

International Development Committee Inquiry: The Future of UK Aid

May 2021

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

1. *CAFOD is a member of BOND and fully supports the views expressed in their submission as part of this inquiry*

About CAFOD

2. 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.

Context: overseas aid reduction in the year of Global Britain

3. During the 2021 Queen's Speech, Her Majesty announced that her Government would "continue to provide aid where it has the greatest impact on reducing poverty and alleviating human suffering...uphold human rights and democracy across the world... [and] take forward a global effort to get 40 million girls across the world into school."¹
4. Yet, the actions of the Government have been far from its stated intentions. In the midst of a global pandemic, the UK Government has dismantled the Department for International Development and slashed its overseas aid budget as it found it "difficult to justify" spending 0.7% of gross national income on aid "during a domestic fiscal emergency"² while increasing spending on defence.
5. As such, CAFOD is seriously concerned by the current strategic focus of UK aid spending. Aid spending must be focussed on alleviating poverty, therefore we believe that focussing official development assistance (ODA) on the UK's economic, security and development interests is an ineffective way of helping the poor in developing countries.
6. The case studies we present in this submission highlight how the aid cuts have affected CAFOD's partners and the people we support, which demonstrates how the Government's actions negates its ambitions to champion the climate, girls' education, open societies and humanitarian preparedness.
7. As the UK hosts the G7 and COP26, it needs to show the world that it is a force for good. The UK Government must immediately reverse its announcement to reduce

¹ Queen's Speech, 2021. <https://www.gov.uk/government/speeches/queens-speech-2021>

² Spending Review, 2020. A speech by Chancellor Rishi Sunak.

<https://www.gov.uk/government/speeches/spending-review-2020-speech>

spending on ODA to show solidarity with the world's poorest during a time of global crisis and provide strategic leadership to defeat the triple threat of poverty, climate change and biodiversity loss. However, we also call on the UK Government to refocus its priorities and ensure that the world's poorest people are at the forefront of its Global Britain outlook.

8. The recommendations below have focused on immediately reversing aid cuts as well as on UK government action within three of the strategic priorities that the Government has identified in its new International Development Strategy, namely: Open Societies and Conflict Resolution; Trade and Economic Development; and Humanitarian Preparedness and Response.

Summary of Recommendations

9. The Government must reconsider its current strategic framework for ODA in order to be a true global force for good. We make the following recommendations for the UK Government:

Open societies and conflict resolution: Recognise and support the important role of faith-based actors in peace-building

10. **Recommendation 1:** Develop a cross-departmental strategic approach to working with faith actors. This should inform the long-term support that the Government needs to give faith actors and should provide the catalyst for more meaningful engagement with faith groups at a local and national level, in particular through peace-building.

Trade and economic development: Place the poorest communities at the heart of ODA spending

11. **Recommendation 2:** Longer-term development assistance should be allocated according to the development needs of the countries it is supporting and should maintain its focus on the poorest and fragile countries and communities. It should not be allocated according to the UK's economic, security and development interests.
12. **Recommendation 3:** All investments that promote economic development or prosperity – including through CDC - should be required to show how they make concrete contributions to poverty, climate and protection of nature commitments.
13. **Recommendation 4:** Any investments that cannot show their links to poverty alleviation should be stopped.

Humanitarian preparedness and response: Prioritise life-saving humanitarian assistance and increase support to local leadership in crisis response

14. **Recommendation 5:** Life-saving humanitarian assistance and protection should be prioritised, and cuts to life-saving programmes in contexts like Syria and Yemen should be reversed.

15. **Recommendation 6:** A consultation should be launched with operational humanitarian agencies to update the 2017 DFID Humanitarian Reform Policy and develop new FCDO funding and partnership modalities that increase support for local leadership in resilience, emergency preparedness, anticipatory action and humanitarian response.

Open societies and conflict resolution: Recognise and support the important role of faith-based actors in peace-building

16. Most people in the global South engage in some form of religious and faith-based practice on a regular basis. This places faith and religion in the centre of a country's development, with religious institutions being trusted by the majority.³
17. Understanding the role of faith and faith-based organisations is therefore central to building effective and mutually beneficial partnerships within the development and humanitarian space. CAFOD recently published a paper on 'The distinctive role of the Catholic Church in development and humanitarian response'⁴ which details seven distinct contributions that the Catholic Church provides in its humanitarian and development work. These include its role as a mediator and peace-broker, as well as how Church leaders and local congregations can 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.
18. The Church is driven by its commitment to the common good and to the development of every person, regardless of race or religion, which is central to Catholic Social Teaching⁵ and the social development institutions of the Church. However, the Catholic Church and other faith-based organisations have often been overlooked as a humanitarian and development partner, which under-utilises the Church's networks in local communities and ignores the central role that faith plays in people's lives.
19. As such, the FCDO must build meaningful relationships with faith actors to maximise the opportunity for effective partnerships in humanitarian and development work at the national and international level.

Case study – The role of the Church in peacebuilding in South Sudan

20. 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

³ World Bank, 2000. Voices of the poor.

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

⁴ 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>

⁵ Caritas, 2021. <https://www.caritas.org/who-we-are/>

long-term effects of conflict through Advocacy, Neutral Forums, Healing and Reconciliation.”⁶ 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 funded by FCDO 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.

21. While we welcome the Government’s recognition that the SSCC Action Plan for Peace plays “an important role in supporting peacebuilding in South Sudan”⁷, it is reality that funding for the SSCC from FCDO (via Christian Aid and CAFOD and Trócaire in Partnership) has not been renewed for the 2021/22 financial year.
22. The lack of renewal leaves huge gaps in terms of supporting and sustaining peace building initiatives through the church. The project was building trust amongst communities; it’s absence could trigger violence when there are returns from refugee camps or by those internally displaced elsewhere. Fr James Oyet Latansio, General Secretary of the South Sudan Council of Churches explains:
23. “I and many others were shocked to read that the UK Government plan to drop its foreign aid to my country [South Sudan] from £110 million to just £45 million. Statistics never tell the whole story, you must put your feet in “the other’s shoes” and imagine that it is your daughter, sister, auntie, grandmother dying in front of you because of hunger or a preventable disease.
24. “Tackling poverty through the UK aid budget has been the difference between life and death for the many families I see in the capital Juba and across the country. An effective UK Aid Budget must represent our better selves, accountable and transparent so that the poorest and most vulnerable are able to transform their lives to live and work with dignity and reach their full potential. With these prayerful thoughts I hope that the UK aid budget will continue to be the catalyst for ambitious action on global poverty. There is still work to be done before poverty is truly history and justice and equality prevail.”

Recommendation

25. **Recommendation 1:** Develop a cross-departmental strategic approach to working with faith actors. This should inform the long-term support that the Government needs to give faith actors and should provide the catalyst for more meaningful engagement with faith groups at a local and national level, in particular through peace-building.

⁶ “SOUTH SUDAN COUNCIL OF CHURCHES (SSCC) ACTION PLAN FOR PEACE (APP) VISION 2023.” SSCC Document

⁷ 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>

Trade and Economic Development: Place the poorest communities at the heart of ODA spending

26. CAFOD strongly disagrees with the Government's proposals to focus ODA spending on countries where UK economic, security and development interests align.
27. The UK's International Development Act (IDA)⁸ 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,⁹ and is developing proposals to make all ODA nature positive. The Integrated Review has rightly made climate and biodiversity one of its core pillars. The guiding light for all ODA spend should therefore be how it contributes to address this triple crisis of poverty, climate change and nature loss in the poorest and most climate-vulnerable communities and countries, not how it aligns with UK geopolitical interests.
28. The Government must realise that the size and allocation of its aid budget is a signal to the Global South about how seriously they are addressing global challenges such as tackling COVID-19 and climate change for communities and countries that are the worst affected. For the UK, this signal is vital in a year in which it hosts COP26, where global ambition on climate change is contingent on wealthy countries committing to fill the climate finance gap, to fund poor communities to adapt to the impacts of climate change.
29. Therefore, any efforts to align aid with the UK's own economic, security and development interests sends the wrong message of self-interest to the rest of the world.
30. To exacerbate the issues, funds such as the Prosperity Fund and Commonwealth Development Corporation (CDC) have been highlighted in numerous enquiries by the International Development Committee (IDC)¹⁰, the Independent Commission for Aid

⁸ International Development Act, 2002. https://www.legislation.gov.uk/ukpga/2002/1/pdfs/ukpga_20020001_en.pdf

⁹HM 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

¹⁰ International Development Committee, 2021. <https://committees.parliament.uk/committee/98/international-development-committee/news/141631/foreign-and-development-secretary-writes-to-idc-following-recent-evidence-session/>

Impact (ICAI)^{11,12}, the Public Accounts Committee¹³ and the National Audit Office (NAO)¹⁴ for the lack of poverty focus and difficulty of showing development impact.

31. In CAFOD's December 2017 submission to the IDC's inquiry on the Definition and Administration of ODA¹⁵, we recommended that ODA should be used to reduce poverty and highlighted the ineffectiveness of CDC in demonstrating poverty reduction in their programmes. We reiterate these recommendations, especially within the context of a pandemic which threatens to push over 100 million people into extreme poverty this year.¹⁶

Recommendations

32. **Recommendation 2:** Longer-term development assistance should be allocated according to the development needs of the countries it is supporting and should maintain its focus on the poorest and fragile countries and communities. It should not be allocated according to the UK's economic, security and development interests.
33. **Recommendation 3:** All investments that promote economic development or prosperity – including through CDC - should be required to show how they make concrete contributions to poverty, climate and protection of nature commitments.
34. **Recommendation 4:** Any investments that cannot show their links to poverty alleviation should be stopped.

Humanitarian preparedness and response: Prioritise life-saving humanitarian assistance and increase support to local leadership in crisis response

Case study – Providing a safe centre for women and girls in Syria

¹¹ ICAI, 2019. Review of CDC's investments in low-income and fragile states.

<https://icai.independent.gov.uk/review/cdc/>

¹² ICAI, 2020. Performance review: CDC's investments in low-income and fragile states.

<https://icai.independent.gov.uk/html-version/cdc/>

¹³ House of Commons Committee of Public Accounts, [Department for International Development: investing through CDC](#), April 2017

<https://publications.parliament.uk/pa/cm201617/cmselect/cmpubacc/956/956.pdf>

¹⁴ National Audit Office, 2016. <https://www.nao.org.uk/wp-content/uploads/2016/11/Department-for-International-Development-through-CDC.pdf>

¹⁵ CAFOD, 2017. Submission to International Development Committee: Definition and administration of ODA inquiry.

<http://data.parliament.uk/WrittenEvidence/CommitteeEvidence.svc/EvidenceDocument/International%20Development/Definition%20and%20administration%20of%20ODA/written/75619.html>

¹⁶ World Bank, 2020. COVID-19 to Add as Many as 150 Million Extreme Poor by 2021.

<https://www.worldbank.org/en/news/press-release/2020/10/07/covid-19-to-add-as-many-as-150-million-extreme-poor-by-2021>

35. CAFOD's partner, which is a Syrian woman-led organisation, received multi-year funding via another INGO from the FCDO to provide a safe centre in Syria for around 3,500 women and girls a year, who were internally displaced and from the host communities. FCDO provided a vital source of funding to implement educational courses and psychosocial support for women and girls, which helped them to feel encouraged and supported. In particular, the educational courses played a crucial role in preventing child marriage as it gave adolescent girls the opportunity to catch-up on learning and reintegrate into schools following the instability of being displaced. The project created a network of women and girls, building a new community in a safe space. The presence of staff in the community was extremely important as they were able to conduct consultations and needs-based analysis to assess what women in the local communities wanted to benefit from but also how women and girls are affected by violence.
36. Unfortunately, funding for the centre has been terminated but CAFOD has allocated £22,000 in stop-gap funding to support the programme until the end of the year. However, the aid cuts have reduced the capacity of the centre, with less funding meaning reduced programmes and fewer participants being able to benefit. There will also be a reduction in the number of operating staff which reduces the support for field teams and the strategic presence of the centre as a secure place, where the presence of Hayat Tahrir al-Sham is not felt.
37. During COVID-19, some of the centre's programmes shifted online but this cannot fully replace in-person activities as some problems, such as sexual and gender-based violence, cannot be discussed on the phone. Therefore, the physical presence of the centre is critical to support women and girls in local communities.
38. Staff are now fighting to secure new funding through continuous fundraising efforts to ensure the sustainability of the safe space. They are essential as safe centres are sparse in conflict areas and within a patriarchal culture. In the longer term, women civil society will be impacted due to the unique holistic approach that this programme offered in targeting the root causes of poverty, extremism and gender-based violence.
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39. CAFOD believes that the gap between the Government's policy agenda on humanitarian action and the reality of its actions – notably in terms of the aid cuts, and the lack of clarity over its approach to empowering local leadership in crisis response – is of serious concern. In a year that the Government has made policy statements and instigated diplomatic efforts about scaling-up support to famine prevention, addressing violations of International Humanitarian Law (IHL) and promoting innovative approaches to Anticipatory Action, it has simultaneously cut funding to programmes delivering on these priorities. This undermines not only the Government's credibility, but more importantly urgent and life-saving work on the ground.
40. Across each of these priorities – famine prevention, IHL and anticipatory action – national and local institutions play critical roles in efforts to save lives in times of crisis, yet the UK's approach to humanitarian policy and funding lacks any clarity or ambition in

terms of support to local actors rooted in crisis-affected communities. In fact, decisions made about where the aid cuts fall and the overall trend in terms of UK funding for resilience, emergency preparedness and humanitarian action leave serious concerns about the shrinking level of support to national and local NGOs.

41. Through establishing a UK Special Envoy on Famine Prevention and Humanitarian Affairs supporting diplomatic efforts towards the G7, UN Security Council and through UK support to the Risk Informed Early Action Partnership (REAP)¹⁷ initiative towards COP26, the Government has declared its support for shifting humanitarian action from a largely reactive mode towards scaling up an anticipatory approach to crises. CAFOD welcomes this policy focus on resilience and anticipatory action. We and our local partners have long invested in local community resilience and efforts on anticipatory action; for example through support to indigenous systems for monitoring and predicting weather patterns and assessing implications for rural livelihoods and emergency preparedness. As such, we strongly endorse goals of transforming crisis response to enable early warning and early action.
42. However, CAFOD is concerned that the UK is yet to outline an ambitious or transformative approach to supporting the local institutions and networks rooted in the crisis-affected communities, which are critical to anticipatory action. If the UK wants to enable the resilience and early action of communities affected by crisis, it must articulate a much clearer and ambitious approach to enabling local actors. Local NGOs are best placed to understand the hazards, risks and vulnerabilities shaped by climate change and other drivers of crises, and to support coping mechanisms and anticipatory action at the community level.
43. The FCDO recently highlighted an announcement of a £12 million contribution to the Start Network as demonstrating the UK's support for NGO contributions to anticipatory action towards the COP26 Summit on Climate Change. This pledge is welcome but it represents a reduction on the UK's previous contribution to the Start Network over recent years (the last UK grant to the Start Network was £37.5 million over 3 years, July 2018 to June 2021). Simultaneously the FCDO has also cut its funding to the ELHRA Humanitarian Innovation Fund by 65%, which impacts directly on on-going support to learning and innovation on community-level resilience, preparedness and anticipation efforts of relevance to delivering on the G7 famine prevention and REAP agendas.¹⁸
44. The vast majority of the Government's funding for the global humanitarian response to COVID-19 went through the UN system, yet by June 2020 under 1% of funding reported through the OCHA Financial Tracking System was reaching national and local NGOs.¹⁹ The UN system and agencies play essential roles in humanitarian action and deserve support, but they are frequently weak or poor performing in terms of partnership with

¹⁷ Risk-informed Early Action Partnership, 2021. <https://www.early-action-reap.org/>

¹⁸ ELRHA, 2021. UK Government reduces its funding to ELRHA. <https://www.elrha.org/news/uk-government-reduces-its-funding-to-elrha/>

¹⁹ Center for Global Development, 2020. Humanitarian financing is failing the COVID-19 frontlines. <https://www.cgdev.org/blog/humanitarian-financing-failing-covid-19-frontlines>

national and local civil society. This is especially the case for those national organisations that are most rooted in the local society, such as faith-based organisations, women rights groups, youth networks and disabled people's organisations. These national and local civil society organisations are often amongst the first responders which play roles that international agencies cannot play, and yet – precisely because they are rooted in the local community, not established as humanitarian agencies to access international funding – they are often excluded from partnerships with UN agencies or other international humanitarian agencies. The current FCDO approach to localisation, which emphasises support to UN Humanitarian Country-Based Pooled Funds and modest technical adjustments in the approach of UN agencies to partnering with national NGOs, does not contend with this challenge to supporting local leadership of crisis response.

45. Looking forward, CAFOD believes that the Government needs to articulate a clearer and more ambitious approach to supporting national and local actors on resilience, emergency preparedness, anticipatory action and humanitarian response. Following the Integrated Review of Security, Defence, Development and Foreign Policy, the UK should undertake a consultation with humanitarian agencies, including UK-based INGOs delivering emergency response, to update the 2017 DFID Humanitarian Reform Policy²⁰ to frame the FCDO's strategy, policy and funding approach to humanitarian action. At the heart of this should be a commitment to principled humanitarian action, and to scaling-up support for national and local leadership of crisis response. In terms of UK bilateral funding, particular attention should be given to scaling-up funding modalities that invest in multi-year capacity-strengthening, innovation and leadership amongst local NGOs rooted in crisis-affected communities and best-placed to support resilience and anticipatory action.
46. To scale-up support to national and local leadership of crisis response, the UK has some tried and tested models for providing this support, which could inform the FCDO's approach. For example in Myanmar, the FCDO has channelled funding to country-level funding mechanisms and platforms - specifically the HARP-F and LIFT Fund mechanisms – which have effectively invested in national NGO capacities to manage risk, strengthen emergency preparedness and respond to food security crises in a timely way. UK Embassy staff, alongside other donors involved in these funds, engage directly in the oversight of the Fund at country-level, and this has enabled a direct engagement between donors and national NGO partners. That direct, country-level dialogue has enabled a more nuanced, shared understanding of humanitarian needs, contextual dynamics and effective approaches to managing risk by national NGO partners. CAFOD's national NGO partners contrast how these mechanisms have supported longer-term capacity-strengthening and resilience efforts by national NGOs, in contrast to the focus of the UN Humanitarian Country Based Pooled Funds on short-term emergency response. They also point to how the LIFT Fund was able to move much faster to unlock funding to early action with the onset of the Covid19 pandemic than the UN Humanitarian Country Based Pooled Fund was able to do. The UK should work with other donors to scale-up support to these kinds of country-level platforms, and prioritise

²⁰Department for International Development, 2017. Saving lives, building resilience, reforming the system: the UK Government's Humanitarian Reform Policy.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/659965/UK-Humanitarian-Reform-Policy1.pdf

those like the Start Network's country-level hubs, which model best practices in local NGO leadership and catalyse collaboration on multi-year capacity-strengthening, learning and innovation to promote inclusion, resilience, anticipatory action.

Recommendations

47. **Recommendation 5:** Life-saving humanitarian assistance and protection should be prioritised, and cuts to life-saving programmes in contexts like Syria and Yemen should be reversed.

48. **Recommendation 6:** A consultation should be launched with operational humanitarian agencies to update the 2017 DFID Humanitarian Reform Policy and develop new FCDO funding and partnership modalities that increase support for local leadership in resilience, emergency preparedness, anticipatory action and humanitarian response. An ambitious plan to scale-up support for country-level funding mechanisms and platforms that promote multi-year capacity-strengthening, innovation and leadership amongst local NGOs rooted in crisis-affected communities and best-placed to support resilience and anticipatory action should be at the heart of this.