



## International Development Policies

### Question for Short Debate

6.04 pm

Asked by *The Earl of Sandwich*

**To ask Her Majesty's Government what steps they are taking to make their international development policies more effective.**

**The Earl of Sandwich (CB):** My Lords, I am delighted to introduce this new debate and to welcome friends old and new, especially the noble Lord, Lord Barker of Battle, from whom we will hear soon.

Today, I offer a survey of aid scrutiny, and will expect others to provide the academic analysis. My background is with aid NGOs, namely Christian Aid, Save the Children and CARE, all organisations with long experience in this field that have engendered in me a strong sense of aid effectiveness and public accountability.

As we all know, the UK has a good track record, and our Prime Minister took a lead in launching the sustainable development goals in New York over a year ago. But for us to be sure of meeting these goals, we also need to lead the world in aid effectiveness. I know that impact is the flavour of the month and that every organisation these days is concerned with outcomes, but with the Treasury coming down heavily on other departments, it is even more urgent that we in the UK sign up to an open and fully accountable aid programme. In the past year, this House has debated at length the amount of aid that we can afford, which is now ring-fenced under the Act. We now need to move on to proper methods of scrutiny and of streamlining our aid programme.

Our key watchdog, although not the only one, has the snappy title of ICAI, the Independent Commission for Aid Impact. It was a creation of the coalition Government and it has already been tested over the last Parliament. It reports to a sub-committee of the Commons International Development Committee. With 46 substantial reports behind it already and new commissioners in place, I know that ICAI intends to look at the longer-term impact of ODA. This is critical: how can one measure an aid programme year by year and report to the public on its impact only in annual reviews? There have to be appraisals over a much longer term. Three to five years is the average length of a DfID programme, and even this is hardly sufficient to measure its impact on health, education or other needs of society.

Nepal's multi-stakeholder forestry programme provides an example. This impressive programme is a model of forestry, ticking two SDG boxes. It is already helping half a million poor people through community groups to adapt to climate change over the next 30 years, preventing landslides, flooding and erosion and improving livelihoods. DfID has a five-year investment of £20 million which ends next year, but this programme is not new; it has a long history. I well remember visiting it several years ago with an IPU delegation—the noble Baroness, Lady Northover, will remember it—and the same optimistic things were said about it then. I then heard that the programme was suspended, beset with political hold-ups, management problems and land disputes. The Swiss intervened, and then the Finns came in. Such setbacks occur all the time in developing countries. ICAI now says that the programme is back on track, but you cannot always believe either our own or Nepalese propaganda. We may not learn the truth for another 10 years.

There have been failures. Two years ago, ICAI uncovered a waste of aid money on a substantial scale in Africa. TradeMark Southern Africa failed to meet its targets and was closed down by DfID. Perhaps the Minister could say whether there are similar concerns in relation to its sister programmes, MRGP, which links north-south trade to ports in Mozambique, and the TMEA programme in east Africa.

The largest aid programme in the EU, EULEX in Kosovo, has done excellent work, but it has been criticised and drastically scaled down. I am not biased against large programmes if they work. The overhaul of customs and excise by DfID in Mozambique, for example, was very successful. One reason that we have invested heavily in Mozambique, against a difficult political background—as the noble Lord, Lord Judd, will testify from his visit—is that an active civil society there has acted as aid watchdogs. Good practice can often be scaled up from smaller enterprise and local initiatives.

I believe that there is a genuine desire in DfID to shift its emphasis towards human rights and poverty reduction. It is just a case of how you do it. We are reassured that even the CDC private sector is now being adapted to that end, and I genuinely hope that it will succeed.

I commend DfID on its parliamentary work abroad, because ICAI is right that other organisations should deal with elections. Strengthening national parliaments and equipping them to serve their nations should be a priority for us here in this country. I remember visiting the Kenya Parliament with the CPA some years ago and finding that, even in such an advanced environment with hundreds of MPs, there were only a handful of staff. The situation has now changed there, but not in many other developing countries.

There are other Select Committees that have to follow DfID: the environment committee, the Public Accounts Committee, the Health Committee, the Education Committee, the arts committee and any department that has an interest in international development. The NAO, the National Audit Office, also keeps an eye on DfID and occasionally criticises its financial performance.

I also include our own committees, remembering in particular our expert Economic Affairs Committee report on aid three years ago. Two years ago our EU External Affairs sub-committee, to which I belong, was critical of the EU's water, sanitation and hygiene—or WASH—programmes in sub-Saharan Africa. The European Court of Auditors reported that half of 21 WASH projects in Africa were defective and had wasted EU money. The Development Commissioner subsequently denied this and said that the projects selected were random and that DfID had done another survey of 24 successful projects, but none of us was convinced. The scale of EU aid, whether through the EDF or ECHO, is such that our own committees and watchdogs will never be able to catch up with fraud, corruption, waste and all the other afflictions of aid.

However, it is not only the EU. DfID often has to operate in dangerous or remote environments, and humanitarian or conflict prevention programmes in countries such as South Sudan are dangerous. Aid and, indeed, aid workers may be hijacked or have to stop at short notice, with little chance of recovery. This is why ICAI gave the justice and security sector an amber rating last March.

At this point I commend our Liaison Committee for deciding to appoint an International Relations Committee next year after many years of lobbying. No fewer than 25 all-party groups look at DfID's performance from time to time, including several country and regional all-party groups that occasionally report in some detail. DfID has a multiplicity of internal checks and balances. The acronyms and organograms are bewildering. Much of it is designed by the ARIES management system and database. There is the log frame, the business case, the risk rating, the calculation sheet to give the overall output score, and so on. I sympathise with the staff of DfID who have to cope with all this scrutiny, but what is the result and what are the prospects of a more effective aid programme? In general, I say that they are good and that ICAI is going to be a valuable ally for all concerned, including the general public.

One critical issue is always the capacity of local partners, whether government or civil society. DfID would like to work through more CSOs, organisations which are seen as effective when government is inefficient, corrupt or clearly not working to plan. However, CSOs are also expected to complete forms and are subject to regular scrutiny. I know DfID is currently conducting a civil society partnership review that includes so-called southern CSOs, but I expect there will be more emphasis on the international NGOs and that southern NGOs will get left out. I hope the noble Baroness will put us right on that.

There is always a tension between aid effectiveness and the confrontation of real poverty. Where infrastructure and services are most lacking, aid agencies inevitably fear to tread—yet that is where they are needed most.

Another topical question concerns the poaching of ODA by other departments, notably the FCO and the MoD. We in the aid business should defend our department, but soldiers build refugee camps and DfID is even resettling refugees. There will always be foreign policy issues common to two or three departments and hence some overlap in funding.

Finally, what of quality? Having looked at the private sector and value for money, the latest theme music from the Government is results and the importance of DfID's results framework. I here only repeat ICAI's word of warning in June, which brings me back to the beginning:

“Some of DFID's tools ... have had the unintended effect of focussing ... on quantity ... over quality ... on short-term ... achievements rather than long-term, sustainable impact”.

I am grateful to all noble Lords who are taking part in this debate.

**6.14 pm**

**Lord Black of Brentwood (Con):** My Lords, I congratulate the noble Earl on leading this important debate in such a comprehensive manner and join him in eager anticipation of the maiden speech of my noble friend Lord Barker of Battle. I declare an interest as chairman of the Commonwealth Press Union Media Trust.

I have two practical points to make. First, all the most important things we want to secure for the developing world—sustainable economic growth, improved healthcare, tackling violence, access to sanitation and water, women's rights and good education—rely on one crucial foundation stone. In the words of the UN high-level panel report on the post-2015 development framework, it is,

“good governance and effective institutions”.

Without that, we do not have sustainable development.

How can we secure these goods? The central truth is that they can exist only if citizens have access to information from a free and independent media which provide them with information and are prepared to hold government to account. Media freedom

therefore needs to be an absolute priority if we are to make our international development policies more effective. Simply put, it is essential because without it, nothing much else works. A very important UNESCO report a few years ago underlined this point by concluding that,

“supporting freedom of expression is ... a means to promote human development ... and ultimately as a way to contribute to poverty reduction”.

The data clearly show how no country concurrently has a free press and a high percentage of its population living below the poverty line, while societies where the media are fettered are less able to deal with malnutrition, infant mortality and HIV, the scourges of so much of the developing world, because the media are unable to impart information. If you look at some of the countries near the bottom of the world press freedom indices, such as Eritrea, Tajikistan, the DRC and Burundi, you will also find the highest malnutrition rates. To make our policies more effective, we have to place a high priority on promoting press freedom, on training journalists and improving their safety, and on encouraging the removal of laws that stifle free expression.

The second area I want to mention briefly is the continuing horror of the criminalisation of homosexuality across much of the Commonwealth and the developing world, which is important primarily, of course, as a matter of human freedom and dignity but also, in the context of this debate, because of the vital interrelationship between LGBT rights, economic development and poverty reduction. A recent study supported by USAID, undertaken by Professor M V Lee Badgett, analysed the impact of the social inclusion of LGBT people on economic development in 39 countries. The analysis found that their exclusion had,

“a harmful effect on a country’s level of economic development”.

Looking in detail at the issue in India, where homosexuality is criminalised and there is resulting huge stigma, the study found lower productivity and output, inefficient investment in human capital and lost output as a result of health disparities linked to exclusion and violence caused by discrimination. In short, sustained discrimination against LGBT people is bad for business and therefore bad for development. As the Center for Talent Innovation reiterated in a 2013 report:

“For organizations to thrive, they must foster an environment that enables their LGBT employees to thrive”.

That is why continued pressure from the Government to end the outrage of the criminalisation of homosexuality across so much of the developing world, and the Commonwealth in particular, is not just right morally, but economically too.

In conclusion, if the aim of our international development policy is to encourage sustainable economic growth, I hope my noble friend will make these two issues—encouraging media freedom and tackling LGBT discrimination—key priorities for practical action, starting with a firm lead from the UK Government on both at CHOGM later this month.

**6.18 pm**

**Lord Judd (Lab):** My Lords, yet again we express our appreciation to the noble Earl, Lord Sandwich, for providing the opportunity for a debate on this important subject. As a former Minister for Overseas Development myself, perhaps I may say how good it is to see the noble Baroness in her place, and how much I wish her well in her immense responsibilities. It is one thing having 0.7% of GDP to spend, but spending it well and effectively is a huge challenge. Of course, it need not be only 0.7% because one has always to measure oneself against the size of the challenge.

I have just a couple of points that I should like to raise. First, with all the pressure to demonstrate results, there can be a contradiction between long-term development and immediate results. I wonder how carefully that is being watched in the evaluation. Long-term development must not be distorted.

My other, very specific, point in this context is that in military operations—I am not one of those purists who say there is no role to be played by official aid—the military will inevitably have, for example in Afghanistan, huge pressures to demonstrate results and concrete evidence of change to the local population before the extremists come back. However, that may not always be what is really needed in terms of long-term development. I know there was active interface between the two departments at one stage on this issue, and I wonder how it has been resolved and how it is progressing.

Another issue I want to raise briefly is how successful the Ministry is being in growing tax bases. Of course, tax is terribly important to the revenue of Governments in their ongoing programmes. How is that going in our own Overseas Territories and in the Crown dependencies? How many of them have produced public registers of beneficial ownership? By the same token, it would be good to hear something about the progress being made in this country in demanding responsible tax policies in the countries in which we are working by companies that get contracts from us—and indeed from other companies in the world.

What is DfID learning from its work and how far is that enabling it to discover the spheres of the private sector in which it can be most effective? Finally, obviously, as always, the big issue is strengthening governance and furthering human rights as an essential part of that. I wish we could slip away from talking about our impact and talk about our contribution, which seems much more in the spirit of self-generating growth.

**6.22 pm**

**Lord Chidgey (LD):** My Lords, visiting developing countries with long and not necessarily benign relationships with the UK and working with their parliamentarians often brings a reassuring aspect: the receipt of sometimes lavish praise from counterparts for UK policies and activities in the arena of ODA—recognition that the UK is a world leader in international development policy.

So it is a pleasure to acknowledge that this debate starts from a high point. Nevertheless, we and the Government can always aspire to do better: first, on the UK's role in establishing the global or sustainable development goals; secondly, on the importance of engaging Parliaments in the process, as alluded to in SDG 16; and finally, from my point of view, on the critical assessment of DfID's approach to delivering development impact, fundamental to making policies more effective.

Much of 2015 has, in international development terms, been taken up with establishing universal agreement on what has become the 17 sustainable development goals. The APPG for Sustainable Development, of which I am a vice-chair, with the support of the NGO, Bond, stresses that we need our Government to push for strong, ambitious, integrated outcomes, with firm commitments to tackling inequalities and environmental sustainability. We need strong mechanisms to implement and monitor the new goals and targets at national and international levels, including for financing and implementation. To quote Hillary Clinton:

"What gets measured gets done".

We need a commitment to a cross-party approach to implementing the SDG framework in the United Kingdom and internationally. In this regard, we need to ensure that both civil society and Parliament remain closely engaged in implementation of the framework at all levels, nationally, regionally and globally.

The UK Parliament's commitment to allocate 0.7% of GNI to ODA sets an example that others are urged to follow. Nevertheless, Parliaments have too often been sidelined in discussions on ODA, resulting in low accountability for aid budgeting and delivery. Parliaments must become leaders in accountability at all levels to ensure that Governments continue to push to meet future objectives and international commitments, including international human rights standards. Development partners must be prepared to support into the future the role of Parliament in the law-making and oversight functions of parliamentarians and staff. Projects need to be developed to ensure Parliament's key components have the capacity to deliver on the SDG objectives.

This brings me to the last of the three aspects I want to touch on: DfID's approach to delivering development impact. In this regard, I refer again to the Independent Commission for Aid Impact, in this case its Report 45, which proves to be an invaluable guide. It concluded that there are core elements for achieving a more consistent, deeper and sustainable impact—for example, the importance of investing in long-term impact rather than short-term results. There is a need to recognise that, with an average programme length of three years, transformational impact may be possible only over several programme cycles. Here I echo and support the noble Earl, Lord Sandwich. This needs to be recognised explicitly in programme design. With three-quarters of DfID's priority countries being conflict and fragile states, more modest objectives and longer-term programmes are needed to establish pathways out of fragility.

There is a strong argument that development programmes are most effective and deliver greatest impact where they adopt a flexible approach to delivery. A fundamental truth in effective development policy is that programme designs are best guesses and most effective when they take a problem-solving approach. These are only a few points drawn from a comprehensive study, which I nevertheless hope the Minister will reflect on in her reply.

**6.26 pm**

**Baroness Cox (CB):** My Lords, I, too, congratulate my noble friend on initiating this important debate. My NGO, Humanitarian Aid Relief Trust—HART—provides aid for valiant partners in challenging conflict or post-conflict situations who demonstrate high standards of narrative and financial accountability. But given DfID's current policy, they are unable even to apply for DfID funding.

I give two examples, from Burma and South Sudan. In Burma, HART supports Shan Women's Action Network—SWAN—which provides aid to people in great need inside Shan State and in Thailand. SWAN previously received funding from DfID, but when we visited recently it was very distressed by DfID's change of policy, which now makes it impossible for it to obtain funding. It says:

"DfID funding is being redirected via the IRC as their single fund manager for all programmes operating out of Thailand. This is unacceptable to SWAN and we are having to look for alternative funders".

DfID explained its changing funding strategy:

"There will be a change in the fund management arrangement where DfID Burma is consolidating various Thailand programmes under a single Fund manager agent. We took this action in response to the Mid-Term review recommendation to improve on DfID's accountability and efficiency in running this border programme".

But SWAN has deep concerns about working with IRC:

"SWAN has accepted funds through IRC in the past but found the reporting requirements extremely demanding—very large amounts of paperwork that was often repetitive and unnecessary, meaning SWAN staff members had to spend a large portion of their time fulfilling reporting requirements, rather than on project management and evaluation. IRC also took a large amount of admin costs, much higher than other organisations. SWAN felt that the large amounts of money allocated to admin costs would be better spent on project activities that directly benefit needy people in the community".

Therefore, SWAN will not take the funding if the project has to go through IRC. It will need to find new funding sources, as the DfID project ends this November. This is very serious. SWAN's work is immensely important and DfID's change of policy will have drastic effects on its ability to continue key programmes.

In South Sudan, HART supports the provision of aid in war-devastated Bahr el Ghazal, through our partner, the Anglican Bishop Moses Deng. This area has received massive influxes of refugees from Sudan—fleeing fighting in Abyei and the Nuba mountains—and, more recently, from the civil war in South Sudan. Bishop Moses sent an SOS to HART: a desperate plea for money for food. I responded with a heavy heart, wishing I were Bill Gates, saying that we are so small that the maximum we could send was a pathetic £10,000. We visited a few months later and the bishop said:

“Thank you for the £10,000. It bought a lot of sorghum and saved many lives. Then our own sorghum harvest ripened early and we were able to share that with the IDPs. I didn’t need to spend all your money. Would you like me to return it? But with your permission, I would like to use it to buy tools and seeds”,

for the IDPs. It is obvious what we said. However, when we visited those IDPs we found conditions of absolute destitution and not another NGO on the horizon. I asked the bishop whether he could apply to DfID for funding, given the reports of all the money DfID is making available to South Sudan. He replied:

“That’s impossible. We don’t have the resources to apply”.

He said that some larger NGOs came later, but by the time they carried out their assessments, and assessed their assessments, it was too late; but HART’s money saved many lives. There must be something seriously wrong with DfID’s system if a person of such standing and integrity faced with acute humanitarian crises cannot even begin to apply for life-saving funds.

I appreciate that the Minister will not be able to respond to specific cases today, but I passionately hope that these examples demonstrate serious problems requiring urgent consideration if DfID’s massive funding programmes are to reach people in such need of aid, through personnel who have the integrity and competence to justify the funds they deserve to receive.

**6.30 pm**

**Lord Barker of Battle (Con) (Maiden Speech):** My Lords, I feel deeply honoured and very fortunate to be a new Member of your Lordships’ House and to contribute to this important debate called by the noble Earl. But let me start with an apology. I had not meant to make my maiden speech quite so soon. It had been my intention to spend a little more time since my introduction absorbing the ways and customs, and even idiosyncrasies, of this august Chamber, which is so very different from the House of Commons. However, I could not resist the opportunity to speak in this very important debate. I will return to the reason why shortly.

First, I hope that noble Lords will indulge me by allowing me to put on record my sincere thanks to all those colleagues across the House, friends old and new, who have made me so welcome, but particularly my mentor, my noble friend Lady Jenkin, and my terrific sponsors, my noble friend Lord Black of Brentwood, who made such a powerful and important contribution just now, and the noble Lord, Lord Browne of Madingley, to both of whom I am very grateful. I must also record my thanks to the incomparable doorkeepers and to the House staff as well as to—I am slightly surprised to find myself saying—the Government Whips Office, who have all been so welcoming and so professional. I must also thank my former constituents—the electors of Bexhill and Battle in the county of East Sussex—who, at three successive elections, returned me as their Member of Parliament. Without them, I would not have had the career at Westminster and in government which has ultimately led me here.

The reason I was so keen to speak in this debate is not just because I am immensely proud of the United Kingdom’s record on international development, although I am very proud of it, nor because I applaud the Prime Minister’s unshakeable resolve to stand by our commitment to meet the UN target of spending 0.7% of GNI on official development assistance. Meeting it in the last Parliament during a period of retrenchment in public spending not seen since the war, and now sticking to it as our economy expands faster than any other in the G7, required real political courage. However, as a Minister I had seen at first hand how much this is appreciated right around the globe and the very real impact it is making on the lives of some of the poorest people in the world. This is the politics which transcends party boundaries and of which we can all be very proud.

I also believe that it will be one of the most enduring elements of the legacy of the Cameron Administration. But that is not why I was so keen to speak in this debate. Nor was it because I think that the implementation and effectiveness of DfID policy continue to be critically important. I know that there are very real challenges in managing such a fast-growing budget and delivering the outcomes we all wish to see: to be consistently efficient and effective in delivering them to a high standard. However, the renewed commitment and resolve that I see in the ministerial team is more than equal to that challenge, as are the thousands of dedicated DfID officials who dedicate their careers to the task.

Of all the elements of DfID policy, I particularly wanted to welcome the Energy Africa initiative. I draw your Lordships’ attention to the forthcoming register of interests which will include my interests in Equinox Energy Capital, which is actively seeking opportunities to invest in the African clean energy sector, and Powerhive, which is already building microgrids in Kenya to bring solar electricity to the off-grid rural poor. It is with the benefit of this new commercial perspective that I welcome the way that UK policy is focusing on energy in Africa, where two out of three people—about 600 million individuals—still have no access to electricity at home, 150 years after Edison invented the lightbulb. We also know that without reliable, affordable electricity, social and economic development is dramatically stilted, and with it the growth of opportunity and the economy.

However, the dramatically falling cost of clean energy technology, especially solar technology, is changing the game. I know from personal experience, both in government and now in the private sector, that billions of pounds of new investment is looking to drive the African energy economy forward. Much of this investment is from the private sector, without subsidy or support from development spending. So it should be. There is huge scope for private investors to drive the African energy

economy if the right conditions and regulatory environment are in place. But I also see market failure from the private sector. On the current trajectory, universal electricity access will not be achieved until 2080. That cannot be allowed to stand. So the genuinely impressive new approach from DfID, led by Grant Shapps, is not just innovative, it is vital, and I look forward to watching the progress of the Energy Africa initiative in its 14 priority countries, working in partnership with other Governments to mobilise both public and private capital.

My admiration for this new initiative is still not the real reason I wanted to speak in this debate. The genuine reason was that I wanted to be able to pay tribute to my noble friend the Minister sitting in front of the Dispatch Box. For two and a half years we worked together as fellow Ministers at the Department of Energy and Climate Change, and from the day she arrived in Whitehall Place, I could not have asked for a more collegiate, thoughtful, caring and supportive colleague—or a more effective, impactful and respected Minister. But I knew that as much as she was committed to the brief at the Department of Energy and Climate Change, it was international development that was her passion and where her manifold talents could be used to the full. So I was delighted by the PM's decision in May to promote my noble friend to DfID, and am truly grateful to be able to contribute to this debate from the Benches behind her this evening.

**6.37 pm**

**Baroness Hodgson of Abinger (Con):** My Lords, I begin by congratulating my noble friend Lord Barker on an excellent maiden speech. He has made a significant contribution to the other House and brings to this debate his considerable experience from his role as Minister for Energy and Climate Change. We all look forward to hearing his further contributions in your Lordships' House.

I thank the noble Earl for introducing this debate. Our international development commitments stand among the most important areas of government policy because we have a moral duty to help others around the world. We should be particularly proud that the requirement for 0.7% of GNI to be spent on international development is now enshrined in law, which sets an example to other countries. However, we need to ensure that the money is spent properly and that our funding is used to greatest effect. This means developing the right policies, with transparent, accountable review mechanisms, and ensuring that they have the desired impact on the ground. The Secretary of State for International Development, Justine Greening, has made reforms since taking the helm three years ago to strengthen internal auditing, enabling the passage of money to be followed more closely.

Without doubt, our policies have contributed enormously to the halving of extreme poverty achieved internationally under the framework of the millennium development goals, and the UK has played a leading role in developing the new sustainable development goals adopted at the UN in September, with their aspirational 17 goals and 169 targets addressing the commitment to leave no one behind and applying to all countries of the world. I was particularly heartened that the UK was instrumental in pushing for a stand-alone goal on gender equality as women are always the poorest of the poor.

There are two areas I would particularly like to raise in this debate. In the end we want all countries to become self-sustaining and thus we must encourage change within the developing countries themselves, at both national and grass-roots levels. At national levels, functioning institutions need to be in place to deliver services such as healthcare, education and justice, and British aid funds many such projects. At the grass roots the smaller organisations can generally be the most effective, gaining the trust of a community and its leaders. Many of these smaller organisations find it very difficult to obtain funding, as we have already heard from the noble Baroness, Lady Cox, because applying for grants is so complicated. It takes expertise and they do not have the capacities. I have even heard that funds such as the Tawanmandi fund in Afghanistan, set up for just such a purpose, is very difficult and complicated to apply for.

We need to ensure that some of our money goes to these smaller organisations. However, there is a reticence over funding them because they are harder to monitor. Some of our bigger NGOs work through local partners but I met an NGO in Iraq in May this year which acted as a platform, applying for grants and managing and directing them down to a number of grass-roots organisations. Would my noble friend the Minister consider this approach to ensure that some of our aid reaches those communities where it is so badly needed?

In the longer term, as I have said, we must help developing countries to become self-sustaining. I have just returned from a visit to the DRC, a country enormously fertile and rich in natural resources but where the majority of the people live in abject poverty. Endemic corruption means that the country's assets benefit only a few, with the proceeds being siphoned out of the country instead of benefiting the majority. The DRC is not the only country in Africa where this happens so the challenge is also how to stop it happening. Is there more that HMG could do to stop this, as much of the money coming out is brought to the West? I hope that HMG will continue to assess the most effective ways of benefiting those in developing countries and encouraging other Governments similarly to meet their aid commitments, so that together we can ensure that the SDGs will transform our world by 2030 for the benefit of all.

**6.41 pm**

**Lord Desai (Lab):** My Lords, let me see whether I can do it in two minutes. Over the 60 years that I have studied this problem, our idea of what causes development has got more rather than less complicated. The goals that we set for our aid agencies have become baroquely rich, and there are so many that it is not possible for any development agency to satisfy the many people who judge it.

A few years ago, I suggested when speaking in a DfID debate that the one thing we should do with the global aid budget was count how many poor there are and do a direct cash transfer of the entire development budget to the poor. At that time, it came out to be around \$50 per poor person. I think there are now fewer poor, so we may be able to get more. If you want to get rid of poverty, the only thing to do is to transfer cash directly to the poor. If you cannot do that, I would suggest just one more thing that may relieve it. The only criteria of development is: what is the future of the girl child? If you can do better for the girl child in every society when you intervene, that would define your success.

**6.43 pm**

**Viscount Craigavon (CB):** My Lords, I am grateful to the noble Earl, Lord Sandwich, for this debate, which has caused me to become particularly aware of the invaluable work of ICAI, the Independent Commission for Aid Impact. I have also benefited in this specialised area, as others may have, from the considerable work done by the Commons International Development Committee, formerly most ably chaired by our newly introduced Peer today, the noble Lord, Lord Bruce of Bennachie. It would be too easy just to highlight and borrow from its few criticisms of the department but I should say first that I strongly support the work of DfID, and generally of international development, while being slightly concerned about the strains imposed on its systems in having to meet the 0.7% target.

The recent increases required to meet that target seem to have added enormously to the complexity and unmanageability of the department. I will come in a moment to the excellent work that it has done in the field of my particular interest, which is reproductive health and population. In general, I understand the downside of the overreliance on supporting multilateral organisations, especially when that leads to less support being given to smaller, more specialist suppliers, which are able to be more flexible, focused and adaptable. I support ICAI in a comment from its recent report that the department should be trying to achieve,

“positive, long-term, transformative change for poor people, who are the intended beneficiaries of UK aid”.

That leads to emphasising the longer-term aspect of aid, which will also produce sustainable results.

My particular interest in reproductive health and population is an example of just such longer-term and sustainable aims. The department has given strong support to the inclusion of sexual and reproductive health and rights—SRHR—throughout the 2015 negotiations on sustainable development goals. The two targets mentioning SRHR and services have been a major achievement for the persistence of the department. Given the UK’s global leadership and technical expertise in promoting and supporting SRHR, I hope DfID will continue to prioritise these critical and often marginalised subjects.

Improvement of health services generally in developing countries also needs support to those services. The International Development Committee’s assessment of the department’s performance in 2013-14 concludes:

“We are concerned by the reduction in spending in some areas vital to achieving key MDGs such as reproductive health and recommend that DFID significantly increase spending in this area”.

In a legacy report, it also recommends that work and spending in this important area be significantly increased, and urges its successor committee to press DfID on the issue.

The summary of the committee’s initial report states that,

“spending by DFID’s priority country teams has declined relatively, as has spending on programmes in sub-Saharan Africa and on key MDG targets such as reproductive health ... We recommend that DFID increase the share of expenditure going to bilateral programmes, to sub-Saharan Africa and significantly increase spending on reproductive health”.

Mention of sub-Saharan Africa brings to mind the reports last year endorsed by the United Nations Population Fund, which stated that that part of the world is most likely to be the last to stabilise its population. Its growth is largely because birth rates in sub-Saharan Africa have not been decreasing as fast as expected. It is just that area where aid money is being reduced, and the concern is that aid allocation is increasingly being driven elsewhere by UK economic concerns at the expense of meeting the unmet need for reproductive services, as well as of delivering long-term poverty reduction and development. I hope that the department will continue to take the lead in highlighting this priority area.

**6.47 pm**

**Lord Jones of Cheltenham (LD):** My Lords, first, I congratulate the noble Earl on securing this debate and the noble Lord, Lord Barker, on his excellent maiden speech.

Page 156 of DfID’s latest annual report reveals that in recent years, the UK Overseas Territory of St Helena and Dependencies received more DfID assistance than either Uganda or Sierra Leone. The figures are due to the project to build an airport on that island in the South Atlantic. The airport itself will probably be ready in the first quarter of next year and is expected to come in on budget at £210 million. Weekly flights are currently scheduled to begin on 21 May: initially, a Comair flight from Johannesburg with a capacity of 120 or so passengers. Once a month, this service will fly on to Ascension before returning to St Helena the following day to pick up passengers returning to Johannesburg and beyond. Another airline, Atlantic Star/TUI-fly, is keen to begin charter flights from London Gatwick, refuelling in the Gambia.

Several concerns are being raised by the islanders. First, will there be enough tourism accommodation of adequate standard to cope with the influx of tourists? Currently, there are just 45 serviced en-suite accommodation bedrooms available. The recent

worldwide surge in interest in St Helena, as manifested in the travel press and national newspapers, suggests that with just one flight a week the island's accommodation will be fully taken up at an early stage. A new hotel in Main Street, Jamestown, has been delayed. Shelco's long-standing intention to build a five-star plus complex, Wirebird Hills, has changed to a phased development, with the first phase scaled down due to a reduction in the projected tourist numbers in the first few years. Once a month, when the plane links with Ascension, will there be sufficient accommodation overnight for the new visitors arriving, as well as those who will be returning to Johannesburg the following day?

Secondly, will internet access be adequate to cope with the expectations and needs of visitors? Two Atlantic super-fast broadband cables are currently being laid into which, with adequate financial assistance, St Helena could link. Thirdly, are enough private sector businesses being set up to cope with the demand for restaurant food, island tours and fishing and diving expeditions? Will the island be able to produce enough fruit, vegetables and eggs to meet the demand? Fourthly, what plans are there for bulk freight for the island once the Royal Mail ship "RMS St Helena" is retired from service?

The UK taxpayer was right to invest in this overseas territory—what Harry Ritchie called in his book one of "the last pink bits" of the Empire. However, having spent more than £200 million, how will the Government measure the success of the project? St Helena has many attractions. Napoleon was exiled there, and died there. His home, Longwood House, was given to the French nation by Queen Victoria. More than 1,100 ships were wrecked approaching the island, running aground on the lava plateau just beneath the surface of the sea around this former active volcano. Divers will find the strikingly clear waters of the South Atlantic a paradise, as will sports fishermen and water sports enthusiasts. Beautiful seabirds in large flocks surround the island. Delicate indigenous flora and fauna inhabit the island, including the St Helena wirebird, a type of plover. Historic buildings can be explored, including High Knoll Fort, and farms from the era when sailing ships called in to replenish stocks of fresh fruit, vegetables and water. And of course there is Jonathan, the giant tortoise, which is believed to be the oldest living being on the planet. More than 200 years old, Jonathan may have met Napoleon. He is British and lives in the grounds of the governor's residence, Plantation House. Visitors to the island will want to meet him—and his five girlfriends.

At the end of the day, the key may be to entice enough people who know St Helena back to the island to invest their future in making a success of this DfID project—including some of the estimated 20,000 saints who live in the Falklands, on Ascension, in the UK and elsewhere.

**6.52 pm**

**Baroness Flather (CB):** My Lords, I was enormously impressed by the noble Earl's knowledge of all the ways in which projects are being looked at, but a little depressed at the same time, because it seems that we have too much looking at and not enough doing.

One of the most important things has been touched on by the noble Lord, Lord Desai, and the noble Viscount, Lord Craigavon. We live in a world in which no value is given to women in many developing countries. In fact, an animal that has been bought has greater value than the woman. We cannot have any kind of fair world without bringing women into the success that we expect from men. The problem is that if women are not in the economic world, it affects the whole country and the whole world—not just the women. It does not allow that country to progress. Wherever women are doing better, you will find that the country is doing better. This factor must be always looked at.

I have been to many conferences and, unless they are women's conferences, the "woman" word is not mentioned at all. Women are half the population, and they say that they do three-quarters of the work in the world. They earn practically nothing, just 10% of the wages, and they apparently own 1% of property. It is time for us to realise that unless we bring in the neglected other half of the population, things are not going to change in developing countries. The noble Lord, Lord Desai, mentioned the girl child. The mother is equally important. If you help the mother, she will look after the girl child and the boy child. It is extremely important to start thinking along those lines.

I am so glad that the noble Baroness, Lady Chalker, will speak after me. She coined the phrase "children by choice". We are still using that phrase. In 1950, the population of the world was 2.7 billion; 65 years later, it is more than 7 billion. Yet, when people talk about climate change, they do not mention the population increase. In fact, population, having too many children and family planning are not considered proper subjects to speak about. They are the most important subjects for all our futures. Improving the condition of women is also the most important matter for all our futures. Without improving women's lives and giving them the opportunity to join the economic life of a country, there is no future for that country. No matter what you do, if half the population is the poorest of the poor and has no impact on the life of the country, that country is not going to progress. Half the population are not even being looked at or considered.

We have a big problem with water stress. Why is that? Is it because of climate change? Yes, it is. What is the cause of climate change? It is obviously not population—except that it is, and we need to think about that. Every woman should have access to family planning, because when women have fewer children those children benefit, the women benefit, the families benefit and the country benefits.

**6.57 pm**

**Baroness Chalker of Wallasey (Con):** My Lords, I thank the noble Earl, Lord Sandwich, for initiating this debate. I fully endorse all of his contribution on ICAI. I shall not repeat it. I congratulate the noble Lord, Lord Barker of Battle, on his maiden speech. We



look forward to his future contributions. I should perhaps declare my interest as president of the Chalker Foundation for Africa, but that gives me no money. I give it money, so that is how we proceed.

In this debate, the issues to be addressed to make Britain's efforts more efficient and effective cover a wide range. I hope that the reviews now under way in DfID, of which there are many, will be published in full when they are concluded. I shall mention two specific matters where there may be possible benefits from a change in current DfID practices. Before I come to those issues, I pay tribute to the recent work of CDC. The Harvard Business School working party evaluation of its impact on four measures of business success—employment, revenues, profits and taxes paid—shows clearly that fund investing has allowed CDC to reach a broader range of businesses, especially small business, in the developing world in a wider range of geographies than it could have done on its own. By allowing CDC to build local capacity through supporting first-time teams, several funds have gone on to raise successor funds and create successful track records in the developing world by attracting commercial capital into those emerging markets. That is vital. Will my noble friend confirm that DfID will do all it can to continue and enhance fund investing through CDC and others, especially in power generation and infrastructure projects?

A further word on infrastructure: Britain has the best professional engineering fraternity in the world. I hope that DfID will use its budget and its positive energy to re-establish engineering advisers from the private sector to plan and oversee the urgently needed projects in productive infrastructure growth.

Can the Minister reassure me that worthwhile projects for development put to DfID for funding of values of less than £50 million will be seriously considered and funded if they meet the return criteria on which they should be judged? Perhaps she could publish the exact criteria by which her department judges these projects, for I hear that many smaller projects worth less than that amount are not now acceptable to the department.

My other point concerns the other end of the financial scale. As patron of Wulugu, a small local charity working in Ghana building schools, especially for girl children, I am concerned to find that it and many other small charities like it are not given support to increase the education of girl children. It is also now helping mothers who never had the chance to learn to read or write. Build Africa is another example of similar good school-building work in east Africa. It is by funding small local charities that we gain innumerable benefits for training volunteers. Large worthwhile charities can raise their own money, but the smaller ones have enormous problems not only in raising the money but in getting the sort of support on the ground that I believe DfID should be giving. I thank your Lordships for listening to my points about large and really small beneficiaries of DfID funds.

**7.01 pm**

**Lord Alton of Liverpool (CB):** My Lords, I thank my noble friend for initiating this debate and join others in congratulating the noble Lord, Lord Barker of Battle, on his maiden speech today.

In parenthesis, because this has been a theme that has emerged in the course of the debate, all experience shows that if you tackle poverty then population falls naturally. If you launch population control programmes, you may end up with coercive policies such as those in China, where there are now 40 million more men than women and where we have seen gendercide—policies aided and abetted by the West and development programmes.

However, I shall focus my remarks on an issue that I raised two weeks ago with the Minister when she was good enough to meet a small delegation of Fiona Bruce MP and myself. We expressed particular concern that British aid is not being used effectively to combat the rise of radical Islamist agendas and that, like our refugee policy, this is not being targeted to reach persecuted minorities, such as Yazidis and Christians, who are suffering genocide and crimes against humanity. All around the world, as we are all too acutely aware, an ideological hatred of difference is driving a systematic campaign of persecution, deportation and exodus, degrading treatment including sexual violence, enslavement, barbaric executions, and attempts to destroy history and culture that is not its own.

I ask your Lordships to think of some of the countries that receive UK aid. The biggest recipient is Pakistan. This year it will receive £405 million, making £1.17 billion since 2011. How do we ensure that funding for education is spent on the right things? Here the noble Baroness, Lady Flather, and I would agree: think of young Malala, targeted simply because, as a girl, she wanted an education. Think about how the funding is being spent on promoting intolerance in the curriculum. The Minister will recall some of the examples I gave her, not least in some textbooks that give children choices about which would be the best way to execute homosexuals. This is feeding the minds of young people.

How do we ensure that Pakistan's beleaguered minorities receive help? Last week I chaired two days of evidence sessions here in Parliament, where we heard how exactly a year ago a mob of 1,200 people forced two children to watch as their Christian parents were burned alive. Pakistan has imposed the death penalty on a mother of five, Asia Bibi, for so-called blasphemy. It still has to bring to justice the murderers of Shahbaz Bhatti, the country's Minister for Minorities who was assassinated; only last night we heard from his brother, Dr Paul Bhatti, who was here in the Palace talking about some of the other excesses committed not just against Christians but against Shias, Hindus and Ahmadis. This is a country where churchgoers have been murdered in their pews. How is our aid programme making a difference there?

Or take Eritrea, which is in receipt of a \$300-million aid programme handed over to the Afwerki regime by the European Union, to which we have contributed. The United Nations said in June that Eritrea is a country which is likely to have carried out gross human rights violations. Some 5,000 people leave Eritrea every month. A total of 350,000 people, 10% of the population, have

fled. This is a huge development question. It also leads to an exodus of people in Mediterranean passages and some also, of course, being beheaded by ISIS.

The House of Commons International Development Select Committee is currently conducting an inquiry into the Syrian refugee crisis. It was recently told by a witness that aid is not reaching the Christians or Yazidis because those are too frightened to go into the UN-registered camps. How does the Minister respond to that? DfID could usefully become proactive in promoting a debate about Article 18, the right to believe, not to believe or to change your belief. Think of recent events with secularists in Saudi Arabia or Bangladesh. Look at the link between prosperous societies and those that uphold freedom of religion and belief. These are crucial questions and should be at the heart of our aid programmes. It may salve our conscience to give money, but it has to be effective.

**7.06 pm**

**Lord McConnell of Glenscorrodale (Lab):** My Lords, before I address the substantive issue of the effectiveness of this country's international development work, I want to draw attention to my various charitable interests in the register and also to say that I wish the conventions of your Lordships' Chamber allowed me to describe the noble Earl, Lord Sandwich, as "my noble friend". I greatly admire his commitment to these issues, and the passion he brings to the Chamber regularly in addressing them makes your Lordships' House a much better place.

I want to address two issues today. The first concerns the sustainable development goals agreed by the United Nations in September. I think that these are really exciting times for international development and I congratulate the Government on the role they have played in bringing these new goals about. I hope that their commitment drives these goals forward and that we are able to move forward in a way that, on a cross-party basis, we have done regularly over recent years.

These new sustainable development goals give us a chance to address important issues that were ignored by the millennium development goals, such as the business environment, taxation systems and the role of the private sector in creating jobs. Not only do they put the role of women and the education and liberation of girls more fundamentally at the centre of the strategy, not only do they look at resilience in areas affected by natural disasters and regular emergencies, to ensure that they are better prepared for the impact that such events have on development, but they provide a wider, comprehensive package for development. This should encourage us that in 15 years' time we can have made further real inroads into tackling extreme poverty worldwide.

I want to address one specific issue within all that, which we have discussed before in your Lordships' Chamber and commented on in relation to the Government's policy, which has been, since 2010, a policy of allocating roughly one-third of the international development budget to fragile and conflict-affected states. Actions have been taken not only to improve the governance of those states and development within those states but to try to prevent conflict and further fragility in the future. I see that the Prime Minister has said this week that we might now move to 50% of the development budget being allocated in this way. In principle, I would not have an objection to that.

I believe that the new goal 16 agreed as part of the sustainable development goals is a very important addition to the international framework, highlighting the importance of peace and justice. If we are to secure real development for the long term, I believe that that goal is critical. If the UK is to contribute to international success on that goal, then, yes, perhaps a higher proportion of the budget should go towards conflict-affected and fragile states—but we must not use such a commitment simply to add resources to the old way of doing humanitarian relief, for example.

In these humanitarian camps, important as they are, it is no longer the case that water, shelter and food are enough. We need to start educating the children in these camps so that the next generation are not disillusioned, angry and willing to take up the fight in the way that their fathers and uncles appear to be back home. We also need to ensure that in these fragile states we do not just support NGOs that implement development programmes that allow us to add high numbers to our achievements, but that we create the kind of legitimate, independent institutions that give people hope for a peaceful and just future. If we address those issues, an increase in the proportion of the international development budget allocated to issues of peace and justice in fragile and conflict-affected states would be money well spent.

**7.10 pm**

**Lord Cromwell (CB):** My Lords, I speak today as I have spent the last 30 years or more involved in international development projects in Africa, Asia and eastern Europe, and I direct the House's attention to my interests in the register. I will be critical today but first I will pause and acknowledge that international development is difficult and complex work—although absolutely vital in the globalised world in which we live, where hideous imbalances are a threat to us all. We owe gratitude to DfID for the work that it does.

This is a huge topic, and I will focus on just one aspect, based on my experience. There is a pendulum, a fashion even, in this work, that alternates between favouring very large development projects and relying on small projects to deliver. At some stage a Minister will get the idea that big projects are best. These go under many names, but the advent of multilateral donors has caused this tendency to explode. After all, if it was good yesterday to say that you were spending £10 million on a project, how much better to say today that you are part of a £100 million multilateral project. I am afraid that some Ministers tend to like that sort of thing. Large commercial consulting companies like them, too. These large projects, often with quite fuzzy success criteria, provide tremendous fee-earning opportunities that are worth bidding for.

Finally, the Minister's officials may have a strong temptation to feel the same way, because a few big projects run by large commercial consulting companies are a lot easier to administer than a plethora of small ones run by a diversity of small organisations. I remember officials some years ago—unaware of my presence— punching the air at the news that smaller projects were to be dispensed with in favour of fewer and bigger ones. Perhaps things are different now, but the House of Commons International Development Committee report of March this year said that there is,

“a focus on large programmes, which are outsourced to multilateral organisations and large contractors to manage” —  
so it does not sound like much has changed.

However, what is actually wrong with great big grandstand projects? Here are a couple of examples from my own experience. First, I have worked on projects where, by the time the needs assessment has been done, the reports written, the tender drawn up and run, the contracts awarded and the project finally gets started, hundreds of thousands could have been spent. The project can be years out of date, even irrelevant, but the successful bidder is locked into a commercial contract that they are ill-advised commercially to upset. This is a very dispiriting experience, but all too common in large multilateral projects.

My second example: millions of pounds simply disappeared into multilateral projects providing so-called budget support to other Governments. When I asked questions about this, they tended to be met with a shrug or an embarrassed smile. Nobody really knew what the money had been spent on. Of course, large projects may sometimes be justified. However, the temptation in a Government department to opt for too few—big—projects has been too strong for too long.

Smaller, bilateral projects tend to be far more plugged in to real-time needs, nimbler in meeting them, and implemented by people with a commitment that predates and goes on way beyond the project rather than just the project period. They also tend to have long-term relationships with community partners, and others have already touched on that. In short, I have seen millions wasted on big projects and hundreds spent very well on small ones. The House of Commons report suggests that there is a need for a “change of culture” at DfID. I do hope that DfID is listening.

**7.14 pm**

**Lord Lawson of Blaby (Con):** My Lords, I am sure that the whole House was delighted with the news last month that the Nobel prize for economics had been awarded to a British economist, Professor Angus Deaton. It was awarded for his work on global poverty, on which he is the world's leading expert. I commend to all noble Lords who have participated in this debate his best-known book, *The Great Escape*, which I suspect many have not read. I commend it in particular to my noble friend who will be winding up in the debate, and I hope that she will draw it to the attention of her boss, the Secretary of State.

I should like to end this very brief intervention in the gap by quoting, in his own words, Professor Deaton's conclusion in the book on official foreign aid:

“While some of this aid has clearly done good—and I think the case for assistance to fight disease such as HIV/AIDS or smallpox is strong—I have come to believe that most external aid is doing more harm than good. If it is undermining countries' chance to grow—as I believe it is—there is no argument for continuing it on the grounds that ‘we must do something’. The something that we should do is to stop”.

**7.16 pm**

**Baroness Northover (LD):** My Lords, I, too, thank the noble Earl, Lord Sandwich, for securing this debate and challenging us all so effectively. I have hugely valued his expertise over the years. I also commend the noble Lord, Lord Barker, for his maiden speech, and I look forward to hearing more from him.

As a former DfID Minister, I feel very proud of what DfID has achieved. The department is indeed renowned throughout the world for its work, as my noble friend Lord Chidgey made clear. As a Lib Dem, I am delighted that my colleagues Michael Moore and Jeremy Purvis—now, my noble friend Lord Purvis—took through Parliament the Bill to enshrine in law the UK's commitment to spend 0.7% of GNI on aid. I am extremely grateful for so much cross-party support, not least from many—although not all—who have spoken today. Therefore, it is vital for me to ensure that this aid is indeed spent wisely and well. It must be effective.

We are coming up to the comprehensive spending review next week and the strategic defence and security review. The SDSR was due to be published on Monday but it may, as I understand it, be postponed. So this debate is also very well timed because of the key agreements of this year.

As the noble Lord, Lord McConnell, and others pointed out, in September, after worldwide involvement, we agreed the new sustainable development goals. We hope that the climate change conference will take place shortly in Paris, despite the terrible events of the last few days. There could not be a more stark contrast between that appalling series of attacks and the need to work collectively to tackle global climate change. Right now, as we have heard, DfID is conducting a number of its own reviews. As the noble Earl, Lord Sandwich, mentioned, aid is scrutinised by the Commons Select Committee and by ICAI, as well as through transparency and public scrutiny. That scrutiny is vital because of all that we need and must achieve in an unstable world.

DfID's work takes place in very challenging circumstances, as the noble Lord, Lord Cromwell, pointed out. However, if we look at the wider changes that we seek, we can see major progress. The MDGs aimed to halve extreme poverty. Clearly assisted by

economic growth in China, India, Brazil, Mexico and other key economies, the world achieved that, even if half the world's population—women—remain worldwide less well off than men.

However, the newly-agreed SDGs now aim to eradicate extreme poverty by 2030, thus finishing what the MDGs started, and they aim to leave no one behind. That must mean a continued concentration on women and girls, as the noble Baronesses, Lady Hodgson and Lady Flather, the noble Lord, Lord Desai, the noble Viscount, Lord Craigavon, and others have made clear. It also means that we must focus, as the noble Lord, Lord Alton, emphasised, on those from ethnic minorities in particular countries where they are excluded, and, as the noble Lord, Lord Black, pointed out, on members of the LGBT community, those with disabilities, the elderly and so on. I look forward to the Minister's response on these points.

In tackling fragile states, as Save the Children points out and as was emphasised by the noble Lord, Lord Judd, an over-focus on short-term results can deflect from longer-term aims. Building systems, capacity and institutions takes time. The Prime Minister's recent announcement, which the noble Lord, Lord McConnell, referred to, that the UK may be focusing half its aid budget in fragile states must surely mean that long-term development strategies are vital; for example, across the Middle East and north Africa. Perhaps the Minister could clarify that. Here, echoing the noble Baroness, Lady Chalker, I note CDCs very interesting support in frontier economies.

We also hear that DfID will emphasise humanitarian emergencies. Again, we must make sure that we invest in longer-term development to reduce the impact of natural disasters. Earthquakes striking the west coast of the US do not cause the death rates that we see in developing countries—for example, around the Himalayan ring—where the challenge of poor housing lies at the root of many casualties. We know from tsunamis that building key public structures in a way that can withstand such floods is crucial. We also know that warning systems can save many lives.

In building resilience, we need to implement the advice from the expert panel on disasters, chaired by my noble friend Lord Ashdown.

Many noble Lords have made reference to the fact that more ODA money may be assigned to other departments. Cross-departmental working is absolutely right; after all, trade policies from BIS—

**The Earl of Courtown (Con):** Will the noble Baroness give way?

**Baroness Northover:** If the noble Earl will look at his piece of paper, I am allowed eight minutes.

**The Earl of Courtown:** I do apologise to the noble Baroness, but it is four minutes.

**Baroness Northover:** I apologise on behalf of my Whips' Office, which told me last night that, whereas everybody else had four minutes, I had eight minutes in which to respond for the Lib Dems.

I will conclude by arguing that it is important that DfID and DECC work closely together. Removing renewables in the United Kingdom helps to undermine what we are doing overseas.

It is important that the FCO, MoD and DfID work together; that was surely and sorely missing in the early days in Afghanistan and Iraq, with long-term consequences.

This has been a very thoughtful debate—

**The Earl of Courtown:** My Lords, I am sorry, but will the noble Baroness give way, please?

**Baroness Northover:** I now conclude and look forward to the Minister's reply.

**7.23 pm**

**Lord Collins of Highbury (Lab):** My Lords, I will run through what I have to say very quickly. I thank the noble Earl, Lord Sandwich, for initiating this debate, and I congratulate the noble Lord, Lord Barker, on his excellent maiden speech.

The cross-party consensus on 0.7% would have been unthinkable 20 years ago—as evidenced by the noble Lord, Lord Lawson. However, we need to do far more to persuade many of the public. We should make the case every day we can that development changes and saves lives.

Today's debate is less about how much we spend and more about how we spend it. Can a larger development budget be delivered by an ever-smaller department? As the aid budget rises, so must our ability to control it. That is why the role of the Independent Commission for Aid Impact is so important. I want to focus on its comments on the use of contractors to deliver UK aid. The effectiveness of that aid is reduced, ICAI argues, because of the arm's-length relationship between DfID and the contractors, and a lack of strategic guidance on their use. However, what ICAI failed to address is the key comparison of the effectiveness of a private sector-led approach to poverty alleviation over a public sector-led one. The use of certain consultants, such as Adam Smith International, inevitably predetermines the policies that are implemented overseas, from privatised water to privatised education. Earlier this year, Global Justice Now published a study stating that the DfID's funding of private sector health and education projects was driving inequality.

We know that public services can provide better value in developing countries, but in some cases that choice is not being given. This is crucial in ensuring that the needs of the poorest are met and that recipient countries' ability to become self-reliant is increased. The Ebola crisis highlighted the importance of sustainable public health systems. I urge the Minister to ensure that the department and ICAI give this question the scrutiny that it deserves.

Last year, DfID launched an inquiry into the use of consultants and in its response pointed out that it had tightened procurement controls and ministerial oversight. However, what the department did not do was publish the full results of the inquiry. Will the Minister now agree to do so and advise whether any assessment has been made of the new procedures?

I would also be grateful if the Minister could inform the House of the results of the review of the strategic choices that the department makes in its use of contractors, including when the department should be delivering in-house and when and how it should bring in suppliers.

As my noble friend Lord McConnell noted, with DfID increasingly working in fragile and conflict-affected states requiring complex programmes, the department is more likely to rely on contractors and their local partners. The Prime Minister's announcement that at least half the UK's £12 billion aid budget will be spent on supporting fragile states raises even more questions on how this might be managed.

**7.26 pm**

**The Parliamentary Under-Secretary of State, Department for International Development (Baroness Verma) (Con):** My Lords, let me begin by thanking the noble Earl, Lord Sandwich, for securing this debate and all noble Lords for their contributions. They have been wide-ranging, informative and questioning. Many questions have been posed today and I may have to undertake to write to noble Lords given the time constraints.

I also join all noble Lords in welcoming my noble friend Lord Barker to your Lordships' House; I congratulate him on his excellent maiden speech. Having worked with my noble friend in a previous role at the Department of Energy and Climate Change, I know that he will bring passion and deep knowledge to ensuring that we have a planet that is fit for all its citizens. He will bring to the House the benefit of the knowledge and experience that he gained not just from that department but from the reason why he came into public life. I look forward to working with my noble friend.

I am proud of the role the UK has played in setting a new agenda for development, and ensuring that global goals are universal and leave no one behind. For a sustainable route out of poverty, Her Majesty's Government will put inclusive economic growth, resilience to crises, empowering women and girls, and tackling climate change at the heart of our approach. DfID is already achieving transformational results and has transformed as an organisation to deliver even smarter programmes.

Under this Government, Great Britain was the first major economy—as is widely recognised not just here in the UK but globally—to meet the UN target of spending 0.7% of gross national income on development. Since 2011, this commitment has placed more than 10 million children into school, immunised nearly 50 million children against fatal diseases and prevented 24.5 million people going hungry. It has supported some 480,000 people to start HIV treatment plans and distributed 47.4 million insecticide-treated bed nets.

As well as saving lives, we have stepped up our focus on economic development and the golden thread. By improving opportunities for communities and their economies, we can catalyse sustainable, long-term benefits for generations to come. With this in mind, DfID is helping people to work their way out of poverty, not least by supporting 69 million people access financial services.

The way we and our partners deliver and the way we work with civil society and others has changed. The bilateral and multilateral aid reviews will ensure that our strategy is sensitive to this shifting landscape and informed by the latest evidence. Internally they will target our work in the right places and in the right ways. DfID's operating framework will continue to demand that lessons learned from the past impact evaluations and changes in the global evidence base be considered throughout programme design and implementation.

Since 2012, DfID has transformed how it demonstrates greater accountability and transparency. Every programme in the department now has a named person in charge with clear responsibilities. Financial, audit and risk systems have been strengthened. Programmes are reviewed more frequently, and if seen not to deliver they may be closed down.

We also continue to raise the bar with the key multilaterals we work with. In 2013, the International Development Committee said:

"The multilateral aid review has made a real contribution to the efficiency of the multilateral system".

So while it is too soon to pre-empt the full results of the reviews, I am confident that they will deliver a flexible approach that ensures that the benefits of aid reach those most in need, even in the most difficult places.

Flexibility means surging our resources to respond to global shocks—as we did last year on Ebola—and focusing on the longer term to help countries to rebuild themselves after crises. That is where smart development comes in. We know that for every £1 spent on disaster preparedness we save up to £7 on disaster response. In Nepal we are building schools to withstand earthquakes; in Africa we help countries insure themselves against extreme weather; and last year we committed £27 million into a cross-government fund for peace, stability and security programmes.

I thank the noble Earl, Lord Sandwich, for highlighting the vital role of UK parliamentarians in scrutinising the effectiveness of UK aid. DfID works directly with Parliaments in 75% of its bilateral country programmes. Earlier this year we committed £9.3 million to the Westminster Foundation for Democracy, which works in more than 40 countries to support Parliaments and political parties. Our support for transparency in sectors such as construction and forestry—such as the Nepal forestry programme to

which the noble Earl referred—empowers civil society with information about revenues and contracts to help citizens scrutinise government decisions.

DfID undertook a comprehensive review of the Nepal multi-stakeholder programme this September. While it was noted that management and governance challenges had delayed progress, results were nevertheless achieved: 8,100 jobs were created and 381 local groups were trained in forest management.

Empowered societies and open Governments are a prerequisite for effective public accountability. This golden thread underpins sustainable long-term growth and stability. DfID is a global leader in publishing timely, comprehensive and open data on its programmes and asks its main suppliers and implementing partners to do the same.

I shall try to respond to a number of the questions that were raised. My noble friends Lady Hodgson and Lord Craigavon, the noble Lord, Lord Cromwell, and other noble Lords asked whether, through the reviews, we would be considering supporting smaller organisations. We want to see how best we can reach the people who will benefit, whether it is through the smaller organisations on the ground or through the multilateral agencies. Often, some work is better performed through the multilateral agencies. It is about seeing how these reviews can give us results and help us deliver better to the people who need us the most. The review will help us to develop a more thoughtful, innovative, strategic and fairer relationship with organisations that share our objectives.

There should be simplified programme designs. In the past two years, DfID has stripped back its guidance so that we now have 37 smart rules that operate in the department. I am responsible for procurement within the department and I can tell noble Lords that, from my perspective, we scrutinise very carefully the business case for every single proposal that comes through. We do not simply reject on the basis of size. It really is about how effectively the programme supply will actually deliver.

My noble friend Lord Black rightly raised the important issue of freedom of the media and ensuring that people are able to get information on the ground that rightly empowers them to question local governance and services. The UK Government have been a champion of Goal 16, which encourages greater transparency and accountability, and press freedom globally. In support of that, DfID provides BBC Media Action with a large global grant of £85 million to support citizens gaining better access to information through the media. We support the global work of the London-based organisation, Article 19, which focuses on the defence and promotion of freedom of expression and freedom of information worldwide.

My noble friend is also absolutely right to highlight the importance of tackling LGBT discrimination. The UK is behind the commitment to the principle of “leave no one behind” in the implementation of the global development goals. I welcome the opportunity to chair discussions on the protection of LGBT people during the upcoming CHOGM People’s Forum in Malta over the next few days. The UK continues to urge all states with laws that criminalise homosexuality urgently to review them. DfID remains committed to fighting for equality and against discrimination. We see human rights as universal; they should apply to all people.

My noble friend Lady Hodgson and other noble Lords asked about corruption and fraud. The Government do not and will not tolerate corruption or the misuse of taxpayers’ funds in any form. All allegations of fraud are taken seriously and we follow them up through DfID’s Counter Fraud and Whistleblowing Unit. We have in place robust systems to safeguard aid money. DfID is delivering a new anti-corruption research programme over the next three years to provide relevant operational evidence on how to tackle corruption in priority countries.

My noble friend Lord Barker talked about the Energy Africa campaign. He is absolutely right to say that we focus on ensuring that the two out of three people living in sub-Saharan Africa who do not have access to electricity today are not in that position in the future. We are doing our very best to ensure that we reach out to help them on to the path to economic growth, and I am very pleased to be able to support my honourable friend in the other place, Grant Shapps, who launched this initiative on 22 October. It has been very well received globally and, again, the UK is showing the leadership that encourages others to look at what we are doing in this area, so that they can assist us. Three countries have already signed partnership agreements.

I have too many questions to respond to in the time available because the clock is ticking away rapidly. Perhaps I may conclude by saying that the international community sees DfID as a development leader. We are not complacent, and we will continue partnering across government, parliamentarians, civil society, the British public and others to deliver smarter and more effective programmes which demonstrate that the power of change is on the ground and in the hands of the people.

*House adjourned at 7.39 pm.*