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and learning for  
development

# International development, UK aid and Official Development Assistance spending - an overview

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## Question

*Please provide an annotated bibliography for each of the below:*

- *The global context of international development.*
- *UK Parliament's guiding principle, legislation and strategic priorities.*
- *Official Development Assistance spending: cross-government approach, classification and recipients.*

## Contents

1. Overview
2. Introducing international development
3. The global context of international development
4. UK Parliament's guiding principle, legislation and strategic priorities
5. Official Development Assistance spending: cross-government approach, classification and recipients
6. About this report

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# 1. Overview

This helpdesk provides an introduction to international development, UK aid and Official Development Assistance (ODA) spending. It was developed over five days. Unlike previous helpdesk reports, the current paper does not provide a summary of relevant evidence, but rather it was designed to introduce someone unfamiliar with the field of international development to some of its complexities through the provision of resources. It includes hyperlinks to sources rather than a traditional referencing system, to make follow-up learning as easy as possible for the reader.

There are five main sections. The first section introduces international development and signposts where the reader can look for further information on this topic. The second section provides some information on the global context of international development. The third section details the UK parliament's guiding principles, legislation and strategy for international development. The fourth section provides an overview of UK ODA spending. The following provides a brief summary of each section.

## **Introducing international development**

This section signposts the reader towards various resources that offer an introduction to international development. It includes a series of pages by a media platform called Devex, which offers definitions and context on various key terms, including global development, international development and development aid.

A number of free development focused courses are listed, allowing the reader to further their understanding of key issues. The course providers include the Open University, World Bank Group's Open Learning Campus, Learn4dev, EdX and Future Learn.

Summaries of the three most recent World Bank's World Development Reports are provided, as is an introduction to the next Report, which will be published in 2018. The Reports provide guidance to complex development issues, including governance, digital opportunities and challenges, society and education.

## **The global context of international development**

This section starts by introducing the Sustainable Development Goals, which universally apply to all countries and are designed to end poverty, fight inequalities and tackle climate change, and leave no one behind. Next the Organisation for Economic Co-operation and Development (OECD) is introduced, and its significance for international development summarised. Details of the OECD structure are provided, including the role of the Development Assistance Committee (DAC) and the Development Co-operation Directorate (DCD).

A brief introduction to the geography of international development is provided through the inclusion of four journal articles that focus on this topic. They discuss the new geography of 21<sup>st</sup> century global development, as well as examining South-South development cooperation and what this means for more traditional modes of development. One paper focuses on the financialization of development, which is manifested in foreign aid being used to de-risk investment, access frontier markets and participate in speculative capital flows. The final paper focuses specifically on how the UK's Department for International Development (DFID) is increasingly focusing on economic growth and the private sector. It goes on to consider the implications of this shift.

## **UK Parliament's guiding principle, legislation and strategic priorities**

This section provides an overview and links to all recent UK legislation that is relevant to international development. This includes the International Development Act 2002, International Development (Reporting and Transparency) Act 2006, International Development (Gender Equality) Act 2014 and International Development (Official Development Assistance Target) Act 2015. It goes on to detail the UN General Assembly Resolution 2626 (XXV), which was adopted in 1970 and reaffirmed international commitment to international co-operation. It provides detail of Paragraph 43, which calls on all economically advanced countries to commit 0.7% of their gross national product (GNP) to international development.

A summary is provided of the UK Government's 2007 White Paper on International Development, which sets out its approach to achieve sustainable development and eliminate poverty. The White Paper underpinned the UK aid strategy, which was launched in 2015. It is explained how the strategy will guide restructuring of UK aid spending to tackle some of the biggest global challenges including mass migration, disease, the threat of terrorism and global climate change. It also re-affirms the UK's commitment to the 0.7% target for ODA.

A brief overview is given of the section of the 2017 Queen's Speech that was relevant to international development. It offers further commitment to the 0.7% ODA target and to the Paris Agreement on climate change, as well as increasing the focus on global security.

An introduction to statistics relevant to UK development is also provided. Various graphics are incorporated, including an overview of UK net ODA, net country-specific bilateral ODA by DFID and non DFID sources, as well as receipt of UK net bilateral aid.

## **ODA spending: cross-government approach, classification and recipients**

The final section explores UK ODA spending. It summaries the relevant legislation to the ODA target, and what this means in practice. A brief introduction to the OECD DAC view on ODA is provided. A number of images and graphs are included to illustrate ODA spending as a percentage of gross national income (GNI) as well as in real terms. Further graphs compare ODA spending for the UK compared to other DAC countries.

A report by the National Audit Office (NAO) on managing ODA is summarised. Details are provided on how 14 central government departments and funds spent UK ODA in 2015. An overview of ODA trends is provided. As the proportion of ODA spent by DFID decreases, in line with guidance provided by the UK aid strategy, the number of departments spending ODA will remain the same, while they will be managing larger budgets. DFID will have a key role in continuing to support other government departments to manage ODA spending. It is explained how attention is needed to improve forecasting and budgeting, as many of the bodies examined were found to face issues in this regard. To date, the focus has been on making sure the 0.7% target is met. In future, greater focus will be needed on ODA management and delivery.

## **2. Introducing international development**

### **What you need to know by Devex**

**Devex** is a media platform for the global development community. Devex provides a number of introductory pages that provide an overview of various development topics. These include:

- **Global development** – This term lacks a clear definition, but it is often linked with human development and international efforts to reduce poverty and inequality and improve health, education and job opportunities around the world. A variety of data can be used to describe what is also often referred to as international development, including a country's gross domestic product (GDP) or its average per-capita income, literacy and maternal survival rates, as well as life expectancy, human rights and political freedoms. While humanitarian aid and disaster relief are meant to provide short-term fixes to emergencies, international development is meant to be long-term and sustainable. International cooperation and development aid remain catalysts for global development, whether the assistance comes through debt relief, budget support, technical assistance or impact investing. The global development community – multilateral and bilateral donors, foundations, non-profits, companies, consultants, advocates and entrepreneurs – work at the forefront of this cause; to boost worldwide prosperity and ensure sustainable development.
- **International development** - International development involves industrialised nations helping to improve living conditions in the rest of the world. Demand for skilled professionals in environmentally-conscious development and other emerging fields is expected to grow. Likewise, the interest in development jobs has skyrocketed, and many universities are adding courses or even degree programs on issues such as international relief, global health and microfinance. In today's financial climate, there's an unbroken demand for development assistance - but also increased competition for donations, grants, loans and contracts.
- **Development aid** - Development aid is a key tool to boost economic growth and advance security interests in the globalised world. Development aid is meant to ensure a country's sustainable growth over the long run, while humanitarian aid usually refers to short-term relief provided after a natural disaster, refugee crisis or other emergencies. Traditionally, development aid referred to ODA – the international transfer of public funds either directly from one government to another through bilateral aid, or indirectly through non-governmental organisations or a multilateral agency. With the emergence of corporate philanthropy and private donors, development aid has turned into a catchall term. Other commonly used terms include international aid, foreign aid, overseas aid and development assistance.

## Free development courses

### Understanding international development

This 20 hours introductory course from the Open University introduces and explores international development by considering the themes referred to as PASH - Power and Agency, Scale and History – and programmes to promote livelihoods.

### Introducing international development management

This 40 hours advanced free course by the Open University introduces conflicting interpretations and implications of 'development' through the different conceptualisations of poverty. It will help to develop an understanding of the contexts within which development action occurs – from local to global. It will also introduce development management.

### Open Learning Campus

The World Bank Group's Open Learning Campus (OLC) provides dynamic learning opportunities where diverse audiences can learn at their own pace and access the knowledge they need. OLC equips individuals with the knowledge and capabilities to tackle the toughest development challenges through the delivery of a comprehensive learning curricula.

## Learn4dev

Learn4dev is a development network that links bilateral and multilateral organisations that are committed to more effective and harmonised development aid. They offer training and share knowledge on ways to strengthen competences and achieve optimal results. Members provide their expertise through training and dialogue in key areas of international development. The Learn4dev [Learning Portal](#) provides links to a number of resources from Learn4Dev members. *NB some courses are not free.*

## Leaders in Global Development

This 100 hour advanced course teaches the importance of leadership in the development sector. Students will be taught to engage in self-leadership, by building self-awareness about strengths and weaknesses as a leader in the context of global development. Different forms of leadership that are relevant to the development sector will be explained, as will techniques to ethically build power (the potential to influence) and design influence strategies. The course is by the University of Queensland, hosted by [EdX](#).

## Achieving Sustainable Development

This 12 hour free course is hosted by Future Learn and designed by Trinity College Dublin. It will encourage learners to critically consider key Sustainable Development Goals (SDGs) including peace, healthcare, sustainable cities, and water and sanitation. It explores how development really can be sustainable, its impact on communities, and how it can make a difference to real lives.

## World Bank World Development Reports

The [World Development Report \(WDR\)](#) is published annually by the World Bank and produced by their Development Economics Unit. Since 1978, WDRs have provided guidance to understanding the complexities of the economic, social, and environmental state of the world. After extensive internal and external review, the WDRs offer in-depth analysis and policy recommendations across a range of development themes. The three most recent WDR's are as follows:

- [WDR 2017 - Governance and the Law](#)

This report explores why some policies fail to achieve desired outcomes and what makes other policies work. It finds that successful reforms are not just about best practice. To be effective, it is argued that policies must guarantee credible commitment, support coordination, and promote cooperation. Power asymmetries are shown to undermine policy effectiveness. In the policy arena, unequal distribution of power can cause exclusion, capture, and clientelism. However, the good news is that change is possible. Elites, citizens, and international actors can promote change by shifting incentives, reshaping preferences and beliefs, and enhancing the contestability of the decision making process. The concluding guiding principles for rethinking governance for development are stated as:

  - The form of institutions as well as their functions must be considered.
  - Capacity building and power asymmetries must be a focus.
  - Both the rule and the role of law must be considered.
- [WDR 2016 - Digital Dividends](#)

This report defines digital dividends as the broader development benefits that are derived from using technologies. Digital technologies have the potential to boost growth, expand opportunities, and improve service delivery. Yet, while digital technology use has spread

throughout the globe, the digital dividends have lagged behind. The aggregate impact of technology has fallen short and is unevenly distributed. For digital technologies to benefit everyone everywhere requires closing the remaining digital divide, especially in internet access. This cannot be achieved by greater digital adoption alone. This report finds that to get the most out of the digital revolution, countries also need to work on the analogue complements, by:

- Strengthening regulations that ensure competition among businesses
  - Adapting workers' skills to the demands of the new economy.
  - Ensuring that institutions are accountable.
- **WDR 2015 - Mind, Society, and Behaviour**  
 This report shows how a richer view of human behaviour can help achieve development. It shows how a more subtle view of human behaviour provides new tools for interventions. Novel approaches to policies that take into account how people actually think and behave have shown great promise, especially for addressing development challenges. Such approaches can result in positive outcomes, such as increasing productivity, breaking the cycle of poverty from one generation to the next, and acting on climate change.

The 2018 WDR will focus on how to realise the promise of education for development. It will explore how to get education planning and delivery right, and in doing so fulfil its promise as a driver of development.

### 3. The global context of international development

#### Sustainable Development Goals<sup>1</sup>

In September 2015 at an historic UN Summit, world leaders agreed the 17 SDGs of the 2030 *Agenda for Sustainable Development*. On 1 January 2016 they officially came into force. The goals universally apply to all countries and are designed to mobilise efforts to end all forms of poverty, fight inequalities and tackle climate change, while ensuring that no one is left behind. The SDGs are illustrated by the graphic below:




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<sup>1</sup> See 'K4D Helpdesk Report 171 - SDG's and current trends' for more information on the SDGs.

The Millennium Development Goals (MDGs) were the predecessors to the SDGs. The SDGs call for action by all countries to promote prosperity while protecting the planet. They recognise that ending poverty must go hand-in-hand with strategies that build economic growth and addresses a range of social needs including education, health, social protection, and job opportunities, while tackling climate change and environmental protection.

The SDGs are not legally binding. However, governments are expected to take ownership and establish national frameworks for the achievement of the 17 Goals. Countries have the primary responsibility for follow-up and review of the progress made in implementing the Goals, which will require quality, accessible and timely data collection. Regional follow-up and review will be based on national-level analyses and contribute to follow-up and review at the global level.

## Organisation for Economic Co-operation and Development

The **Organisation for Economic Co-operation and Development (OECD)** aims to promote policies that will improve the economic and social well-being of people around the world. It provides a forum in which governments can work together to share experiences and seek solutions to common problems. The predecessor to the OECD, the Organisation for European Economic Cooperation (OEEC), was established in 1948 to run the US-financed Marshall Plan. Canada and the US joined OEEC members in signing the new OECD Convention on 14 December 1960. The convention entered into force on 30 September 1961. Today OECD has **35 members**.

Development is one of the main topics of focus for the OECD. They analyse and debate global and regional trends with partners around the world to help developing countries design innovative policies that meet their own particular needs and improve the lives of their populations. The OECD **Development Assistance Committee (DAC)** has a mandate to promote development co-operation and other policies so as to contribute to sustainable development, including pro-poor economic growth, poverty reduction, improvement of living standards in developing countries, and a future in which no country will depend on aid. The **Development Co-operation Directorate (DCD)** is responsible for supplying technical expertise to the OECD DAC to help build consensus among its members and the wider development community to improve development effectiveness.

## The geography of international development

**Horner R, Hulme D. 2017. Converging divergence? Unpacking the new geography of 21st century global development. GDI Working Paper, Manchester**

The establishment of the SDGs has resulted in a significant spatial shift in international development focus. This paper considers the “where” of contemporary development. It focuses on the shifting geographies of economic, human and environmental aspects of development. It argues that the framing of the Global North and South has changed since the 19<sup>th</sup> and 20<sup>th</sup> Centuries. Yet, some degree of global convergence does not adequately capture a world where development inequalities are profound. Instead, while the over-arching binary framing of development is blurring, such a trend is overlain by growing divergence at smaller spatial scales – especially within nations. “Converging divergence” characterises the new geography of 21st century global development, moving beyond overly optimistic claims of global convergence, but also beyond pessimistic accounts of the perpetuation of old development divides. The implications of “converging divergence” are explored and it is concluded that 21st century global

development involves and must address a very different geography from that of 20th century international development.

**Mawdsley E. 2015. Development geography 1 - Cooperation, competition and convergence between 'North' and 'South'. *Progress in Human Geography*; 41 (1)**

This paper examines the consolidation of South–South development cooperation and the response of the (so-called) 'traditional' donors to the opportunities and challenges provided by the 'rise of the South' in the context of the uneven reverberations of the post-2007/8 global financial crisis. It finds that these interpolated trends have contributed to an unprecedented rupture in the North–South axis that has dominated post-1945 international development norms and structures – an axis that has also provided the focus for radical and critical approaches to the geographies of development. The resulting development landscape is complex and turbulent, bringing stimulating challenges to theorists of aid and development.

**Mawdsley E. 2016. Development geography II: Financialization. *Progress in Human Geography*<sup>2</sup>**

Financialization is a complex and contested phenomenon. One definition describes the process as involving the increasing role of financial motives, financial markets, financial actors and financial institutions in the operation of the domestic and inter-national economies<sup>3</sup>. In this paper it is argued that donors are currently seeking to accelerate and deepen financialization in the name of 'development'. Foreign aid is being used to de-risk investment, 'escort' capital to 'frontier' markets, and carry out the mundane work of transforming objects into assets available to speculative capital flows. Financialization both permeates and goes beyond the more commonly referenced private sector-led development. Donors are pursuing these strategies and programmes with little or no reference to the threats posed by greater financialization.

**Mawdsley E. 2015. DFID, the Private Sector and the Re-centring of an Economic Growth Agenda in International Development. *Global Society*; 29 (3)**

This examines how DFID is returning an economic growth agenda to the centre of its mandate, with the private sector positioned as the primary engine of this strategy. Corporations, consultancies and the financial sector also play an important role. This shift is a strategic response to challenges in the domestic and external context for traditional donors. It is argued that this strategy may achieve growth outcomes in partner countries, but without sufficient conceptual rigour, regulatory oversight or attention to the "connective fabric" between growth and "development", the latter is more uncertain. DFID's direction reflects wider trends in international development norms, finances and actors. Traditional donors appear to be returning to older development models, but with new tools and in new contexts. An optimistic assessment is that this will result in a more effective "beyond aid" development agenda, but there is a significant risk of capture by state-corporate interests that will not aim for or achieve progressive, just development outcomes.

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<sup>2</sup> Link to Research Gate, as article could not be found on the journal website.

<sup>3</sup> Epstein G. (ed). 2005. *Financialization and the World Economy*. Cheltenham: Edward Elgar.



## 4. UK Parliament's guiding principle, legislation and strategic priorities

### UK Public General Acts

The following Public General Acts relating to International Development have successfully passed through UK Parliament and received Royal Assent:

#### **International Development Act 2002**

**Introduction** - An Act to make provision relating to the provision of assistance for countries outside the United Kingdom; to make provision with respect to certain international financial institutions and the Commonwealth Scholarship Commission; and for connected purposes.

**Summary** - In 1997 the Government published the White Paper on International Development: "Eliminating World Poverty - A Challenge for the 21st Century". That White Paper set out the Government's contribution towards the elimination of global poverty, and committed the Government to consider the case for replacing the principal legislation in this area – the Overseas Development and Co-operation Act 1980. The Act gives legislative form to the policies set out in the White Paper by authorising the Secretary of State to incur expenditure on assistance for certain specified purposes. Under the Act the Secretary of State may provide any of the following:

- Development assistance to any country or territory outside the UK, if he or she is satisfied that the provision of the assistance is likely to contribute to a reduction in poverty;
- Development assistance to any British overseas territory;
- Assistance to alleviate the effects of a disaster or other emergency on the population of any country or territory outside the UK.

The Act defines "development assistance" as assistance given for the purpose of: furthering sustainable development in one or more countries outside the United Kingdom, or improving the welfare of the population of such countries. The Act provides for the Secretary of State to take steps which enable him or her to prepare for, and will otherwise facilitate, the provision of assistance under the Act. It also allows the Secretary of State to support organisations which undertake activities which are likely to contribute to the reduction of world poverty. The Act enables the Secretary of State to support activities that promote the awareness of and understanding of global poverty. Prior to the coming into force of the Act, such activities will have been supported by the Secretary of State on the basis of the Appropriation Act.

The Act enables the use of a wider range of financial instruments in the provision of development assistance than have been available under the 1980 Act. The range includes share-holdings and convertible instruments, options and guarantees. The Act enables named statutory bodies to engage on their own or with the Secretary of State in the provision of assistance overseas. It also contains provision requiring governmental consent to be given before such bodies can engage in such activity, and provision as to the terms upon which they can provide development assistance. The Act provides for payments to be made to multilateral development banks, and contains provisions concerning the immunities and privileges of the International Bank for Reconstruction and Development, the International Finance Corporation and the International

Development Association. The Act provides for the continuance of the Commonwealth Scholarship Commission.

### **International Development (Reporting and Transparency) Act 2006**

**Introduction** - An Act to require the Secretary of State to report annually on total expenditure on international aid and on the breakdown of such aid, and in particular on progress towards the target for expenditure on ODA to constitute 0.7% of GNI; to require such reports to contain information about expenditure by country, about the proportion of expenditure in low income countries and about the effectiveness of aid expenditure and the transparency of international aid; and for connected purposes.

### **International Development (Gender Equality) Act 2014**

**Introduction** - An Act to promote gender equality in the provision by the Government of development assistance and humanitarian assistance to countries outside the United Kingdom, and for connected purposes.

**Background** - The Act amends the International Development Act 2002. The effect of the amendments to the 2002 Act is to require the Secretary of State before providing development assistance to consider whether the proposed assistance will reduce poverty in a way which is also likely to contribute to reducing gender inequality, and similarly to take account of gender-related needs before the Secretary of State provides humanitarian assistance overseas. The Act also introduces an additional reporting duty in the International Development (Reporting and Transparency) Act 2006.

### **International Development (Official Development Assistance Target) Act 2015**

**Introduction** - An Act to make provision about the meeting by the United Kingdom of the target for ODA to constitute 0.7% of GNI; to make provision for independent verification that ODA is spent efficiently and effectively; and for connected purposes.

**Summary** - In 1970, the United Nations (UN) General Assembly resolution 2626 (see below for more information) committed all economically advanced countries to providing 0.7% of their GNI as ODA by 1975. Internationally, it is commonly accepted that ODA has the meaning given to that term by the DAC of the OECD. ODA is currently defined by the DAC as the resource flows to developing countries and multilateral institutions provided by official agencies or by their executive agencies, which meet the following tests:

- They are administered with the promotion of the economic development and welfare of developing countries as their main objective, and
- They are concessional in character and convey a grant element of at least 25%.

The UK's GNI is a national statistic prepared by the Office for National Statistics. GNI comprises the total value of goods and services produced within a country (i.e. its GDP), together with its income received from other countries (notably interest and dividends), less similar payments made to other countries. The UK is committed to meeting the 0.7% target, and achieved it in 2013 for the first time. In so doing, it was also the first member of the Group of 8 Nations (G8) to meet the target.

In summary, this Act:

- Imposes a duty on the Secretary of State to ensure that the 0.7% target continues to be met by the UK in the year 2015 and in each subsequent calendar year;

- Provides that whether or not the 0.7% target has been achieved will be determined by reference to the ODA and GNI figures reported to Parliament on an annual basis in accordance with the International Development (Reporting and Transparency) Act 2006 (“the 2006 Act”);
- Requires the Secretary of State to lay a statement before Parliament in the event that the UK fails to meet the 0.7% target in any calendar year from 2015;
- Provides that the Secretary of State’s accountability in relation to the duty to meet the 0.7% target is to Parliament alone, by way of the requirement to lay a statement before Parliament;
- Provides that the lawfulness of anything done, or not done, is not to be affected by the fact that the duty to meet the 0.7% target has not been or may not be complied with;
- Repeals section 3 of the 2006 Act;
- Imposes a duty on the Secretary of State to ensure that UK ODA is subject to independent evaluation and to report annually (in the annual report) how he or she has complied with the duty.

## UN General Assembly Resolution

### International Development Strategy for the Second United Nations Development Decade (Resolution 2626 (XXV))

This resolution focuses on the UN’s International Development Strategy. It was adopted by the General Assembly on 24 October 1970. It reaffirmed international commitment to seek a better and more effective system of international co-operation, leading to the eradication of poverty and prosperity for all. Significantly, the resolution calls on all economically advanced countries to commit 0.7% of their gross national product (GNP) to international development. Paragraph 43 reads as follows:

*“In recognition of the special importance of the role which can be fulfilled only by official development assistance, a major part of financial resource transfers to the developing countries should be provided in the form of official development assistance. Each economically advanced country will progressively increase its official development assistance to the developing countries and will exert its best efforts to reach a minimum net amount of 0.7 per cent of its gross national product at market prices by the middle of the Decade”.*<sup>4</sup>

## White Paper on International Development

### Eliminating World Poverty - A Challenge for the 21st Century<sup>5</sup>

This White Paper was published in 2007 and sets out the UK Government’s policies and approach to achieve sustainable development and eliminate poverty. The International

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<sup>4</sup> NB - With a revised System of National Accounts in 1993, GNP was replaced by GNI. DAC members’ performance against the 0.7% target is therefore now shown in terms of ODA/GNI ratios. The [OECD website](#) provides more details on this change.

<sup>5</sup> Sourced from University of Bristol as it could not be found on the UK Government website

Development Act 2002 (see above for more information) gives legislative form to the policies set out in the White Paper. The twelve main themes are as follows:

1. Refocus international development efforts on eliminating poverty and encouraging economic growth that benefits the poor. Focus on sustainable livelihoods for poor people, promote human development and conserve the environment.
2. Work closely with other countries, donors and agencies through partnerships.
3. Pursue international development targets with poorer countries who are also committed to them.
4. In the UK work with the private and voluntary sector, as well as the research community.
5. Measure aid effectiveness.
6. Ensure policies affecting developing countries (including environment, trade, investment and agricultural policies) take into account sustainable development.
7. Focus on human rights, transparency, accountability and ethical governance.
8. Promote political stability and social cohesion to respond to conflict.
9. Encourage financial stability.
10. Increase public understanding of the need for international development.
11. Ensure that resources made available for development are used for the purposes intended and consider the case for a new International Development Act.
12. Provide resources for development. Reverse the decline in UK aid spending and reaffirm the commitment to the 0.7% UN target.

## UK aid strategy

### UK aid: tackling global challenges in the national interest 2015

The strategy aligns the government's global efforts to defeat poverty, tackle instability and create prosperity in developing countries, all strongly in support of the UK national interest. It sets out a restructuring of UK aid spending to tackle some of the biggest global challenges including mass migration, disease, the threat of terrorism and global climate change. The strategy is based on the premise that tackling poverty and serving Britain's interests are linked and that aid investment can achieve both goals. The strategy re-affirms the UK's commitment to spend 0.7% of GNI on ODA. The strategy explains the UK's commitment to delivering ambitious outcomes for priority areas, such as vaccines, malaria and family planning.

The strategy outlines planned action to cut waste, introduce greater transparency and subject aid to robust independent scrutiny. The strategy details a number of announcements including:

- The Ross Fund, which commits £1 billion over five years to global public health which will fund work to tackle the most dangerous diseases, including malaria.
- The allocation of 50% of DFID's budget to fragile states and regions in every year of this Parliament.
- Expansion of the cross-government Conflict, Stability and Security Fund (CSSF), supporting the international work of the National Security Council.
- A new £500 million ODA crisis reserve to allow greater flexibility to respond to emerging crises, such as the movement of Syrian refugees.

## Queen's Speech

The Queen's Speech sets out the UK government's agenda for the next parliamentary session. It outlines proposed policies and legislation. The [2017 Queen's Speech](#) was delivered on 21 June 2017 in the Houses of Parliament, it offered further commitment to the 0.7% ODA target, and the Paris Agreement on climate change, as well as increasing the focus on global security. The parliamentary session that follows the 2017 Queen's Speech will be two years long. This is double the normal length, to allow extra time for Brexit legislation discussions. The section relevant to international development reads as follows:

*"My ministers will ensure that the United Kingdom's leading role on the world stage is maintained and enhanced as it leaves the European Union.*

*As a permanent member of the United Nations Security Council, committed to spending zero point seven per cent of national income on international development, my government will continue to drive international efforts that increase global security and project British values around the world.*

*My government will work to find sustainable political solutions to conflicts across the Middle East. It will work to tackle the threat of terrorism at source by continuing the United Kingdom's leading role in international military action to destroy Daesh in Iraq and Syria. It will also lead efforts to reform the international system to improve the United Kingdom's ability to tackle mass migration, alleviate poverty, and end modern slavery.*

*My government will continue to support international action against climate change, including the implementation of the Paris Agreement."*

## Statistics on International Development

The annual publication of [Statistics on International Development](#) provides an overview of official UK spending on international development.

This table shows UK net ODA by delivery channel (Bilateral, Multilateral) for the years 2011, 2014 and 2015. The table was provided by [Statistics on International Development](#).

	£ million									
	2011		2014 <sup>R</sup>		2015		Change since 2011		Change since 2014	
	£m	%	£m	%	£m	%	£m	%	£m	%
<b>Total Bilateral ODA</b>	<b>5,260</b>	<b>61.0%</b>	<b>6,822</b>	<b>58.3%</b>	<b>7,664</b>	<b>63.1%</b>	<b>2,404</b>	<b>45.7%</b>	<b>842</b>	<b>12.3%</b>
<i>of which: bilateral through multilateral</i>	1,776	20.6%	2,141	18.3%	2,153	17.7%	377	21.2%	12	0.6%
<i>Loans</i>	0	0.0%	19	0.2%	22	0.2%			2	13.1%
<b>Total Multilateral ODA</b>	<b>3,369</b>	<b>39.0%</b>	<b>4,878</b>	<b>41.7%</b>	<b>4,473</b>	<b>36.9%</b>	<b>1,105</b>	<b>32.8%</b>	<b>-405</b>	<b>-8.3%</b>
<i>of which: Loans</i>	0	0.0%	324	2.8%	162	1.3%			-162	-50.0%
<b>TOTAL ODA</b>	<b>8,629</b>	<b>100.0%</b>	<b>11,700</b>	<b>100.0%</b>	<b>12,138</b>	<b>100.0%</b>	<b>3,509</b>	<b>40.7%</b>	<b>437</b>	<b>3.7%</b>

1. Figures may not sum to totals due to roundings.

R Figures for 2014 have been revised - see note on revisions in this publication.

Source: Statistics for International Development

Last updated: 17 November 2016

This table shows the top five sectors in receipt of UK net bilateral aid for 2011, 2014 and 2015. The table was provided by [Statistics on International Development](#).

Rank	2011		2014 <sup>R</sup>		2015	
	Sector	% Bilateral ODA	Sector	% Bilateral ODA	Sector	% Bilateral ODA
1	Health	18.0%	Health	18.1%	Humanitarian	16.5%
2	Government and Civil Society	13.7%	Humanitarian	16.4%	Government and Civil Society	13.3%
3	Education	12.3%	Multisector / Cross-cutting	13.9%	Multisector	13.1%
4	Multisector	11.5%	Government and Civil Society	12.7%	Health	13.1%
5	Economic Infrastructure & Services	10.4%	Education	12.0%	Economic Infrastructure & Services	11.6%
<b>Top 5 sectors' share of bilateral ODA</b>		<b>66.0%</b>		<b>73.1%</b>		<b>67.6%</b>

1. Figures may not sum to totals due to roundings.

R Figures for 2014 have been revised - see note on revisions in this publication.

Source: Statistics for International Development

Last updated: 17 November 2016

Next update: November 2017

This table shows total UK net country-specific bilateral ODA, by DFID and non DFID for the years 2009 to 2016. The table was provided by [Statistics on International Development](#).

								£ millions			
	2009	2010	2011	2012	2013 <sup>R</sup>	2014 <sup>R</sup>	2015	Change since 2011		Change since 2014	
	£	£	£	£	£	£	£	£	%	£	%
<b>Total Country Specific Bilateral ODA</b>	<b>3,323</b>	<b>3,447</b>	<b>3,569</b>	<b>3,744</b>	<b>4,620</b>	<b>4,569</b>	<b>5,066</b>	<b>1,477</b>	<b>41.1%</b>	<b>497</b>	<b>10.9%</b>
Africa	1,803	1,990	2,126	2,171	2,494	2,637	2,759	633	29.8%	123	4.6%
Americas	87	82	102	164	148	73	159	57	55.9%	86	117.0%
Asia	1,399	1,334	1,339	1,372	1,949	1,618	2,084	745	55.7%	266	14.7%
Europe	31	37	19	32	24	34	55	36	184.4%	21	63.7%
Pacific	4	5	2	6	5	7	8	6	233.4%	1	12.2%
of w/ich: <b>DFID Country Specific Bilateral ODA</b>	<b>2,868</b>	<b>2,928</b>	<b>3,195</b>	<b>3,189</b>	<b>4,077</b>	<b>4,098</b>	<b>4,272</b>	<b>1,077</b>	<b>33.7%</b>	<b>174</b>	<b>4.2%</b>
Africa	1,627	1,825	1,916	2,053	2,330	2,462	2,549	633	33.0%	87	3.5%
Americas	59	52	57	45	60	34	51	-6	-10.9%	17	50.5%
Asia	1,168	1,025	1,214	1,083	1,684	1,591	1,647	433	35.7%	56	3.5%
Europe	11	24	7	5	0	7	20	13	189.7%	13	193.3%
Pacific	3	3	2	3	3	4	5	3	147.9%	1	32.5%
of w/ich: <b>Non-DFID Country Specific Bilateral ODA</b>	<b>455</b>	<b>519</b>	<b>394</b>	<b>556</b>	<b>543</b>	<b>471</b>	<b>794</b>	<b>400</b>	<b>101.5%</b>	<b>323</b>	<b>68.6%</b>
Africa	176	166	211	118	164	175	210	0	-0.1%	36	20.5%
Americas	28	30	45	119	88	40	109	63	139.6%	69	173.2%
Asia	231	309	125	289	265	227	437	312	248.9%	211	92.9%
Europe	19	13	12	27	24	27	35	23	181.6%	8	30.9%
Pacific	1	1	0	2	2	3	3	3	727.3%	0	-11.2%

1. Figures may not sum to totals due to roundings.

2. Totals contain region specific that do not have a specific recipient country

R Figures for 2013 and 2014 have been revised - see note on revisions in this publication.

Source: Statistics for International Development

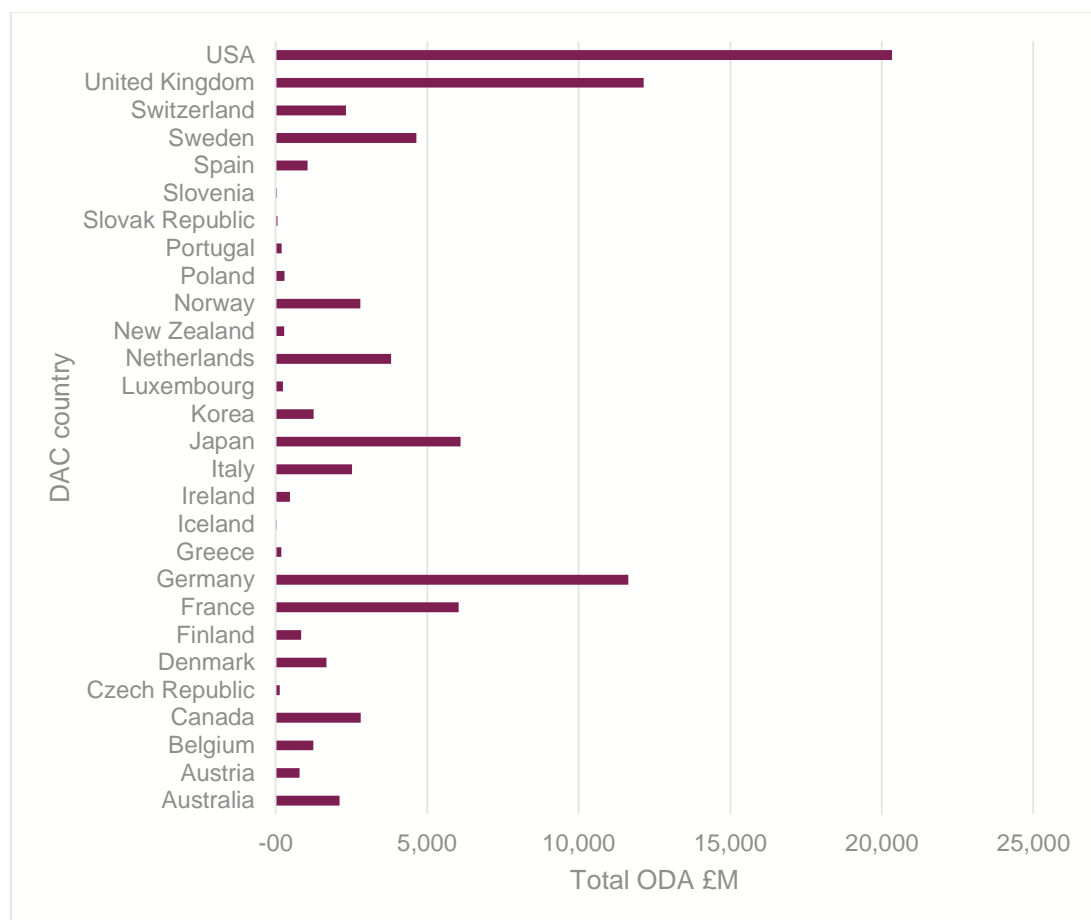
Last updated: 17 November 2016

Next update: November 2017

This graph shows UK net ODA 1970-2015 (£ millions), based on [UK National Statistics data](#).



This table shows provisional net ODA from DAC Donors for 2015 (£ millions), based on [UK National Statistics data](#).



## 5. Official Development Assistance spending: cross-government approach, classification and recipients

### Official Development Assistance and the International Development (Official Development Assistance Target) Act 2015

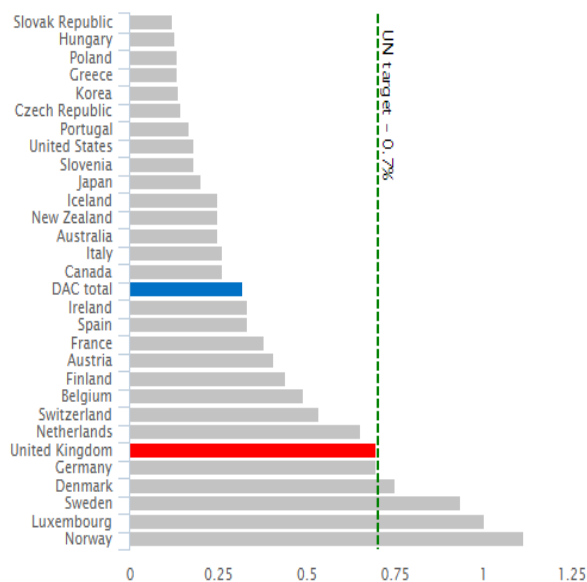
According to the summary and background notes for the [International Development \(Official Development Assistance Target\) Act 2015](#), from 2005, only aid to countries on the DAC List of Recipients of ODA is eligible to be recorded as ODA.

In the UK ODA is provided by a wide-range of government departments, including, but not limited to, DFID, the Foreign and Commonwealth Office, the Ministry of Defence, the Department for Environment, Food and Rural Affairs and the Department of Health. The UK's ODA is a national statistic produced by DFID, operating within the UK Statistics Authority's Code of Practice.

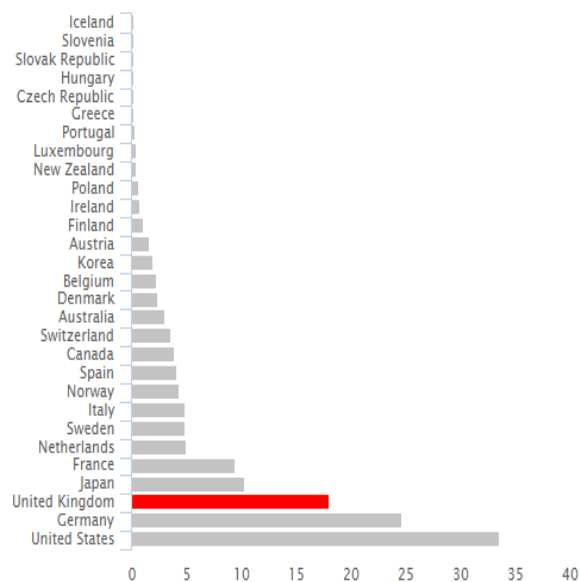
## OECD DAC view on ODA

The following graphics on ODA were provided by the [OECD DAC](#). The image on the left shows ODA as a percentage of GNI in 2016 for various countries, while the image on the right shows ODA in USD billion in 2016.

ODA as per cent of GNI (2016)

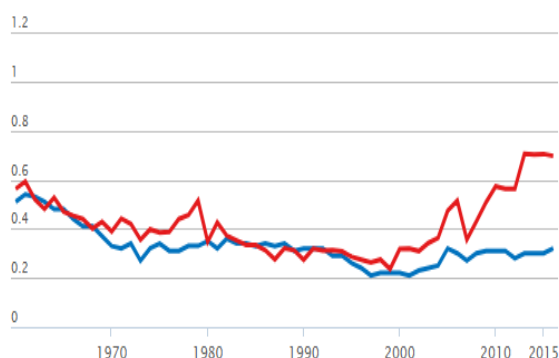


ODA - USD billion (2016)

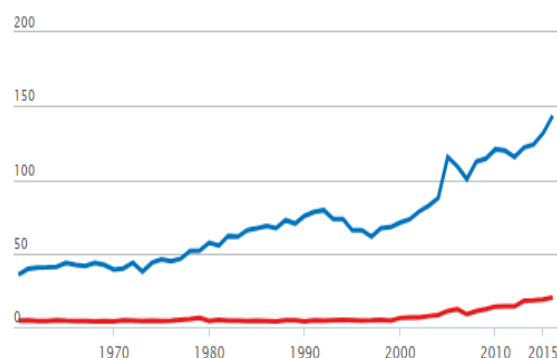


The following image on the left indicates ODA as a percentage of GNI in 2016 for the UK (red) and the DAC total (blue). The image on the right indicates ODA in USD billion in 2016 for the UK (red) and the DAC total (blue).

ODA as per cent of GNI



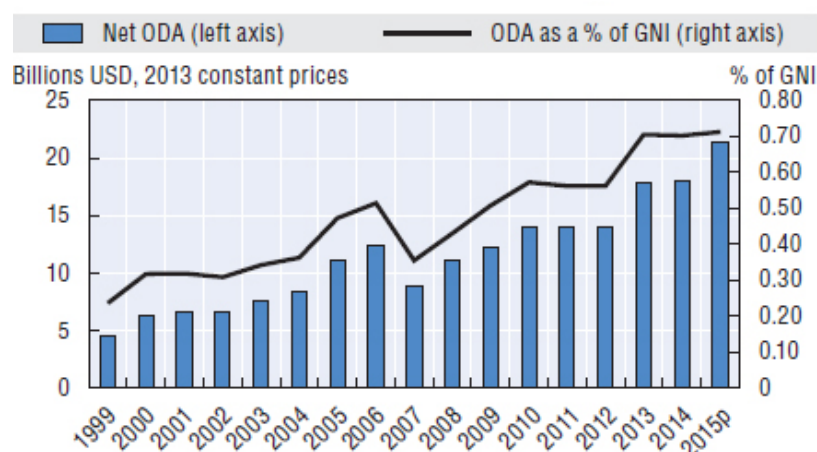
ODA - USD billion (2015 prices & exchange rates)



According to the [OECD DAC member profile for the UK](#), USD 18.7 billion in net ODA was provided in 2015 which represented 0.71% of GNI. This is a 3.2% increase in real terms from 2014. It is the sixth largest DAC provider in terms of ODA as a percentage of GNI, and the second largest by volume. The UK is one of only six DAC members to have met the UN target of 0.7% of ODA/GNI. All of the UK's ODA (excluding administrative costs and in-donor refugee costs) was untied in 2014 (as well as in 2012 and 2013), while the DAC average was 80.6%. The grant element of total ODA was 98.9% in 2014, a decrease from 100% in 2013.



This image shows UK net ODA in volume and as a share of GNI from 1999 to 2015:



## Managing the ODA target

A report by the National Audit Office (NAO) titled [Managing the Official Development Assistance Target](#) was published in 2017. It found that 14 central government departments and funds spent UK ODA in 2015. The UK Aid Strategy (see above) published in the same year set out that more ODA expenditure would come from sources other than DFID. In 2013, expenditure by DFID contributed 88% of the total. In 2015, it contributed just over 80%. The government expects that the proportion not spent by DFID will represent up to 30% by 2020. In practice, this means that while the number of departments with spending that counts as ODA will remain about the same, they will be managing larger budgets and may be involved in new areas of activity.

The [Managing the Official Development Assistance Target](#) report found that DFID has supported other government departments as their ODA budgets increased. It provided advice on issues such as the eligibility of ODA expenditure and support to build their project management capacity. Those departments and cross government funds put in place arrangements to oversee their ODA expenditure and have taken positive steps to build their capacity to spend their larger ODA budgets. The NAO found that five of the 11 bodies examined spent more than half their ODA budgets for 2016 in the last quarter of the calendar year. Many of the bodies examined were found to face issues accurately forecasting ODA expenditure.

The report found that DFID had improved its management of its ODA budget since 2015, with a smaller proportion of its spending being undertaken in the last two months of the year. DFID has a pipeline of projects with a value in excess of its budget, creating choice and opportunities to consider value for money. To date, the UK government has been focused on making sure the 0.7% target is met. It has taken important steps to support cross government working by, for example, creating a senior officials group to support the target's management and delivery.

## 6. About this report

### Acknowledgements

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- Emma Mawdsley, Cambridge University

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### More information

*This report is based on five days of desk-based research. The K4D research helpdesk provides rapid syntheses of a selection of recent relevant literature and international expert thinking in response to specific questions relating to international development. For any enquiries, contact [helpdesk@k4d.info](mailto:helpdesk@k4d.info).*

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