

## Questions to DFID

- 1. Can you please provide a full list of all the ODA programmes (including DFID and Other Government Departments) subject to in-year cuts to planned spending, organised by department and country office, giving the proposed value of cuts for each programme by category (underspend, delay or cancellation).**

*The Statistics for International Development will, as usual, provide a full breakdown of the UK's ODA spend in 2020. As normal, this will provide a departmental comparison from 2019 spend.*

*As normal, there will continue to be adjustments in-year to individual departmental ODA spend to meet the 0.7 per cent target. A large volume of reductions will be made to our multilateral investments rather than bilateral spend. This is because a significant reduction to bilateral spend within the year would have a disproportionate impact on the most vulnerable around the world.*

- 2. What was the total planned ODA spend for 2020 against which the review is applying the stated £2.9bn of cuts, and why are the planned cuts substantially larger than the latest projected decreases in GNI would require?**

*To deliver the 0.7 target, the UK government bases spending plans on independent forecasts of the economy by the Office for Budget Responsibility (OBR). The last official OBR forecast of GNI was published in the March Budget. This publication forecast the 2020 0.7 per cent target would be £15.8 billion. A £2.9 billion 'reasonable worse case' risk of exceeding the 0.7 per cent ODA target was modelled based on a range of independent forecasts on the contraction of the UK economy in 2020.*

- 3. How much of the £2.9bn in cuts will be taken from ODA going to multilaterals?**

*Bilateral spend has been prioritised. Out of the DFID savings, around 30% of these are from the bilateral portfolio and around 70% from the multilateral portfolio. We will make use of underspends, delays in activity and rescheduling planned payments to multilateral development organisations to manage the reduction in spend.*

- 4. When will DFID update the current and future pipeline?**

*We need to remain conscious that our budget is being severely restricted this year because of the impact of COVID-19 on GNI. There remain significant uncertainties about the GNI picture over the next few months.*

*Any new work which goes to market in the near future will be aligned with the five priorities the First Secretary has set out and the outcome of the Integrated Review. We expect that revised ODA allocations for 2020/21 will be published by HMT at Autumn Budget. A clearer view of an updated and more forward-looking pipeline will become possible from that point onwards.*

- 5. If a supplier/partner has not been contacted by the DFID by now, does that mean that their programmes won't be cut?**

*DFID SROs are still in the process of communicating changes to our partners and agreeing what is feasible.*

- 6. In the letter dated 24<sup>th</sup> July 2020 from Rt Hon Dominic Raab MP, SoS of the Foreign and Commonwealth Office and Rt Hon Anne-Marie Trevelyn MP, SoS of the Department for International Development, they say that DFID will “work with our respective supply chains to realise these reductions”, what is the expected timeline for this?**

*We will need to work together at pace to realise the savings we need to make. Making quick progress will of course help avoid the need to make further reductions later in the year.*

- 7. In the same letter dated 24<sup>th</sup> July 2020, what does a “delay” to a project mean? Will the project be restarted if GNI is better than expected?**

*The UK is committed to spending 0.7 per cent of GNI on development, which is enshrined in law. This means the aid budget increases when the UK economy grows and decreases if the economy shrinks. There remain continuing uncertainties about GNI over the coming months. In relation to future spending you will be aware that on the 21 July the Chancellor launched the Spending Review that will set future year budgets. Future programming will be subject to the outcome of this.*

- 8. What is the process that suppliers/partners should expect to go through as part of the cuts process?**

*The process is set out in the letter from the Secretaries of State. SROs (supported by our commercial teams) are already communicating outcomes for each agreement. Our commercial teams will work with partners to amend or finalise exit terms where necessary for contracts. For grants and memorandum of understandings, the relevant SRO will handle amendment or termination of the programme's financial agreement, with advice from commercial teams.*

*For partners who have a significant volume of agreements, Strategic Relationship Managers and senior civil servant sponsors will liaise with strategic supply partners at HQ-level to confirm changes across entire portfolios and help manage impacts.*

*We will continue to make every effort to protect our operational capacity and capabilities and avoid the most damaging impacts on our supply partner base, building on the flexible and pragmatic arrangements – altering milestones, payment schedules and working arrangements – that have enabled us to maintain delivery of essential programmes to date.*

- 9. What performance data (impact, value for money etc) did DFID use to help make decisions on the cuts to ODA?**

*The First Secretary of State, working with the International Development Secretary and colleagues from other ODA spending departments led a cross government process to identify reductions in this year's ODA budget, so that we meet but not exceed the UK's 0.7% commitment. This looked at every strand of the ODA budget, evaluating the impacts of spend and making sure we can maintain operational capacity.*

*This process also enabled us to protect key policy priorities: poverty reduction for the "bottom billion", tackling climate change and reversing biodiversity loss, championing girl's education, the global response to COVID-19 and Britain as a force for good in the world.*