise that these organisations and individuals are significant development actors and set out how it will work with civil society and human rights defenders in a clear and systematic manner to promote civic space, create open societies and protect human rights globally. The presence of restrictions and pressures on civil society makes it harder for these organisations to function effectively. If civil society is unable to operate it will have a negative impact on all aspects of a society, particularly transparency and accountability, representation and participation of groups that have been marginalised, and the effectiveness of government policies and services. Civil society is critical to building open societies and defending human rights and is an essential element of democracy. It is not possible to ensure media freedom or tackle corruption, misinformation and disinformation if civic space is constrained online or offline. Restrictions on civil society may also impact socio-economic outcomes, including health and wellbeing, peace and stability, economic development and the delivery of the SDGs.

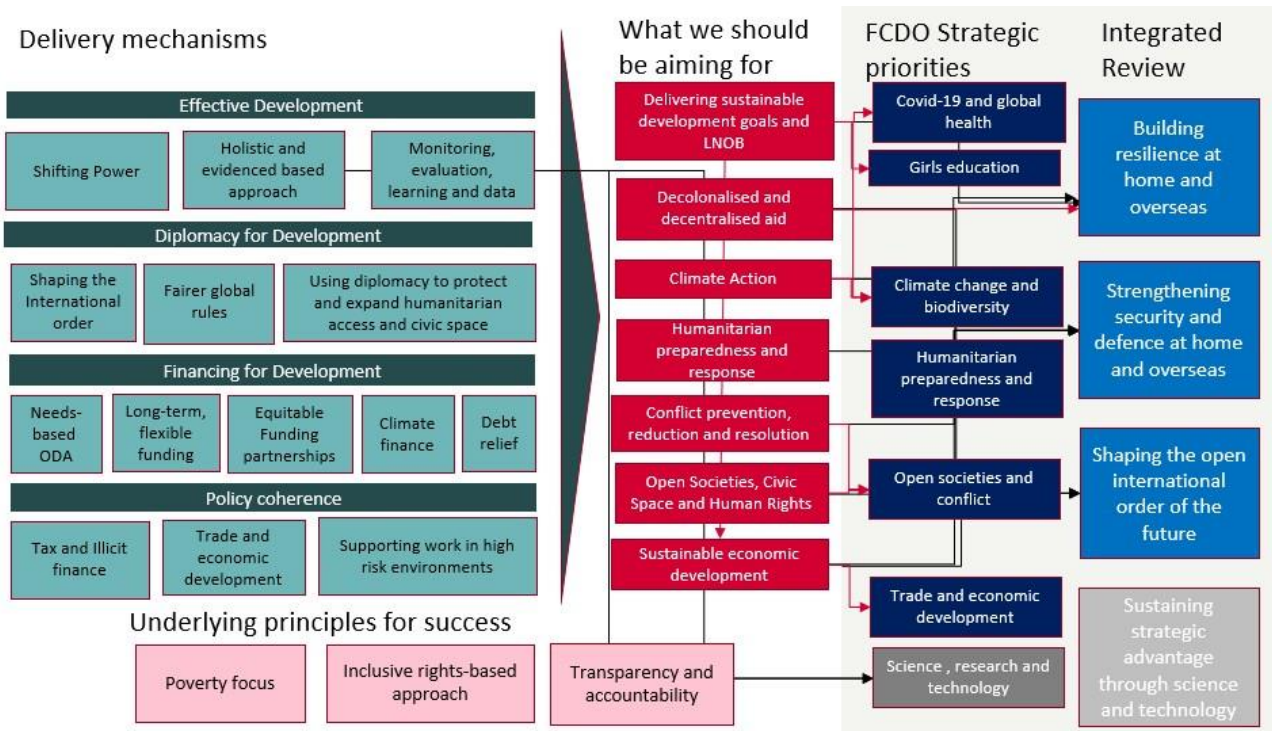
Urgent action is required to protect civic space and tackle the root causes of rights' restrictions, which include rising authoritarianism, endemic corruption, securitisation (particularly the over application and abuse of counterterrorism, national security and emergency laws), and the concentration and abuse of corporate power. At the 2021 G7, world leaders committed to protect civic space and recognised the importance of working in partnership with civil society and human rights defenders in promoting human rights and civic freedoms.⁴¹

The new IDS provides an opportunity to put these commitments into practice. It should make clear commitments to work with civil society and human rights defenders as development partners and make it easier for CSOs and human rights defenders to access funding that is direct, sustainable and flexible, especially if they are working in contexts where civic space is constrained. The UK must also support collective and individual preventative and protection mechanisms at the regional, national and local level and ensure CSOs and human rights defenders have access to emergency funding. The UK government should use diplomatic channels to put pressure on states that restrict civil society and encourage other governments to protect rights to freedom of assembly, association, participation, expression, opinion and access to online and offline information. It should also encourage governments to address digital divides, privacy and the protection of personal data. The government must also safeguard humanitarian space and champion humanitarian principles and international humanitarian law.

Our vision and the international development strategy: how it all comes together

See diagram below on page 14.

⁴¹ The Group of Seven (G7). (2021). *2021 Open Societies Statement*.



Get an accessible version of the diagram by clicking [here](#)

Section 3: Delivery mechanisms

Whilst the use of ODA is an important lever to drive progress on development issues, the IDS must go beyond this to look at other means of financing development as well as non-financial mechanisms, such as diplomacy and trade. The strategy should ensure that the UK uses the multiple levers of its international influence to contribute to a new development paradigm that delivers human and ecological welfare, addresses unjust and unequal policy regimes around tax, trade and investment, and promotes open societies and human rights. This section sets out how.

3.1: Effective development practice

Shifting power

The international development sector is still characterised by significant and deeply entrenched power imbalances between higher income countries and middle-lower income countries. These power imbalances manifest themselves in a variety of ways. One of the most significant is a lack of equity in the distribution of Northern wealth through official sources, such as ODA, and other sources of financing including through philanthropic grant-making. Figures show that only 0.4% of humanitarian funding goes directly to organisations in country – the figure for wider development funding is not much higher.⁴²

⁴² Charter for Change. (2016). *As local as possible, as international as necessary: Humanitarian Aid International's position on localisation.*

The UK government signed up to the Grand Bargain, which commits to making locally-led development a priority for the government and embedding it as a key principle across ODA spending departments.⁴³ Locally-led development prioritises the participation of communities in their own change processes by encouraging participatory local governance and citizen engagement, leading to better development outcomes and delivering long-term value for money. To achieve the Grand Bargain commitments requires the UK government to fundamentally change the way it delivers ODA, works with local communities and engages civil society. The UK government would need to relinquish its power and let local civil society lead.

This starts with the UK government recognising that the power imbalances rooted in its colonial history still shape its development policy and practices. These imbalances have resulted in communities and CSOs being left out of decision-making, having their knowledge undervalued and being outcompeted for funds. The IDS is an opportunity to demonstrate that the UK is moving away from the idea of passive 'beneficiaries' to actors who are whole and resourceful. The first level of shifting power is to decentralise decision-making across the FCDO to country offices, embassies and local actors, bringing decision-making closer to the people it affects. This should be deepened by supporting local state and other actors to set their own development priorities and play an active role in providing solutions; recognising the agency and expertise of those with lived experience. Next, the IDS should prioritise transformational partnerships with civil society over transactional partnerships that focus on delivering project-based grants or contracts. Finally, UK development programmes should prioritise accountability to the communities they serve, using dynamic accountability as a framework to redress power imbalances.

Pursuing a holistic and evidence-based approach

To achieve sustainable development outcomes, it is crucial that decision-making is based on sound evidence and research,⁴⁴ including the expertise of those with lived experience and/or local knowledge systems, and considers the broader development contexts. Evidence should be the starting point for all strategic decisions and programme development, with clear processes for testing theories and adjusting activities throughout a strategy or programme life-cycle. A strategic approach to development will embrace the interconnectedness of development sectors and avoid the creation of silos, recognising that progress on one development indicator requires support and alignment with broader development sectors and approaches. For example, progress on supporting communities to be climate resilient can only succeed if a broader context of factors that may limit a community's resilience are considered, such as gender, human rights, economic growth, food security, water, sanitation and hygiene. The UK government should build on its strong record of evidence-based development approaches and research capacity to continue promoting and developing global research and practice on effective and impactful development. It should also further integrate the expertise of those directly involved in developing programmes and local knowledge systems into its approach.

Monitoring, evaluation, learning and data

Monitoring, evaluation and learning are crucial for delivering ODA effectiveness and value for money. The strategy should set out clear objectives, benchmarks and indicators against which implementation and progress can be measured. Reporting on progress toward the pledge to leave no one behind, both domestically and internationally, is an essential part of meeting this commitment. This includes showing inclusive progress across different groups, preferably with group-specific rates of change. The IDS should recommit to providing disaggregated data on at-risk groups in as much detail as possible.

In addition, the UK should continue to show leadership in ensuring the Inclusive Data Charter⁴⁵ is implemented by supporting capacity building of national statistics offices (NSOs), identifying best practice in data disaggregation,

⁴³ World Humanitarian Summit (2016) *The Grand Bargain – A shared commitment to better serve people in need*

⁴⁴ Department for International Development. (2014). *What is the evidence on the impact of research on international development?*

⁴⁵ Global Partnership for Sustainable Development (2015). *Inclusive Data Charter*.

and embedding the principles of the charter through policy coherence across government. Examples of strong data on at-risk communities can be found in ODI's Leave No One Behind Index.⁴⁶ This measures the LNOB readiness of governments in 159 countries, based on data, policy (focusing on women's access to land and employment and universal access to health) and finance. It is critical that the IDS outlines how the government plans to share learnings on disaggregated data in global reporting databases (especially the SDG database), which allows for easier comparison to other countries.

3.2 Diplomacy for development

Shaping the international order

The international system faces its most difficult test in decades. Competition between powerful countries is increasing, the UN Security Council is nearly paralysed, and international humanitarian law is being violated on a daily basis, often with impunity. Alongside this, the traditional roles previously assigned to different stakeholders within the development system are shifting and being rightly questioned, as the world recognises the limits and harm of the traditional 'north-south' dichotomy and as individual states' economic and diplomatic powers shift. The Integrated Review states that the UK 'will play a more active part in sustaining an international order in which open societies and economies continue to flourish'.⁴⁷ The UK has an opportunity to leverage its role in the UN Security Council, and its influence within the Organisation for Economic Co-operation and Development (OECD) and other bodies, to achieve this aim.

The UK's aid spend must go hand in hand with a larger commitment to reshaping the international rules that keep low- and middle-income countries from flourishing. The UK government should use its position to guide the reshaping of the international development approach, recognising other governments and local communities as equal and expert partners. It should use its position in the world to bring in and promote the voices of those who have been traditionally excluded from conversations. Only by proactively embracing the need and opportunity to redefine many of the current international systems can the UK achieve its objective of strengthening the international order for the modern global context. The government should acknowledge that the existing power imbalances are unacceptable and work to dismantle the current status quo, instead building collaborative ways of working in equitable partnerships with other governments and local communities.

A key part of this will be supporting and strengthening an international rules-based system for development assistance. By promoting and strengthening the rules for ODA set out by the OECD's Development Assistance Committee (DAC), as well as broader multilateral agreements on aid and development, the UK can align allies around a vision of a multilateral, liberal and open aid and development system, based on mutual collaboration and strengthening. This positive vision presents an alternative approach to development assistance that may come from other donors. It maintains a route for the UK and others to collectively combine efforts to shape the new international order. The UK also has an opportunity to use its role in the UN Security Council, the peace building commission and other bodies to lead a coalition of states working to strengthen multilateral responses to conflict and humanitarian crises by encouraging sustained funding, expertise and capacity in multilateral institutions.

⁴⁶ Overseas Development Institute. (2020). *Leave no one behind indices 2020*.

⁴⁷ HM Government (2021). *Global Britain in a Competitive Age: the Integrated Review of Security, Defence, Development and Foreign Policy*. Pp.6.

To support the creation of sustainable economies, the UK should use its diplomatic influence to support the reinvention of the World Trade Organisation as a multilateral forum focused on aligning trade rules to other international standards, especially the SDGs and the Paris Agreement, and addressing the longstanding concerns of low- and middle-income countries, particularly regarding food and agricultural trade policies. The strategy should support democratic reform of the International Monetary Fund and World Bank and the UK government work with these institutions to ensure their policies are aligned with meeting the SDGs, the Paris Agreement and respect for labour and human rights. The strategy should also utilise the UK's diplomatic influence over international financial institutions to prevent conditionality and the promotion of privatisation and austerity measures that serve to increase inequalities and hold back recovery.

Using diplomacy to protect and expand humanitarian access and civic space

The effective use of diplomatic channels, both bilateral and multilateral, has an important role to play in delivering a strong and coordinated whole-of-government approach to humanitarian response, human rights and open societies, particularly when it comes to the protection and expansion of humanitarian access and civic space.

The creation of the FCDO, and the strategic focus on joined-up government approaches, represents an opportunity to deliver on the commitments made in the Integrated Review and the G7 Famine Compact⁴⁸ to champion international law and protect and expand humanitarian access. Humanitarian agencies welcome the UK's intention to use this 'combined power of diplomacy and development'⁴⁹ to be a 'force for good'⁵⁰ in tackling root causes of vulnerability and in support of humanitarian assistance, in line with humanitarian principles.⁵¹ The combined diplomatic weight of the FCDO, UK embassies, and the UK's seat on the UN Security Council and within other major international institutions should be operationalised to support negotiations for continued humanitarian access that is compatible with humanitarian principles and international humanitarian law.

In 2019, 90% of humanitarian access incidents that prevented development agencies from reaching people in need in Syria were a result of national government bureaucracy, not conflict or security incidents.⁵² Diplomacy can therefore be a powerful tool to ensure those who need humanitarian assistance can access it. The UK has a powerful international reputation for using diplomatic leverage to press for positive humanitarian outcomes. In 2016, the UK government-hosted *Future of Syria* conference saw the creation of the first refugee compacts with tangible benefits to Syrian refugees across the Middle East.⁵³ In 2017, the UK government played a key role in preventing famine in Somalia.⁵⁴ Such integrated interventions helped avert further catastrophe, demonstrated how the UK can further the goals of the development programme with diplomatic action, and established the UK as a trusted international partner with a commitment to addressing humanitarian crises.

In a strategic and systematic manner, the UK should also use its diplomatic channels to put pressure on states that restrict civil society and encourage governments to protect human rights online and offline. This includes working with like-minded countries at the UN and other multilateral bodies to enable the full and meaningful participation of civil society in these forums and to ensure that international norms and standards promote civic

⁴⁸ The Group of Seven. (2021). *G7 Famine prevention and humanitarian crises compact*.

⁴⁹ HM Government (2021). *Global Britain in a Competitive Age: the Integrated Review of Security, Defence, Development and Foreign Policy*. GOV.UK. pp.45.

⁵⁰ Ibid.

⁵¹ United Nations office for Coordination of Humanitarian Affairs. (2012). *What are humanitarian principles*. Available at: https://www.unocha.org/sites/dms/Documents/OOM-humanitarianprinciples_eng_June12.pdf

⁵² United Nations Office for Coordination of Humanitarian Affairs. (2019). *Yemen: Humanitarian Access Snapshot*.

⁵³ European Union, Kingdom of Jordan. (2016). *The Jordan Compact*.

⁵⁴ M Dubois, P Harvey, G Taylor. (2018). *Rapid real-time review: DFID Somalia Drought Response*.

space and support civil society. Embassies have an important role to play by speaking out about the treatment of activists and organisations, observing legal proceedings, publicly expressing support for civil society and human rights defenders, awareness raising, providing direct, sustainable and flexible funding for civil society, and supporting other individual and collective preventative and protection mechanisms.

3.3 Financing for development

Needs-Based Official Development Assistance (ODA)

The Integrated Review confirmed the UK's commitment to the global fight against poverty and to achieving the SDGs by 2030.⁵⁵ As the UK considers how it can best use the ODA budget to achieve development objectives, it is crucial that the primacy of poverty reduction, commitment to the OECD DAC's definition of ODA, and gender equality are maintained. The strategy should reconfirm the UK's commitment to the 2002 International Development Act, as amended in 2014 and 2015⁵⁶, including a return to spending 0.7% of GNI as ODA annually. The IDS must go beyond nice words and provide an overarching framework for how the UK will use ODA, alongside other levers, to contribute to meaningful progress on alleviating poverty, delivering sustainable development, meeting humanitarian needs and addressing the climate emergency.

To achieve this, it is essential that ODA goes to the regions, countries and groups that need it most. ODA is a limited resource; clear allocation criteria are crucial to ensuring it is allocated where it can do the most good and complement rather than duplicate other sources of financing. The strategic framework's requirement that ODA only be given to countries where the UK's development, security and economic interests align⁵⁷ risks negatively impacting poverty reduction and weakening the effectiveness of UK ODA. Instead, the IDS should adopt a needs-based approach to aid allocations and include contextual indicators, such as access to public services, disease burden, levels of poverty and inequality and impact on the most marginalised. It should also look at the potential and actual capabilities of the partner country to access diverse and additional sources of financing, including capacity for domestic resource mobilisation, and continue to prioritise those who have been left the furthest behind.

These criteria should inform any decision to withdraw or reduce external financing to a country receiving ODA, which should be made after a robust, context-specific impact assessment, accompanied by a risk mitigation framework. This must look beyond economic indicators, such as GNI per capita, which often hide vast inequalities within countries. FCDO should develop a robust sustainability and transitions framework to do this effectively.

Beyond a rules-and needs-based approach to ODA allocation, the IDS should demonstrate a commitment to the internationally agreed aid effectiveness principles of domestic country ownership, namely: harmonisation of approaches, alignment with existing local mechanisms, mutual accountability and results-centred approaches.⁵⁸ Integrating these principles will allow the UK to achieve the stated objective of focusing its investments strategically to achieve long-term and sustainable change within its partner countries. Meaningful incorporation of these principles into planning and implementation will require careful consideration of how to gradually

⁵⁵ HM Government (2021). *Global Britain in a Competitive Age: the Integrated Review of Security, Defence, Development and Foreign Policy*. pp.20.

⁵⁶ International development act. (2002). Available at: <https://www.legislation.gov.uk/ukpga/2002/1/contents>

⁵⁷ D Raab MP. (2020). *Letter to Sarah Champion MP and International Development Committee*. Available at: <https://committees.parliament.uk/publications/3683/documents/38142/default/>

⁵⁸ OECD (2005). *The Paris Declaration on Aid Effectiveness*

increase the effectiveness of ODA across all these metrics. Once a clear direction and principles have been established, the government should balance adaptive flexibility mechanisms with a commitment to continuity and avoiding regular shifts in strategic direction. Getting the balance here will be crucial for allowing programmes to learn and adapt, whilst not continuously requiring high-resource investment to accommodate regular shifts in direction.

The government should ensure this strategy and all ODA spend is aligned with the Paris Agreement, low-carbon and climate resilient. Alignment must encompass all three pillars of climate action recognised in the Paris Agreement – mitigation, adaptation, loss and damage⁵⁹ – must seek to, at a minimum, ‘do no harm’, and wherever possible actively achieve poverty reduction and sustainable development co-benefits that also contribute to mitigation, adaptation, and/or addressing loss and damage.

All ODA must be both conflict and gender-sensitive. Too often there is a risk that the UK's actions unintentionally fuel conflict and gender inequality, for example, by supporting one community and excluding another or entrenching existing power relationships. The UK's development strategy should embed conflict and gender-sensitivity principles across the whole UK ODA portfolio in conflict affected and potential conflict contexts.

Long-term, flexible funding modalities prioritised

Today's ODA-funded landscape is increasingly complex, with a range of modalities, partners and approaches available. The UK should continue to use a range of modalities for funding its objectives, spreading the risk and recognising that different modalities are best suited to different contexts. The Foreign Secretary has outlined his intention to make bilateral programmes the default, in recognition of ‘their advantages of effectiveness, local ownership and strategic impact’.⁶⁰ We welcome this commitment and hope to see detail in the strategy of how this approach will be implemented, including across processes such as due diligence, procurement and risk management.

We would also expect to see the practice of providing ODA funding through long-term, multi-year programming continue as the norm. This approach provides the best development outcomes and delivers value for money for the UK's ODA budget. It also strengthens the relationship between the UK and its partner countries, further supporting positive development and wider diplomacy outcomes.

The UK has historically delivered the majority of its ODA budget through grants, and we would support a continuation of this model, recognising it to be generally an effective use of ODA for its primary purpose of poverty-alleviation. In the Paris Declaration on Aid Effectiveness, the UK committed to being guided by the development strategies and priorities established by partner countries when determining the most effective modalities of ODA delivery.⁶¹ This commitment should inform the level of flexibility and prioritisation of ODA modalities outlined in the strategy.

Equitable funding partnerships

The UK government should prioritise transformational partnerships. Providing long-term, flexible core funding gives CSOs the power to make decisions themselves, rather than the current project-based approach where the UK government decides the focus of the funding. A short-term, project-based approach to funding sees CSOs as

⁵⁹ Paris Agreement to the United Nations Framework Convention on Climate Change. (2015).

⁶⁰ <https://committees.parliament.uk/publications/3683/documents/38142/default/>

⁶¹ OECD (2005). *The Paris Declaration on Aid Effectiveness*

implementers rather than partners. It maintains existing colonial power dynamics between the UK and the communities it supports. The FCDO's own research outlines that project-based funding stifles innovation, learning and collaboration, as funding tied to results discourages risk taking and activities outside the parameter of the original programme.⁶² Long-term, flexible funding promotes trust and partnership between the funder and the grantee, letting the CSO decide where best to spend the money. This supports a vibrant and strong civil society and leads to better development outcomes.⁶³ This is particularly true when funding goes directly to women's rights organisations and other groups representing, and led by, communities that have been marginalised.

The process of getting funding from the UK government is costly and requires a certain level of experience and professionalism to complete the complex proposal writing and due diligence requirements. This makes it difficult for local civil society actors to receive funding directly. The UK government should overhaul its funding systems, reduce the complex requirements, and use a proportional approach to compliance to support direct funding to civil society.

The UK government should invest in more staff to manage funding agreements, which would build a more positive relationship with civil society and ensure that learning is embedded. The practice of using fund managers as intermediaries has led to many CSOs losing their direct relationship with the UK government, and this limits the learning that the UK government is able to capture from their funding partnerships with civil society.

Climate finance

To date, the UK has provided its climate finance commitments from the 0.7% GNI ODA budget, rather than providing any new and additional resources.⁶⁴ This is unsustainable, particularly in the context of increased climate finance commitments and cuts to the ODA budget. Climate change is an additional and growing burden for low- and middle-income countries, which are the countries least responsible for the causes of climate change, and is also exacerbating development challenges and reversing progress. Under the UN Framework Convention on Climate Change (UNFCCC), countries including the UK committed to provide new and additional support, reflecting the principle that it is compensatory due to the historic responsibility of high-emitting countries.⁶⁵ ODA budgets will not be sufficient to meet the challenges of climate change through to 2030, and urgent action is now needed to establish additional sources of public climate finance.

To have the intended impact, climate finance must be prioritised for catalysing transformational actions to address climate change, and not as a tool for donors to mainstream climate change in their development assistance budgets. In the context of a changed and changing climate, good development work should already have climate change considerations embedded within it.

A robust and science-based, forward-looking UK International Climate Finance (ICF) strategy is urgently required to maximise the opportunity that this dedicated budget allocation should present to prioritise climate change-specific programming and investments, as recommended by the International Development Committee in 2019.⁶⁶ The UK should move away from using ICF to fund portions of projects that would have been fully funded anyway, and move back to prioritising ICF for dedicated and impactful climate action. The UK should fully enshrine into the

⁶² E Browne. (2015). *Incentives from donor funding mechanisms for civil society organisations*.

⁶³ R Brady, R Lloyd. (2012). *Assessing the added value of strategic funding to civil society*.

⁶⁴ HM Government. (2020). *United Kingdom Biennial Finance Communication to the United Nations Framework Convention on Climate Change*.

⁶⁵ Paris Agreement to the United Nations Framework Convention on Climate Change. (2015).

⁶⁶ House of Commons International Development Committee. (2019). *UK aid for combating climate change*.

new IDS and ICF strategy its longstanding commitment to provide 50% of ICF for adaptation, and for ICF spending to be primarily grant-based.

Debt cancellation

In 2020, Eurodad estimated that cancellation of debt repayments for 69 countries in 2020 and 2021 would free up US\$38.2bn from bilateral, multilateral and private lenders.⁶⁷ Debt cancellation is one of the fastest ways for countries to ensure resources are available to contribute to achieving SDGs and to address the climate crisis. For this, we need a comprehensive system to cancel global external debt to a level consistent with sustainable development across private, multilateral and bilateral creditors. One of the main barriers to addressing unsustainable debt for poorer countries is the power of private creditors to delay or prevent a restructuring, or even take a country to court if that country has to default on its payments.

It is not possible to adequately address the climate crisis without addressing the debt crisis in low- and middle-income countries.⁶⁸ This burden of unsustainable debt deprives countries of the resources needed for investment in climate change adaptation and mitigation. In addition, countries often have no choice but to borrow to address the loss and damage caused by climate-related disasters due to the lack of loss and damage support globally, thus exacerbating the problem.

The G20's Common Framework⁶⁹ does not currently deliver on all of these requirements. It must be strengthened to force private sector participation and expanded to include all countries that need debt relief if it is to meaningfully address the debt crisis in low- and middle-income countries, including those that are climate vulnerable. Resources freed up by debt cancellation should be unconditional and additional to existing financial commitments, such as ODA and climate finance. The IDS should include a commitment to ensure all future loans are fully transparent and help build economies that are socially and environmentally healthy and just, and can meet the Paris Agreement commitments. The strategy should ensure that decision-making processes on finance include the governments of low- and middle-income countries.

3.4 Policy coherence

The IDS should ensure that other international actions (for example, trade, economic and growth strategies) do not undermine the objectives of UK ODA, help to promote inclusion, reduce climate change and biodiversity loss, and do not lead to people being pushed further behind, particularly in light of the growing inequalities caused by Covid-19. Currently, UK development assistance continues to be undermined by other UK investments and strategies across a range of sectors and themes. Not only does this compromise the outcomes and value for money of both development and non-development activities, it also represents a missed opportunity for the UK to align all its international levers to promote long-term, sustainable economies and development and protect human rights and civic space. The UK cannot continue to fund and pursue approaches that are causing harm on the one hand, and actions to address that harm on the other. As part of the development and subsequent implementation of this strategy, the FCDO should ensure other departments are fully engaged and aware of their responsibilities under its objectives.

⁶⁷ Eurodad. (2020). *A debt moratorium for low income economies*.

⁶⁸ Eurodad. (2020). *A tale of two emergencies – the interplay of sovereign debt and climate crises in the global south*.

⁶⁹ The Group of 20. (2020). *Common Framework for Debt Treatments beyond the DSSI*.

The IDS should be guided by the principle of policy coherence, in line with SDG target 17.4 - 'enhance policy coherence for sustainable development', linking diplomatic, development, and defence objectives. Policy coherence requires ensuring that programme design and monitoring balances crosscutting issues, for example, how promoting one area of SDG implementation will link with the achievement of another goal whilst avoiding harm in other areas. Development funding to sectors, including education, health and nutrition, as well as crosscutting themes such as gender is essential not only to end poverty but also to build resilience to climate change impacts and future shocks. The IDS should clearly outline how there will be consistency and coherence across all policies that guide the UK's relationships with other countries. This should recognise the role of devolved governments in the UK and outline how they will work together on international development.

Trade and economic development

FCDO's 2020 strategic framework identified trade and economic development as a priority,⁷⁰ and the Integrated Review made a commitment to support economic development in lower-income countries, with a focus on promoting 'free and fair trade' and set out plans to partner with the African continent on 'prosperity goals'.⁷¹ But it provides limited detail on how the UK will pursue these objectives, how it intends to ensure policy coherence across government, and how it will incorporate commitments to sustainability, climate action, biodiversity, human rights and labour rights.

The IDS should articulate a sustainable approach to trade that is coherent with the objectives of reducing poverty and inequalities and addressing climate change and biodiversity loss, in keeping with the development strategies of low- and middle-income countries. UK trade strategies, agreements and policies should be fully consistent with the SDGs, the promise to leave no one behind and the Paris Agreement, and they should focus on helping to reverse the current model of resource extraction from lower-income countries. Important steps include the exclusion of Investor-State Dispute Settlements mechanisms from all future trade and investment agreements, and effective mechanisms to ensure civil society, women's organisations and trade unions are meaningfully included and involved in the negotiation, implementation and monitoring of trade agreements.

External bodies funded by the UK government to deliver economic development objectives should also be fully accountable to UK government strategies and policies, without exemptions, particularly regarding the SDGs, human rights, labour rights, climate action and biodiversity. This is needed to address ambiguity about the application of previous strategies and policies to bodies such as CDC, which is wholly owned and funded by the UK government – most recently demonstrated by its exemptions from the UK's commitment to end international financing for fossil fuels.⁷² This should also be acknowledged in CDC's upcoming strategy for 2022-7.

Tax and illicit finance

As of 2020, countries are losing a total of over US\$427 billion in tax each year to international corporate tax abuse and private tax evasion.⁷³ As part of a new focus on economic justice through the IDS, the UK Government should address the eradication of tax havens and illicit financial flows, particularly from lower-income countries, and the closing of domestic and international loopholes for high-net-worth individuals and corporations.

⁷⁰ D Raab MP. (2020). *Letter to Sarah Champion MP and International Development Committee*. Available at: <https://committees.parliament.uk/publications/3683/documents/38142/default/>

⁷¹ HM Government (2021). *Global Britain in a Competitive Age: the Integrated Review of Security, Defence, Development and Foreign Policy*. pp.63.

⁷² Independent (2021) 'Unacceptable loopholes' could undermine UK pledge to end overseas fossil fuel funding, campaigners say

⁷³ Tax Justice Network. (2020). *The State of Tax Justice 2020*.

The UK has a significant role and influence in shaping global international tax rules and financial transparency, as well as contributing to illicit financial flows, in large part due to the policies in place in its Overseas Territories and Crown Dependencies. As part of its response to global tax evasion and international inequality, the IDS should include plans for an independent analysis and official recognition of the impact its dependent territories have on financial transparency and international development, and full implementation of public registers of beneficial ownership as required in the 2018 Sanctions and Anti-Money Laundering Act.

Supporting work in high-risk environments

Many development, humanitarian, human rights and peacebuilding programmes take place in high-risk environments; places often characterised by violent conflict and insecurity where state and non-state armed actors or groups operate. International NGOs and CSOs have extensive experience of working in these contexts, often to prevent conflicts and crises emerging. Their relationships with local partners and communities means they are often able to access hard-to-reach groups that multilateral and bilateral donor organisations cannot.

Organisations operating in these contexts face multiple risks and there are a range of different risk-related frameworks that organisations must adhere to, including sanctions and anti-money laundering regulations, counterterrorism and counter-terrorist financing rules, anti-corruption and aid diversion measures and safeguarding requirements. While individual donor's risk frameworks can in themselves seem reasonable, the cumulative effect can lead to significantly increased operating costs, which impact donor value-for-money and can stop some organisations from operating in higher-risk locations. Working in these contexts requires a relatively high degree of risk acceptance and tolerance by donors and NGOs alike. The UK government must be open to jointly identifying and managing risks with civil society and NGO partners so that affected populations have access to the support they need, the objectives in the IDS are achieved, and humanitarian and other principles and standards are upheld.

Risk-related frameworks, along with a 'zero tolerance' approach to risk by international bodies and national governments, have had negative consequences for international NGO and CSO operations. The UK must ensure its terrorism sanctions and counter-terrorism, including counter-terrorism financing laws and policies, safeguard civic space, allow unimpeded humanitarian work, in line with international human rights and humanitarian laws, and peacebuilding and mediation efforts that address the causes of violence and prevent future conflict.

We welcome the 2017 establishment of the Tri-Sector Working Group on INGO Operations in High-Risk Environments, a model that has been replicated in other countries. It is important that the UK Government makes progress on the potential legal, operational and policy solutions identified by the Tri-Sector Working Group and the Independent Reviewer of Terrorism Legislation.⁷⁴ The UK Government should continue to engage with civil society through mechanisms such as these and encourage other states to develop similar structures.

Section 4: Foundational principles for success

Poverty-focused

The guiding force in all decisions and strategy on the UK's international development approach must continue to be the objective of poverty reduction. The Integrated Review states that 'the UK is one of the world's leading

⁷⁴ J. Hall. (2021). *The Terrorism Acts in 2019*.

development actors, committed to the global fight against poverty⁷⁵. As this paper has made clear, achieving poverty reduction cannot be done in isolation and thought must be given to the impact of other government policies and contextual factors, such as conflict or climate change. However, the fact that these topics are complex and closely related should not detract from the primary objective of poverty reduction, and the government should be wary of compromising development outcomes by appropriating finance and other mechanisms for secondary objectives. By maintaining an explicit and committed focus on poverty reduction throughout all strategies, planning and implementation, the UK can ensure its development approach is as effective as possible, using each lever appropriately for the outcome it is best suited to achieve.

Using a rights-based approach

In the Integrated Review the UK Government commits to defend universal human rights and work with local civil society and human rights defenders to this end.⁷⁶ As parties to the International Covenant on Economic, Social and Cultural Rights and the International Covenant on Civil and Political Rights, as well as other international legal human rights frameworks, the UK Government has a duty to uphold these rights and should work with governments and civil society to promote them internationally.

Much of the focus of the Integrated Review is on the protection of civil and political rights. While this is fundamental, the IDS should adopt a rights-based approach focused on promoting and upholding the rights of the people who have been most marginalised. Human rights-based approaches to development provide a framework for achieving human development that is based on the promotion and application of human rights' standards. They aim to increase the capacity of those who have a duty to protect rights and hold them accountable, whilst also empowering people and groups whose rights are not fully realised or restricted in some way. They are based on principles of universality and inalienability, indivisibility, interdependence and inter-relatedness, equality and non-discrimination, participation and inclusion, accountability and rule of law. These principles should underpin the IDS.

For development to be truly valuable and sustainable it must be guided by human rights, and it must seek human rights realisation for all as its ultimate outcome. This means that human rights should guide the process and design of development strategies, projects and programmes, their implementation and outcomes. Adopting a rights-based approach must involve combating discrimination and promoting dignity, fairness and equity. To achieve this will require a sustained focus on interventions that can tackle the multiple and intersecting forms of discrimination those at greatest risk of being left behind experience due to overlapping and interacting characteristics, such as age, gender, race, ethnicity, sexuality, disability and class. This can best be achieved by ensuring that these people are recognised for their expertise on the barriers and challenges they experience and actively engaging them to inform the design of policies and programmes. This will maximise efficiencies and increase effectiveness and impact. It will also strengthen accountability in line with the commitments outlined in the SDGs.

Transparency and accountability

The UK government has been a leader in global transparency. The UK's 2018 Transparency Agenda⁷⁷ set out clearly why transparency and accountability is important for UK taxpayers, and for the governments and citizens of the countries where the UK government provides ODA. The three core elements of the Transparency Agenda

⁷⁵ HM Government (2021). *Global Britain in a Competitive Age: the Integrated Review of Security, Defence, Development and Foreign Policy*. pp.46.

⁷⁶ HM Government (2021). *Global Britain in a Competitive Age: the Integrated Review of Security, Defence, Development and Foreign Policy*. pp.47.

⁷⁷ HM Government. (2018). *Open aid, open societies: a vision for a transparent world*.

should be adopted by the IDS and applied across all aid-spending departments. This will ensure transparency at home and promote transparency in the countries where the UK government has a presence, and it will support these countries to build better, more open societies in the aftermath of Covid-19.

In particular, the IDS should adopt the previous aid strategy commitment for all UK ODA-spending departments to aspire to achieve a 'good' or 'very good' UK Aid Transparency Index rating.⁷⁸ It should continue to promote the use of the International Aid Transparency Initiative's (IATI) open data with country government partners and civil society, and support partners and suppliers to reach high transparency standards by publishing open data using the IATI data standard.

The UK Government should work directly, and via global initiatives with partner governments, to become more open, transparent and accountable to the citizens of partner countries and continue to champion new transparency standards in all its global interactions, including on open beneficial ownership and commodities trading disclosure, to fight corruption. The UK should commit to continued membership of global transparency standards, such as the Extractive Industries Transparency Initiative, Open Contracting, Infrastructure Transparency Initiative, Open Government Partnerships, and the International Aid Transparency Initiative, in order to strengthen them.

Fundamental to the transparency and accountability of ODA is independent scrutiny to evaluate aid spend and impact. The new IDS must include as a core principle the scrutiny of aid spending through the International Development Committee and the Independent Commission for Aid Impact.

Section 5: Conclusion and recommendations

The UK now has an opportunity to outline a new forward-looking approach to international development, outlining a new vision, objectives and a clear plan as to how they will be achieved. The challenges - achieving the SDGs, tackling conflict and climate change, supporting sustainable economies, open societies, civic space and human rights and delivering effective humanitarian responses – are big. To realise its potential and meet these challenges, the forthcoming international development strategy must draw on the best of what has come before, whilst demonstrating where and how the UK government will pursue a new course for development in the 2020s. The IDS will need to articulate how the UK will work to shape fairer global rules, shift power and finance coherent, poverty-focused, rights-based development in ways that are transparent, accountable, evidenced and measurable. With this in mind, we set out the following recommendations:

Setting a new course

⁷⁸ Publish What you Fund. (2020). *Aid Transparency Index*.

Recommendation 1: The IDS must set out how the UK will support the implementation of the SDGs, including how it will support other governments to develop and implement SDG plans and budgets, and support other stakeholders in these countries to hold government to account.

Recommendation 2: The IDS should prioritise the realisation of the 'leave no one behind' commitments by ensuring that all policies are (a) properly assessed to ensure they will have a positive impact on the people who have been made the most vulnerable and marginalised and will do no harm, and (b) monitored through effective data collection to determine impact and strengthen accountability.

Recommendation 3: The IDS should acknowledge the colonial roots of modern poverty, global inequality, international development, climate change and biodiversity loss, and set out a vision that redresses enduring power imbalances and systemic inequalities and reimagines international development.

Recommendation 4: The IDS should demonstrate an unqualified commitment to humanitarian principles and the Good Humanitarian Donorship initiative and should set out a comprehensive approach to the humanitarian-development-peace nexus, which balances the gains from a more integrated approach with the risks to humanitarian principles.

Recommendation 5: The IDS should include a specific focus on addressing the structural barriers women face in terms of livelihoods, employment and economic wellbeing, and include a comprehensive approach to labour standards and human rights in trade and investment regimes and supply chains, one which supports the creation of decent work that pays a living wage.

Recommendation 6: To enable effective responses to rapidly changing contexts, the UK should invest in standing peace capabilities, including expertise in mediation and mediation support, flexible funding (including for local organisations) and participatory conflict analysis.

Recommendation 7: The IDS must recognise that civil society organisations and human rights defenders are significant development actors and set out how the UK will work in partnership with these actors to promote civic space, create open societies and protect human rights in a clear and systematic manner.

Effective development practice

Recommendation 8: Decision-making on investment and ownership of resources should happen as close as possible to the communities being affected, and there should be an end to all policies and programmes that remove local ownership and accountability over the economy.

Recommendation 9: The IDS should recognise and address the power imbalances that shape its development policies and practices by decentralising decision-making to embassies and local actors and using dynamic accountability frameworks that support downwards accountability to communities.

Recommendation 10: All policies and programmes, decisions and strategies should be evidence-based and draw on the lived experience of the people directly involved.

Diplomacy for development

Recommendation 11: The UK should use its role in the UN Security Council, the peace building commission and other bodies to lead a coalition of states working to strengthen multilateral responses to conflict and humanitarian crises.

Recommendation 12: The UK should use its diplomatic influence to support the reinvention of the World Trade Organisation as a multilateral forum focused on aligning trade rules to other international standards.

Recommendation 13: The UK should use existing bilateral and multilateral diplomatic channels to support negotiations for continued humanitarian access that is compatible with humanitarian principles and international humanitarian law, and to put pressure on states that restrict civil society and encourage governments to protect rights.

Recommendation 14: The UK should work with partners at the UN and other multilateral institutions to enable the full and meaningful participation of civil society in these forums, and to ensure that international norms and standards promote civic space and support civil society.

Recommendation 15: The UK should support and strengthen the international rules-based system for aid by promoting and strengthening the OECD DAC rules for ODA as well as through broader multilateral agreements on aid and development.

Financing for development

Recommendation 16: The strategy should reconfirm the UK's commitment to the 2002 International Development Act, as amended in 2014 and 2015, including a return to spending 0.7% of GNI as ODA annually.

Recommendation 17: The IDS should recommit the UK to spending 50% of all ODA in fragile and conflict-affected states, and embed conflict and gender-sensitivity principles across the whole UK aid portfolio in conflict-affected and potential conflict contexts.

Recommendation 18: The IDS should set out robust, needs-based criteria for development assistance that includes contextual indicators, such as disease burden, political will, poverty and inequality levels, access to public services like health services, and impact on the people who have been the most marginalised.

Recommendation 19: The UK should continue, wherever possible, to allocate ODA through predictable, multi-year grants as the most effective means of reducing poverty and supporting sustainable development.

Recommendation 20: The UK should support the shifting of power and resources to civil society at the national and local level by providing greater access to long-term, flexible and direct funding for local civil society organisations and human rights defenders.

Recommendation 21: Work with international partners to strengthen the G20 Common Framework to force private sector participation and expand it to include all countries that need debt relief.

Recommendation 22: Climate finance that is new and additional to ODA must be provided to meet the scale of the challenge without overwhelming the aid budget. Climate finance must be provided for loss and damage, as well as adaptation and mitigation, and should be provided as grants not loans.

Recommendation 23: Resources freed up by debt cancellation should be unconditional, and additional to existing financial commitments such as ODA and climate finance.

Policy coherence

Recommendation 24: The IDS should clearly outline how there will be consistency and coherence across all policies that guide the UK's relationships with other countries to ensure the UK does not continue to invest in that which is doing harm on the one hand, and actions to address that harm on the other.

Recommendation 25: All UK ODA, trade strategies, agreements and policies should be fully consistent with the SDGs, the Paris Agreement and the promise to leave no one behind, and focus on helping reverse the current model of resource extraction from low-income countries, and there should be effective mechanisms to ensure civil society, women's organisations and trade unions are meaningfully included and involved.

Recommendation 26: External bodies funded by the UK government to deliver economic development objectives, such as CDC, should be fully accountable to UK government strategies and policies, without exemptions.

Recommendation 27: The IDS should include plans for an independent analysis and official recognition of the impact of its dependent territories on financial transparency and international development, and full implementation of public registers of beneficial ownership as required in the 2018 Sanctions and Anti-Money Laundering Act.

Key principles that create the conditions for success

Recommendation 28: The UK must ensure its sanctions, counter-terrorism and counter-terrorism financing laws and policies safeguard civic space, allow unimpeded humanitarian work, in line with international human rights and humanitarian laws, and support peacebuilding and mediation efforts that address the causes of violence and prevent future conflict.

Recommendation 29: The IDS should adopt a rights-based approach focused on upholding the rights of people who have been the most marginalised, combating discrimination and promoting dignity, fairness and equity.

Recommendation 30: All UK ODA spending departments should achieve a 'good' or 'very good' UK Aid Transparency Index rating, and all ODA spending should be open to scrutiny by the International Development Committee and the Independent Commission for Aid Impact.

Recommendation 31: Commit to continued membership of global transparency standards, such as the Extractive Industries Transparency Initiative, Open Contracting, CoST, Open Government Partnerships, and the International Aid Transparency Initiative.