

International Development Committee Sub-Inquiry: Philosophy of Aid

September 2021

Written evidence submitted by the Catholic Agency for Overseas Development (CAFOD)

About CAFOD

1. CAFOD is the official aid agency for the Catholic Church in England and Wales; part of the global Caritas confederation of national organisations, each governed by their national Bishop's conference and linked to national Catholic commissions on health, education, and peace/justice issues. CAFOD partners with diverse local NGOs, including both faith-based groups and others working on human rights and other issues regardless of religion or culture.

UK aid policy in the context of COVID-19 and the climate crisis

2. The UK's International Development Act (IDA)¹ requires all UK aid to be focused on poverty reduction and sustainable development. Furthermore, the government has committed to align all UK aid to the Paris Agreement,² and is developing proposals to make all Official Development Assistance (ODA) nature positive.
3. The UK Government's guiding light for all ODA spending should therefore be how it contributes to addressing the triple crisis of poverty, climate change and nature loss. However, the UK Government's current approach to ODA negates on these commitments and instead prioritises the UK's geopolitical interests.
4. While UK aid is a useful mechanism for addressing poverty, it must be accompanied by UK policies that address systems which reinforce existing inequalities and injustices. Therefore, the suggested recommendations from CAFOD focus on often overlooked areas where ODA should be used to maximise the effectiveness of aid to alleviate poverty and empower local communities. Our recommendations also recognise the need for the UK Government to go beyond aid by examining the inconsistencies in existing policy that disadvantage people and communities in the global south.

Summary of Recommendations

Harnessing the potential role of agriculture for people and nature

5. **Recommendation 1:** The UK Government must create a new strategic vision for agriculture and land use at the heart of UK aid to harness its potential for tackling climate change, protecting and restoring nature, and supporting livelihoods and rights.

¹ International Development Act, 2002.

https://www.legislation.gov.uk/ukpga/2002/1/pdfs/ukpga_20020001_en.pdf

²HM Government, 2021. Global Britain in a competitive age: The Integrated Review of Security, Defence, Development and Foreign Policy

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/969402/The_Integrated_Review_of_Security_Defence_Development_and_Foreign_Policy.pdf

This should transform the current portfolio and put an end to funding programmes that are harmful to people and the environment.

Working with faith organisations to strengthen democracy and open societies

6. **Recommendation 2:** The International Development Committee should launch an inquiry into the UK government's approach to engaging with faith-based actors, particularly in development and humanitarian contexts, given their rootedness in local communities, expertise and knowledge of local environments.
7. **Recommendation 3:** The UK Government must recognise the role of the Church as a humanitarian and development actor by establishing a cross-departmental strategic approach to engaging with the church and other faith groups. This should include the creation of a faith advisory council in the UK and at country level, where faith groups which have significant contextualised experience can input on issues such as peacebuilding and governance.

Strengthening the UK's approach to addressing human rights and environmental violations in corporate supply chains

8. **Recommendation 4:** The International Development Committee should launch an inquiry into the UK government's approach to tackling human rights and environment violations in UK businesses' supply chains.
9. **Recommendation 5:** The Government should go beyond the Environment Bill and introduce a new law to make companies prevent negative impacts on human rights and the environment and hold them accountable if they fail to do so.

Using Special Drawing Rights to tackle Covid-19 and climate change

10. **Recommendation 6:** The UK Government must utilise the boost to its reserves from Special Drawing Rights to make significant grant contributions to tackle Covid and climate change via global initiatives such as COVAX and the UN's Green Climate Fund.

Question 1: What do you think international aid should be for?

11. UK Aid spending should be used to tackle the triple crisis of poverty, climate change and nature loss. In the Integrated Review, the Government highlights that tackling biodiversity loss and climate change is its "number one international priority",³ and has become a key advocate for the need to shift away from climate-harmful agricultural subsidies through the Leader's Pledge for Nature⁴ and COP26's Nature Campaign⁵.

³Ibid.

⁴ UN Summit on Biodiversity, 2020. The Leader's Pledge for Nature.

https://www.leaderspledgefornature.org/Leaders_Pledge_for_Nature_27.09.20.pdf

⁵ Lord Goldsmith, 2020. Statement by Lord Goldsmith at the High-Level Panel at Chatham House's Global Forum on Forest Governance. <https://www.gov.uk/government/speeches/environmental-sustainability-and-resilience-for-a-clean-and-green-recovery>

12. However, during a global pandemic the UK Government has dismantled the Department for International Development and slashed its overseas aid budget indefinitely resulting in funding cuts to programmes delivering on the Government's stated priorities.
13. Championing open societies is also a core government objective in the Integrated Review. This has been reiterated by the Foreign Secretary in a written statement to Parliament on UK ODA allocations for 2021 -2022, which highlighted the FCDO's work on open societies and conflict resolution as a key priority.⁶ Yet, the Government's approach to engaging with key stakeholders in peacebuilding and conflict resolution often overlooks local actors, such as faith leaders, in the design of interventions.
14. To meet its priorities, the UK Government must reconsider its current approach to development and foreign policy. CAFOD believes that harnessing the transformative role of sustainable agriculture and the capability of faith organisations to strengthen democracy, could enable the Government to achieve its priorities in the Integrated Review.

Harnessing the potential role of agriculture for people and nature

15. The IPCC Land Report⁷ emphasises the contribution of sustainable agriculture and land use to climate change mitigation and recognises practices such as reducing crop and livestock emissions, consuming sustainable diets, and reducing food loss and waste as major opportunities for reducing GHG emissions while improving health outcomes. However, agriculture and land use sectors account for nearly 24% of total global emissions, and if these sectors continue their current trajectory, the world will exhaust the emissions budget compatible with the 1.5°C target by 2050⁸. The UK Government must therefore help reverse this trend by spending more and better aid towards sustainable agriculture through public support in aid recipient countries.
16. Research commissioned by CAFOD and RSPB⁹ analysed UK aid spend for agriculture and showed that in 2019, total official reported UK ODA to agriculture was just £642.2m (4.2% of total ODA), of which £362m (56%) was bilateral aid. This shows a low priority given to agriculture and land use within UK aid. Similarly, the UK's climate finance results show a low priority for agriculture spend, representing only one-sixth of UK climate finance, despite agriculture potentially being responsible for most of the estimated reduction in greenhouse gas emissions through the UK aid programme.¹⁰

⁶ Foreign Secretary Dominic Rabb, 2021. UK Official Development Assistance (ODA) allocations 2021 to 2022: written ministerial statement. <https://www.gov.uk/government/speeches/uk-official-development-assistance-oda-allocations-2021-to-2022-written-ministerial-statement>

⁷ IPCC, 2019. Special Report on Climate Change, Desertification, Land Degradation, Sustainable Land Management, Food Security, and Greenhouse gas fluxes in Terrestrial Ecosystems. <https://www.ipcc.ch/site/assets/uploads/2019/08/Fullreport-1.pdf>

⁸ PIK, 2015. Potsdam Institute for Climate Impact Research – Four of Nine Planetary Boundaries Now Crossed. <https://www.pik-potsdam.de/en/news/latest-news/four-of-nine-planetary-boundaries-now-crossed>

⁹ CAFOD and RSPB, 2021. Harnessing the potential of agriculture for people and nature: the role of UK aid. https://cafod.org.uk/content/download/56335/773972/version/1/file/CAFOD-RSPB_POLICY-BRIEF_AGRICULTURE-FOR-PEOPLE-AND-NATURE_MAY2021.pdf

¹⁰ UK ODA spend on agriculture, 2010-2019.

17. Where UK aid has been spent on agriculture it has often been targeted towards economic growth and jobs to the detriment of aid to agriculture and rural development. This has in part been due to funds flowing through CDC, which has skewed investments towards commercial agriculture for export.
18. This shows the UK Government is lacking a clear and consistent strategy and failing to design and manage coherent sector programming for climate outcomes, which limits the potential for multiple wins in the areas of poverty, climate and biodiversity, or to place the needs and rights of communities at its heart. The UK's increase of international climate finance to £11.6 billion over the next five years, with £3 billion earmarked for nature funds provide an opportunity to support sustainable agriculture, and to shift away from harmful agricultural practices.
19. CAFOD urges the Government to develop a strategic vision for agriculture and land use that prioritises nature, tackling climate change and poverty, and immediately cease funding that will undermine these objectives.
20. **Recommendation 1:** The UK Government must create a new strategic vision for agriculture and land use at the heart of UK aid to harness its potential for tackling climate change, protecting and restoring nature, and supporting livelihoods and rights. This should transform the current portfolio and put an end to funding programmes that are harmful to people and the environment.

Working with faith organisations to strengthen democracy and open societies

21. There has been a deterioration of civil society space, participation, and rights long before COVID-19, and the pandemic has just worsened an already alarming situation.¹¹ The UK Government's efforts are therefore needed to promote human rights and build inclusive, participatory, and accountable institutions associated with democratic systems.
22. While extensive CAFOD research shows that the Catholic Church is an effective mediator and peace-broker,¹² it is often overlooked as a strategic partner by governments.
23. Most people in the global south engage in some form of religious and faith-based practice on a regular basis, placing faith and religion in the centre of a country's

¹¹ CIVICUS, 2021. 2021 State of Civil Society Report.

<https://civicus.org/documents/SOCS2021OverviewEmbargoed.pdf>

¹² CAFOD, 2021. The distinctive role of the Catholic Church in development and humanitarian response.

<https://cafod.org.uk/content/download/55112/763191/version/2/file/The%20distinctive%20role%20of%20the%20Catholic%20Church%20in%20development%20and%20humanitarian%20response%20-%20full%20report.pdf>

development.¹³ CAFOD research¹⁴ shows that the Catholic Church is an effective humanitarian and development partner. The Church can act as a mediator and peace-broker, as well as having the ability to change social norms that help communities to tackle pandemics such as Ebola or Covid-19, and to overcome social stigma and taboos, such as child marriage and trafficking organs for witchcraft.

24. For example, the South Sudan Council of Churches (SSCC) "Action Plan for Peace" is a "home-grown and Church-led strategy of the SSCC, comprehensively addressing the root causes and long-term effects of conflict through Advocacy, Neutral Forums, Healing and Reconciliation."¹⁵ The programme has been recognised by the UK Government as playing "an important role in supporting peacebuilding in South Sudan"¹⁶. UK Aid funding contributed to the Action Plan for Peace, to mitigate conflict in communities via Inter Church Committees and faith-based institutions which are well respected by conflicting parties. The project reached thousands of people, with Inter Church Committee Members reaching around 366 people, of which 90 were women and 276 men, and community members reaching 4000 people, of which 1,025 were women and 2,975 men, with peace and trauma messaging.
25. More recently, in the run up to the 2021 Zambia elections, the Catholic Church conducted research to understand the key drivers of voter apathy in youth and women in Zambia. Findings showed that the previous election in Zambia, which was largely disputed, had raised distrust and tension among many citizens. Based on these findings, Catholic parishes and structures across the country coordinated training workshops and voter education dialogues, mobilising distinct groups of youth and women that previously did not participate in elections. The young people were trained on the electoral process, their role in democratic processes, while being supported to get identification cards to enable them to register as voters. Social media was utilised to mobilise the youth for voter registration and create a safe space for discussion. Social media also by-passed the traditional print media, which is largely controlled by the state. An impressive 54% voter turnout for voters under the age of 35 was registered for the first time in the Zambian Elections.
26. The Church, and other faith actors must therefore be seen as both strategic and implementation partners. Local church and faith leaders are authoritative figures in communities, aware of the local context, religious beliefs and behaviours that could support or hinder any intervention.

¹³ World Bank, 2000. Voices of the poor.

<https://documents1.worldbank.org/curated/en/131441468779067441/pdf/multi0page.pdf>

¹⁴ CAFOD, 2021. The distinctive role of the Catholic Church in development and humanitarian response. <https://cafod.org.uk/content/download/55112/763191/version/2/file/The%20distinctive%20role%20of%20the%20Catholic%20Church%20in%20development%20and%20humanitarian%20response%20-%20full%20report.pdf>

¹⁵ "South Sudan Council of Churches (Sccc) Action Plan For Peace (App) Vision 2023." SSCC Document.

¹⁶ Foreign, Commonwealth and Development Office, 2021. South Sudan Peace Negotiations Written Parliamentary Question. <https://questions-statements.parliament.uk/written-questions/detail/2021-05-12/702>

27. **Recommendation 2:** The International Development Committee should launch an inquiry into the UK government's approach to engaging with faith-based actors, particularly in development and humanitarian contexts, given their rootedness in local communities, expertise and knowledge of local environments.
28. **Recommendation 3:** The UK Government must recognise the role of the Church as a humanitarian and development actor by establishing a cross-departmental strategic approach to engaging with the church and other faith groups. This should include the creation of a faith advisory council in the UK and at country level, where faith groups which have significant contextualised experience can input on issues such as peacebuilding and governance.

Question 2: Is international aid effective at reducing poverty?

29. Poverty is underpinned and perpetuated by poor and undemocratic governance, weak and corrupt institutions, and entrenched by power dynamics that lead to political and economic exclusion in countries.
30. CAFOD believes that international aid can be effective, but only when it is part of a coherent policy and political approach that tackles global injustice. While CAFOD believes that the UK Government should immediately return to spending 0.7% of GNI on ODA, the Government must also go further and ensure that it has coherent policy in place that contributes to tackling the systems that entrench poverty and injustice.
31. We focus our answers on two policy areas - the UK's approach to governing UK companies' supply chains and Special Drawing Rights (SDRs) - where the Government can improve its policy coherence to ensure that the world's poorest people are at the forefront of its Global Britain outlook.

Strengthening the UK's approach to addressing human rights and environmental violations in corporate supply chains

32. CAFOD's recent report into human rights defenders in Latin America found that states as well as businesses act with disregard for human rights and the environment, with disruptive corporate activity being underpinned by economic models that favour the expansion of large agribusinesses, mining and big infrastructure projects.¹⁷ At present, gaps exist in the UK's legislative proposals that do not adequately address the human rights and environmental abuse in UK companies' global supply chains. Therefore, the Government must use the legislative mechanisms at its disposal to tackle the injustice facing those in the global south.
33. As Pope Francis said, responding to the ongoing crises of poverty, climate change and nature loss demands an "integrated approach to combating poverty, restoring dignity to the excluded, and at the same time protecting nature".¹⁸ Environmental human rights defenders (HRDs) are at the forefront of responding to this call by speaking up on behalf of vulnerable communities, working towards sustainable

¹⁷ CAFOD, 2021. Protecting Our Common Home: Land and environmental human rights defenders in Latin America. [Protecting our common home HDR in Latin America v5.pdf \(cafod.org.uk\)](#)

¹⁸ Pope Francis, 2015. Laudato Si': on Care for our common home, paragraph 139.

development, holding companies accountable for environmental and human rights violations and protecting the ecosystems that make up our common home. Yet, these HRDs are being threatened and killed, often unsupported by national and international economic and political structures.

34. For example, illegal gold mining is creating deadly conflict, deforestation and poisoning water sources in the community of Palimiu, in Yanomami Indigenous Territory, in the Brazilian Amazon. As much as 28% of gold exported from Brazil is illegal,¹⁹ and the UK, as the international centre of the mining industry, is a major importer of gold from Brazil.²⁰ Indigenous communities are facing renewed threats to their lives, livelihoods and lands from legal reforms proposed by the Brazilian Government, including an upcoming Supreme Court ruling²¹ and a series of Bills that would open vast tracts of indigenous lands for mining, logging and agribusiness.
35. As the Environment Bill passes through Parliament, many civil society groups have expressed their concerns that under current legislation, UK business and financial institutions could still use and invest in products – including gold, beef and timber - derived from that deforested land.²²
36. CAFOD has called on the Government to strengthen the Environment Bill to ensure the legislation applies to all deforestation for forest-risk commodities – not just deforestation defined as illegal under producer country laws, and companies must obtain the free, prior and informed consent (FPIC) of Indigenous Peoples and other forest communities, to ensure that businesses are not complicit in any deforestation - in line with the combined human rights and environmental due diligence approach recommended by the Global Resource Initiative taskforce²³.
37. However, the Government must go further and introduce new legislation that tackles all human rights and environmental violations in the supply chains and operations of UK companies, across all sectors and issues - not just certain deforestation-linked commodities. This is an important step to counter the imbalance of power that disadvantages local communities, allowing them the space to reclaim their livelihoods and promote sustainable ways of living which puts the environment and communities' rights ahead of profit. Given the gaps in the Environment Bill, CAFOD also urges the Committee to launch an inquiry into the UK's approach to tackling human rights and environment violations in corporate supply chains.
38. **Recommendation 4:** The International Development Committee should launch an inquiry into the UK government's approach to tackling human rights and environment violations in UK businesses' supply chains.

¹⁹ Bruno Manzolli et al., 2021. The Prevalence of Illegal Gold Production in Brazil. http://www.lagesa.org/wp-content/uploads/documents/Manzolli_Rajao_21_Illegal_gold.pdf

²⁰ Lisandra Paraguassu, 2021. Nearly 30% of Brazil's gold exports are illegal, report says.

<https://www.reuters.com/world/americas/nearly-30-brazils-gold-exports-are-illegal-report-says-2021-08-30/>

²¹ CAFOD, 2021. Amazon Day in Brazil: Fighting for the future of indigenous peoples.

<https://cafod.org.uk/News/Campaigning-news/Brazil-Amazon-court-ruling>

²² Civil society coalition letter, 2021. An Open Letter to the Prime Minister on Amazon Day.

<http://www.ngoforestcoalition.org/media.ashx/amazondayopenlettersep21.pdf>

²³ Global Resource Initiative Taskforce, 2020. Final recommendations report.

<https://www.gov.uk/government/publications/global-resource-initiative-taskforce>.

39. **Recommendation 5:** The Government should go beyond the Environment Bill and introduce a new law to make companies prevent negative impacts on human rights and the environment and hold them accountable if they fail to do so.

Using Special Drawing Rights to tackle Covid-19 and climate change

40. Overcoming the pandemic and its economic consequences is the priority for countries in the global south so that they can pursue initiatives that would meet the needs of the poorest and most marginalised communities, and therefore reduce poverty. The ongoing debt crisis could hinder global south recovery, but the issuance of Special Drawing Rights (SDRs) presents a historic opportunity to help lower income countries respond to COVID-19.
41. Domestic resource mobilisation has been difficult as successive lockdowns and disruption to trade activity has reduced national government revenue. Countries have often had to prioritise making debt payments to private creditors rather than increasing vaccine coverage and strengthening health systems. This is evident in Ghana, where 39.1% of its government revenue is spent on debt servicing, an 10.8% is spent on healthcare.²⁴
42. The IMF reported that bringing the pandemic to a faster end could “inject the equivalent of \$9 trillion into the global economy by 2025 due to a faster resumption of economic activity”.²⁵ However, until populations in the global south are vaccinated it will be impossible for economies to start recovering. The debt crisis also reduces the fiscal space for developing countries to invest in adaptation and mitigation initiatives during a climate crisis, which further impacts vulnerable communities.
43. In early 2021, the UK pushed for the creation of Special Drawing Rights (SDRs), which would enable IMF member countries to access new funds during a time of crisis. The Chancellor has committed to exploring how the Government could use their SDRs to support low-income countries. To fulfil its commitment, CAFOD has explored the options available to the Government to use the \$27 billion SDR boost to its national reserves to enable grant donations to COVAX and the UN’s Green Climate Fund.²⁶ For developing countries to address the social and economic impacts of COVID-19 and the climate crisis, contributions must be primarily in the form of grants, not loans, to avoid further exacerbating the debt crisis many countries are experiencing.
44. **Recommendation 6:** The UK Government must utilise the boost to its reserves from Special Drawing Rights to make large grant contributions to tackle Covid and climate via global initiatives such as COVAX and the UN’s Green Climate Fund.

²⁴ Jubilee Debt Campaign, 2020. G20 must cancel debt to stop coronavirus “third wave” devastating developing countries. https://jubileedebt.org.uk/wp-content/uploads/2020/04/Media-briefing_14.04.20.pdf

²⁵ IMF, 2021. A Proposal to End the COVID-19 Pandemic. <https://blogs.imf.org/2021/05/21/a-proposal-to-end-the-covid-19-pandemic/>

²⁶ CAFOD, 2021. Using the United Kingdom’s SDRs to tackle Covid-19 and climate change. <https://cafod.org.uk/About-us/Policy-and-research/Finance-and-debt/Using-the-UK-s-SDRs>