



UKAN
UK Aid Network



Workshop – The challenges for promoting the development focus of the UK’s aid to conflict-affected and fragile states?

25th February, ActionAid UK

Session 1

➤ What can donors spend ODA on around conflict and security? – 11.00-11.45

What conflict and security related interventions can donors count as ODA? How have international rules around ODA changed in recent years? What pressures might be encountered on these policies in the coming years? What has been the approach of the UK government to these issues and what new policies have been proposed?

- **Gideon Rabinowitz, UKAN**

What do the current standards and rules say about what aid can be spent on?

- The OECD Development Assistance Committee brings together OECD countries to decide on definitions and rules for what counts as ODA.
- Standards are internationally respected and accepted, and governments would have little legitimacy claiming their ODA level was different from that confirmed by the OECD.
- On the security, conflict and peace-building agenda, there has been pressure since the late 1990s to widen the security and conflict categories.
- The last major changes were in 2004 and 2007 when a number of new categories of spending were introduced into ODA, these included:
 - Security system management and reform
 - Civilian peace-building, conflict prevention and resolution
 - Post-conflict peace-building (UN)
 - Reintegration of soldiers; decommissioning Small Arms and Light Weapons
 - Landmine clearance
 - Child soldiers (prevention and demobilisation)
- The agenda is shifting – there are ongoing discussions on the categories with some calling for them to be widened further eg to include general UN peacekeeping costs and direct military training.
- The UK has been one of the strongest defenders of the current standards, but with a potential move to the right in this country and a trend of a swing to the right across Europe there is likely to be increased pressure to widen the ODA

definitions to include a wider range of funds to military/security/counter-terrorism activity in conflict affected countries.

- The rules on ODA also explicitly exclude certain categories around security and conflict, including: military equipment and services; debt forgiveness for military related expenditure; enforcement costs related to UN peace-keeping operations; support for para-military operations of the police, anti-terrorism activities and salary/recurrent costs of the military (can only claim additional costs incurred in delivering humanitarian expenditure).

How strictly are the definitions applied? Are they specific enough to stop donors from re-packaging their spending so that it is ODA-able?

- It is very difficult for donors to report spending aid on direct military support. But the OECD can only carry out a certain amount of oversight so it is possible for donors to hide a limited amount of such support in programs.
- There are some examples of donors making counter-terrorism look like aid – eg. West Africa working with vulnerable and unemployed youth. However the overall effect of the incentives on donors provided by the definitions is to encourage them to approach issues in a more sustainable/holistic way.
- The Conservatives have proposed a Stabilisation and Reconstruction force, which would see the military being deployed to provide reconstruction, humanitarian and possibly wider assistance. Despite the fact this Force may be dedicated to reconstruction its salary and recurrent expenses will not count as ODA, only the additional costs incurred in delivering this support.
- Conclusion – There is currently strong support to protect the OECD standards but we might see this change with changing political approaches from OECD countries.

Spending on security, reconstruction and peace-building activities

- 2.8 billion globally in 2008 was spent on this sector – c2.5% of global ODA
- The countries spending the most on security and reconstruction in 2008 were the US, (\$919 million), the UK (\$344 million), Germany, the Netherlands
- Where has the UK been spending? Civilian peace-building, conflict prevention and resolution (c85%) and rest split amongst others.
- The total spend reported is probably an underestimate because not everything is captured by reporting.

Conclusion

- There are lots of issues around aid definitions, ambiguities, donors reporting without sufficient oversight and we do need to monitor them and engage. The OECD rules do provide some protection for what ODA is spent on, although they are not watertight. The OECD DAC is a technical quagmire and we could get sucked into the technical minutiae. However, perhaps the bigger issues are beyond definitions and what is counted as ODA can be misused and mis-directed in other ways. The main questions are therefore who is delivering this development assistance? Who is deciding priorities and directing the way it is delivered on the ground? This is all to be discussed in session 3.

Discussion

- To what extent are the Southern conflict affected countries shaping the definitions? Not at all, difficult for southern countries to engage with the DAC
- Andrew Mitchell says that he respects the ODA definitions for the new force. However the fact that the public doesn't know about the DAC standards means that a conservative government may still report it to the public as aid. Also, more importantly this response doesn't address concerns around the impacts on the ground of delivering 'development' through the military.
- Given that scrutinising ODA-able aid according to the DAC rules is so technical, might we be priced out of the conversation? Can we scale up our oversight so that we are on top of this? Yes, we need to do this, but we shouldn't get too caught up in the technicalities as there is a bigger picture.
- Where does the 2002 International Development Act tie into this? This Act states that the Secretary of State for International Development can deliver assistance to developing countries if he feels that it will contribute to poverty reduction. This on the one hand has helped discourage the UK government counting as ODA spending in the UK (on refugees and students from developing countries) that could be counted as aid according to OECD rules. However, it is actually quite broad and it could be argued that military assistance helps deliver poverty reduction. In this respect the OECD rules provide a different type of protection, which is though perhaps weaker in other areas (e.g. refugee and student spending).
- The Conservative Green Paper makes peacekeeping one of its key priorities. Some donors have dressed up security as aid – not only US but also EU money to AU military, this may be a trend the Conservatives will follow.
- One of the types of distortions in directing aid towards military objectives is that there is far more spending in provinces where there is conflict. Currently 25% of UK bilateral assistance to Afghanistan is spent in Helmand which is just one of over 30 provinces in country.
- The US 'operation freedom' in Afghanistan has leafleted demanding that civilians inform of any members of the Taliban, threatening withdrawal of aid as the consequence of non-compliance. This is in direct contravention of international law.
- Military engagement in Afghanistan and Iraq has lead to subordination to MoD and FCO. Following the Iraq enquiry, DFID was not consulted at all.
- Aid is political, its intent has always been political but the key question is: is it working?
- The OECD is a club owned by the people it is supposed to police; we need to remember that.

Session 2

- **What implications does a conflict and fragile states focus have for DFID's country allocations? – 11.45-12.30**

Which countries are the focus of recent policy proposals and strategies? Which countries are likely to be the main beneficiaries? What impact will this focus have on the ODA allocations of other development partners? Should we be concerned at major ODA increases to Afghanistan, Pakistan or even Yemen?

- **Gideon Rabinowitz, UKAN**

How have national security concerns influenced the UK's aid allocations?

- Looking at DFID's top 12 bilateral recipients of aid in 96/97 there was no mention of Afghanistan. The core countries were India, Indonesia, Zambia, Guyana, Mozambique etc.
- In 2006/7 India was still our top recipient. However, Afghanistan is #3, Pakistan #6 and Sudan #8. Our national security interests and the war on terror have left a clear imprint.
- At the same time, over this period the UK's aid to Low Income Countries has increased from 64% to 75% of total aid and as a proportion of bilateral assistance it is currently just below 90%. This is because Afghanistan and Sudan are LICs and generally our aid levels to them have not increased too significantly allowing scaling-up to other poor countries to continue. This contrasts with the US who have delivered 12%-26% of their aid to Afghanistan and Iraq since 2003.
- These countries where we have national security interests are also very poor countries, so is this necessarily a bad thing? Countries like Sudan and Afghanistan need our aid.
- The Conservative Party have been clear that Afghanistan and Pakistan will be their foreign policy priorities and it is therefore likely that aid to them will be scaled up significantly.
- The current government has already agreed to direct more aid to Yemen since the recent attempted terrorist attack with links to Yemen. Probably the assistance will scale up to £100 million in the next couple of years.

How concerned should we be at these and expected future trends?

- These foreign policy priority countries are all very poor, so aid can help them: Yemen is 151 of 177 countries on the Human Development Index. Oil is its main revenue and is running out; Pakistan c25% poor, 60% on \$2 a day or less with high inequality; Afghanistan LE 44, under 5 mortality is 257 in 1,000
- We engage in development in a piecemeal way, we're not in it for the long term. If national security concerns mean long-term commitment then that could be a good thing.
- The founding documents of DFID frame development in terms of the self-interest of UK citizens, so this has been there from the beginning. We should use this opportunity of explicit scaling up to areas of national security interest to talk about how politics and aid are enmeshed.

- We do need to keep our aid focussed on the poorest countries.
- Our coalitions that monitor specific countries might be the best way to engage with this issue e.g. the British Agencies Afghanistan Group (BAAG)
- There have been questions over whether Iraq should receive more assistance. It is seen by many as a rich country because of oil and therefore it shouldn't get more aid. But much of that wealth is concentrated in the government and the elites who have access to oil revenues.

Resources information from these sessions:

- 'is it ODA?' – OECD Briefing
- "ODA casebook on conflict, and security peace" – presents all the standards that have changed in recent years with examples – OECD publication
- OECD's Development Cooperation Report

Session 3

➤ **Who will deliver the UK's aid to conflict-affected and fragile states? – 13.30-15.00**

What policies have been proposed about who delivers the UK's aid to conflict-affected and fragile states? What roles for DFID and others? Should we be concerned that an increasing proportion of the UK's ODA is likely to be spent outside of DFID? Do other parts of the UK government have legitimate roles in delivering aid in conflict-affected and fragile states?

- **Simon Gray, Saferworld**
- **Phil Vernon, International Alert**
- **Howard Mollett, Care International UK**

Presentations

Simon Grey, Saferworld

- Tackling conflict and security issues is hugely important for development, and therefore encouraging that they are priorities in both the Government White Paper and the Conservative Party's Green Paper.
- It is telling that whilst the UK Government has committed to spending £8.5 billion between 2005 and 2015 on education, its commitment on security and justice is to spend £120m a year by 2014.
- Also, only around £270m was budgeted for the Conflict Pools – which bring together DFID, FCO and MoD to work on conflict issues – between 2007 and 2010.
- The main contribution that the FCO can make to tackling conflict and security challenges includes providing conflict analysis to guide interventions; diplomatic engagement to help make progress on key challenges; and guidance around developing democratic and political space.
- Such engagement is vital to ensuring conflict sensitivity, well targeted aid and using all the tools that donors have to support progress.
- The main contribution that the MoD can make to tackling conflict and security challenges includes helping to advise and assist with security sector reform; advise on developing civilian oversight of the military; help develop dialogue within military on leadership and reform; small arms and light weapons decommissioning; and disarmament, demobilisation and reintegration of soldiers.
- Such engagement is vital to helping reduce the potential for violence in a country and creating the platform for sustained peace to emerge.

Howard Mollett, Care International UK

- UK engagement in Afghanistan has posed major challenges for UK NGOs, but also raised questions about the appropriate role for the military in such environments.
- The UK's initial engagement in Helmand Province involved combat troops calling for NGOs and DFID to come in behind them once the most intense

combat activities had ended. NGOs. This raised significant questions about the neutrality of NGOs and how they should engage.

- The focus at this time was also on Quick Impact Projects (QIPs), the aim of which was to win the hearts and minds of locals and gain their support for ongoing military efforts.
- Following concerns about how QIPs were being implemented, a review in 2008 found that their impacts were disappointing and many such projects attracted insurgent attacks. It therefore called for a move away from the QIPs approach to a governance-led stabilisation approach, which involves using operational space to begin linking with national and local development programs, much of which were coordinated by a new local government ministry.
- The Conservative Party's proposals for a Stabilisation and Reconstruction Force to be established for engaging in Afghanistan seem to be proposing a much stronger role for the military.
- They justify this approach, based on the difficulty in getting DFID, the FCO and NGOs to engage in the most difficult environments, and therefore the opportunities lost in delivering support to people on the ground during the "golden period" after an area has been secured.
- Bond Conflict Policy Group members are currently working on a paper on civil-military cooperation, which aims to establish principles that should be at the heart of civil-military cooperation in places such as Afghanistan and develop a dialogue with the Conservative Party on the reforms that civilian and military actors need to undertake to engage in a way that is more sensitive and responsive to the needs of civilian populations.

Phil Vernon, International Alert

- Cabinet government arguably adds to the problems around developing a coherent cross-government approach to engagement in conflict affected and fragile states, as ministries work in silos and often resist closer cooperation.
- It is clear that the aid system is not responding well enough to the challenges around conflict, security and development. DFID is doing a lot of good work, but clear it needs to work better with other parts of government to deliver the required support.
- It is therefore important that new ideas are explored and assessed and the Conservatives are eager to ask questions and share new ideas.
- However, it seems as though they don't currently know how to frame the challenges and responses, an example being their "golden period" agenda, which seems to suggest that solutions are in getting people in to do the work, but ignoring that it is actually the insecurity that prevents that happening.
- In moving forward on this agenda we need to bear in mind what the objectives of our engagement are, human progress. This is not just about poverty reduction – too simplistic – but about people accessing security that allows them to get on with their lives, a political system that mediates conflict and is responsive and people being able to develop secure livelihoods. Our responses need to be consistent with this frame of reference.
- We need to be aware that the UK's foreign policy interests are always there regardless of who is in power, and these interests need to be worked with and harnessed not ignored.

- The key principles we need to keep in mind in better engaging in conflict affected and fragile states are: take context as starting point, learn about context of each country and respond accordingly; understand better the politics of a country, in order to contribute to solutions not create greater problems; put the focus on peace as the main objective and allow emergence of debate on what type of peace needs to develop and elements required to make it happen; be pragmatic – whatever works do it.
- Given that around half our aid now goes through multilateral agencies it is critical that we work with multilateral agencies to ensure they are responding to these challenges effectively and reforming their approaches.

Discussion

- Q. It will be important to engage the military in debate over their approach and objectives? – A. Yes will be important; the military do not have homogenous views on these issues, as some appreciate concerns around civil-military cooperation and use of QIPs, others want commanders to have big discretionary budgets like in the US military; there are concerns that there are a number of potential new MPs that would instinctively respond like the latter approach.
- Q. Is the proposed Strategic Defence Review an opportunity to get our concerns addressed and heard? – A. Yes it is. This review will shape the National Security Strategy and operation of the National Security Council, so will be critical. There were statements in the recently released Green Paper on Defence that referred to challenges of improving lives of people on the ground in engaging in military interventions and other good language.
- Q. Are the Conservative's proposals for a Stabilisation and Reconstruction Force taking us back towards the QIPs approach? – A. It seems like this is the case.
- Q. How do we resolve the need for key ministries to work together when they protect their own turf and don't cooperate well, as that is where the pressure from the conservatives for an overarching National Security Council comes from? – Yes, this continues to be a serious problem; for example, the White Paper committed the government to develop cross government strategies in conflict-affected countries by mid-2010, but these have now been downgraded to discussion papers, in part due to turf protection.
- We need to be more open to questioning our current approaches to development, assessing whether they are working and responding in new ways should there be a clear need to do so.
- Q. Isn't much of the problem in Afghanistan that the military are working to different objectives than development actors and therefore their management of aid will not help us deliver effective assistance? – A. Yes, there are clear differences in their objectives, but the interests of different players need to be worked with and harnessed in some way.
- Q. How do we make sure that humanitarian operations and space is safeguarded. A. Ensuring that UK engagement structures have civilian capacity is vital but very challenging. Our organisations have to help mobilise this civilian capacity.
- Q. What approach to the roles of DFID, FCO and MoD and the institutional structures that mediate their engagement need to be taken? A. These are hugely complex and challenging questions. We need to challenge the future

Government about how its other development principles (e.g. developing long term security, good governance, gender rights) will be promoted through emerging structures. We need to continue the debate with the Conservatives as their ideas are still developing and a Strategic Defence Review is taking place. We also need to find ways for these parts of government to work together to pool skills, ensure each others view are heard and find effective solutions.