

## UNITED KINGDOM



2004-09 INCREASE TO AFRICA:  
**£975m** (\$1.524bn)

% OF COMMITMENT TO  
AFRICA ACHIEVED BY  
2009: **41%**

THIS PERCENTAGE IS LIKELY TO INCREASE ONCE UNALLOCATED BILATERAL ASSISTANCE IS REPORTED TO THE DAC. ONE ESTIMATES, BASED ON AVAILABLE DATA, THAT AT LEAST £332 MILLION (\$519 MILLION) IN ADDITIONAL UNALLOCATED ODA MAY BE ALLOCATED TO SUB-SAHARAN AFRICA. IF SO, THIS WOULD BRING THE UK TO JUST SHORT OF ITS 2009 INTERIM TARGET

2004-10 EXPECTED  
INCREASE TO AFRICA:  
**£2.21bn** (\$3.452bn)  
(INCREASE ODA/GNI: 0.145%)

% OF COMMITMENT TO AFRICA  
EXPECTED TO BE DELIVERED BY  
2010: **93%**

2009 GLOBAL ODA:  
**£7.329bn** (\$11.448bn)  
(0.51% ODA/GNI EXCLUDING  
BILATERAL DEBT RELIEF)

## WHAT IS THE DEVELOPMENT ASSISTANCE COMMITMENT?

At the Gleneagles Summit, the UK committed 'to double its bilateral spending in Africa between [the financial years] 2003/04 and 2007/08'. It also 'announced a timetable to reach 0.7% ODA/GNI by 2013'. The UK's commitment was made as part of the 2005 EU commitment on development assistance, which stipulated that 50% of the increases would be directed to sub-Saharan Africa. In 2007 the UK established annual budgetary spending plans for global ODA, reaching £9.1 billion by 2010/11.<sup>1</sup>

To meet this commitment, the UK would need to increase ODA to sub-Saharan Africa from £1.57 billion (\$2.453 billion) in 2004 to £3.955 billion (\$6.177 million) in 2010.

## STATEMENT FROM HEAD OF STATE

‘I can confirm today that, even while others may use this financial crisis as an excuse to retreat from their promises to the poorest, nothing will divert the United Kingdom from keeping to our commitments to the Millennium Development Goals and to our promises of development and aid.’

**GORDON BROWN** 31 MARCH 2009  
SPEECH AT ST. PAUL'S CATHEDRAL, LONDON<sup>2</sup>

‘Britain has a moral responsibility to help the world's poorest people. This is about the kind of country we want to be... That's why the Conservatives are committed to increasing the amount of aid we give to the poorest countries to 0.7% of national income by 2013.’

**DAVID CAMERON** 29 MARCH 2010  
‘ON THE RECORD’ VIDEO FOR ONE VOTE 2010<sup>3</sup>

## OVERALL ASSESSMENT

Since hosting the Gleneagles Summit in 2005, the UK has been a leader in delivering on its commitments, and last year reached its target to double bilateral ODA to sub-Saharan Africa.<sup>4</sup> Despite a large increase in global ODA in 2009 that raised the UK's ODA to 0.51% of GNI, ODA for the region increased by only £240 million (\$375 million). While still a significant increase, this was lower than expected and represented only one-fifth of the UK's global increase. Large volumes of 2009 bilateral assistance are yet to be allocated and may alter the final figures once reported. If so, ONE estimates that the UK has fallen just short of its 2009 target to be on track. An ambitious projected increase of £1.2 billion (\$1.9 billion) for 2010 over the preliminary 2009 figures would, if delivered, enable it to meet 93% of the increases it promised at Gleneagles. A 2010 increase of this size would be greater than its £975 million (\$1.52 billion) increase between 2004 and 2009.

In addition to its ambitious commitments, the UK deserves great credit for maintaining its budget projections during the economic crisis. Increases in the 2009 budget, reconfirmed in 2010, put it on target to be the first G8 country to meet the UN goal of spending 0.7% of national income in ODA.<sup>5</sup>

The UK continues to deliver large volumes of budget support, being the second largest country contributor to sub-Saharan Africa through this channel in 2008. Global education also remains a priority, with a new pledge to increase support for the sector by £1 billion (\$1.56 billion) annually between 2010/11 and 2015/16, half of which will go to Africa. The UK has also responded to the international call for efforts to support agricultural development, pledging \$1.8 billion over three years for the L'Aquila Food Security Initiative. The UK continues to be a leader on aid effectiveness within the G8 and is also on track to meet its commitments to cancel debt to the world's poorest countries. However, like the rest of the G8, the UK is failing to deliver on its commitment to 'make trade work for Africa'.

FIGURE 1

### UK ODA TO SUB-SAHARAN AFRICA AND 2010 TARGET

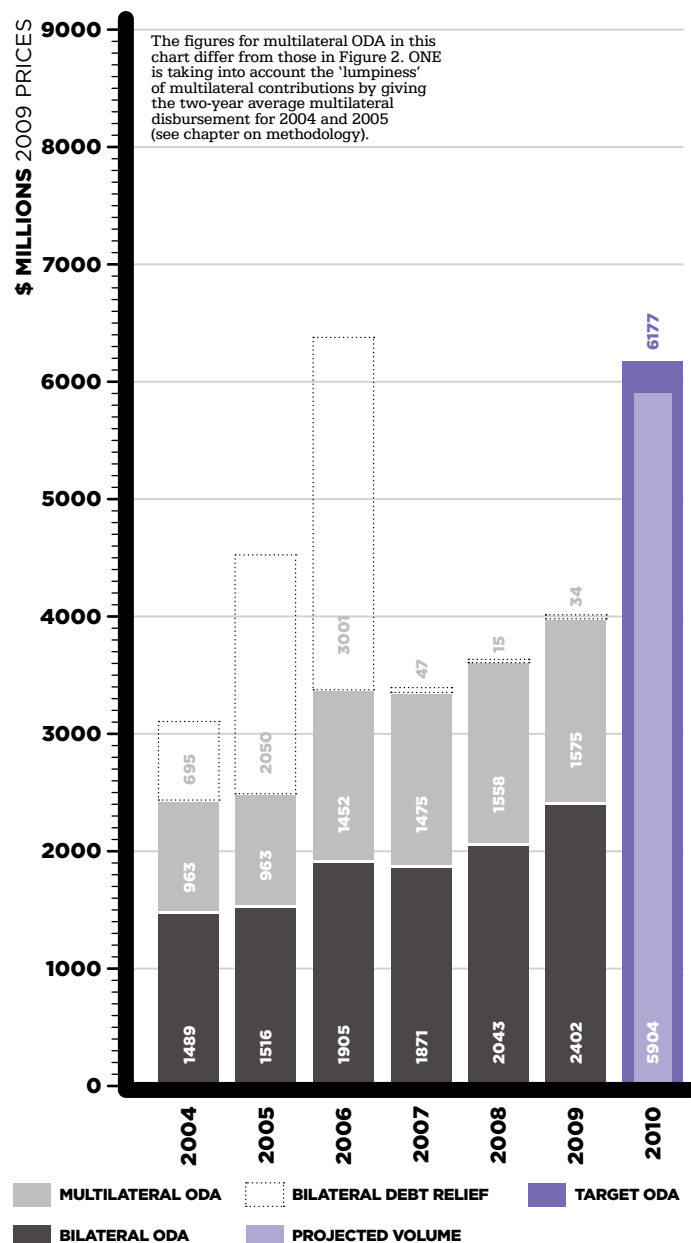


FIGURE 2

### WHAT HAVE ODA FLOWS BEEN SINCE 2004?

IN \$ MILLIONS 2009 PRICES (IN £ MILLIONS 2009 PRICES)

	2004	2005	2006	2007	2008	2009
<b>TOTAL GLOBAL ODA</b>	7,568 (4,845)	10,189 (6,523)	11,326 (7,251)	8,002 (5,123)	10,039 (6,427)	11,505 (7,365)
<b>BILATERAL DEBT RELIEF (GLOBAL)</b>	744 (477)	3,321 (2,126)	3,184 (2,039)	57 (36)	480 (307)	57 (37)
<b>TOTAL GLOBAL ODA (NET OF BILATERAL DEBT RELIEF)</b>	<b>6,824</b> (4,368)	<b>6,868</b> (4,397)	<b>8,142</b> (5,212)	<b>7,945</b> (5,087)	<b>9,560</b> (6,120)	<b>11,448</b> (7,329)
<b>GLOBAL ODA/GNI (NET OF BILATERAL DEBT RELIEF)</b>	<b>0.33%</b>	<b>0.32%</b>	<b>0.37%</b>	<b>0.35%</b>	<b>0.41%</b>	<b>0.51%</b>
<b>TOTAL SSA ODA</b>	3,090 (1,978)	4,587 (2,936)	6,358 (4,071)	3,393 (2,172)	3,616 (2,315)	4,010 (2,567)
<b>BILATERAL DEBT RELIEF (SUB-SAHARAN AFRICA)</b>	695 (445)	2,050 (1,312)	3,001 (1,921)	47 (30)	15 (9)	34 (22)
<b>MULTILATERAL ODA TO SUB-SAHARAN AFRICA</b>	906 (580)	1,021 (654)	1,452 (930)	1,475 (944)	1,558 (998)	1,575 (1,008)
<b>BILATERAL ODA TO SSA (NET OF BILATERAL DEBT RELIEF)</b>	1,489 (953)	1,516 (971)	1,905 (1,219)	1,871 (1,198)	2,043 (1,308)	2,402 (1,538)
<b>TOTAL SUB-SAHARAN AFRICA ODA (NET OF BILATERAL DEBT RELIEF)</b>	<b>2,395</b> (1,533)	<b>2,537</b> (1,624)	<b>3,357</b> (2,149)	<b>3,346</b> (2,142)	<b>3,601</b> (2,305)	<b>3,976</b> (2,546)
<b>SSA ODA/GNI (NET OF BILATERAL DEBT RELIEF)</b>	<b>0.11%</b>	<b>0.12%</b>	<b>0.15%</b>	<b>0.15%</b>	<b>0.15%</b>	<b>0.18%</b>

**PROGRESS IN 2004-09**

2009 ODA: **£2.546bn** (\$3.976bn)  
 2008-09 INCREASE: **£240m** (\$375m)  
 2004-09 INCREASE: **£975m** (\$1.524bn)  
 2010 TARGET: **£3.955bn** (\$6.177bn)

The UK met its 2007/08 commitment to double bilateral ODA to sub-Saharan Africa. The 2009/10 budget, reiterated this year, committed to another historic increase in global ODA, putting the UK on target to be the first G8 country to meet the UN goal of spending 0.7% of national income on ODA. The budget also includes strong increases for sub-Saharan Africa through 2010, with the UK coming close to its Gleneagles promise to the continent.

Based on an interim target calculated by ONE, the UK needed to increase ODA to sub-Saharan Africa by £890 million (\$1.39 billion) from 2008 to 2009.<sup>6</sup> In 2009, UK ODA to the region, as reported to the DAC, net of bilateral debt relief, increased by only £240 million (\$375 million). This increase

represented only 20% of global ODA increases over the period. Bilateral spending increased by £230 million (\$359 million) over 2008 levels, while multilateral spending increased slightly by £11 million (\$16 million). However, in addition, £1.9 billion (\$3 billion) of UK 2009 bilateral development assistance is yet to be allocated regionally. ONE estimates, based on available data, that at least £332 million (\$519 million) of this may be allocated to sub-Saharan Africa. If so, this would bring the UK to just short of its 2009 interim target.

In total, since 2004, the UK has delivered a total increase of £975 million (\$1.52 billion), compared with the £1.63 billion (\$2.54 billion) required to meet ONE's interim target. During this period, bilateral ODA increased by £584 million (\$912 million) and multilateral ODA increased by £391 million (\$611 million). In total, the UK has delivered 41% of its committed increases as of the end of 2009 (based on DAC data).

Though the DATA Report is focused primarily on the G8's commitments to sub-Saharan Africa, increases in ODA to the region occur in the context of fluctuations in global ODA. Since 2004, the UK's global ODA, net of bilateral debt relief, has increased by £2.95 billion (\$4.61 billion). Its global ODA, net of bilateral debt relief, increased substantially by £1.21 billion (\$1.89 billion) from 2008 to 2009, an increase of 20%. The UK's global ODA increases through 2009 have brought the country's ODA/GNI ratio to 0.51%,<sup>7</sup> putting it well on track to deliver – and surpass – its global interim target in 2010.<sup>8</sup>

## MEETING THE 2010 COMMITMENT

INCREASE NEEDED 2009-10:  
**£1.409bn** (\$2.201bn)

ESTIMATED INCREASE 2009-10:  
**£1.234bn** (\$1.928bn)

% OF COMMITMENT EXPECTED  
 TO BE DELIVERED BY 2010: **93%**

Based on the annual targets set in the 2007 Comprehensive Spending Review (CSR) and the increase delivered to date (as reported to the DAC), ONE estimates that the UK now needs to increase ODA to the region by £1.409 billion (\$2.201 billion) in order to meet this commitment. Once finalised DAC data are released, ONE expects the 2009 figure to rise which would mean that a smaller increase would be needed. Nevertheless, the one-year increase required would still represent roughly the same amount as had been mobilised over the past four years combined.

The CSR provides firm three-year spending commitments, including spending levels on overall development assistance. An increase of 73% in global ODA, including a 46% increase in the budget of the Department for International Development (DFID), is planned for the four-year period from 2007/08 to 2010/11, although these increases will be backloaded to the final years. The UK translates these figures into global ODA levels of £7.477 billion (\$11.679 billion) in 2009/10 and £9.14 billion (\$14.277 billion) in the 2010/11 budget. The most recent budget released by the UK in April 2010 reconfirmed that these targets would not be undermined due to the economic recession.<sup>9</sup>

DFID has announced a 2010 budget of £3.275 billion (\$5.116 billion) for sub-Saharan Africa (adjusted for calendar years).<sup>10</sup> Combined with non-DFID ODA, ONE estimates that if these budget allocations are delivered, the UK's 2010 total ODA to the region will be £3.78 billion (\$5.904 billion). This is an increase of £1.234 billion (\$1.928 billion). With such levels, the UK would meet 93% of its committed target increases for sub-Saharan Africa.

## EFFECTIVENESS AND QUALITY OF UK DEVELOPMENT ASSISTANCE

The UK has continued to maintain the strongest record on aid effectiveness of any G7 nation, a position that was strengthened in two categories over the past year. The percentage of British ODA subject to competitive local procurement increased from an already robust level of 89.3% to 95.1%. The proportion of commitments made on a basis of three years or more also grew significantly to 80%, far outpacing any other G7 donor. The proportion of UK ODA to sub-Saharan Africa disbursed as Country Programmable Aid (CPA)<sup>11</sup> also increased in 2008 to 73%, compared with 61% the previous year. The UK cut in half the amount of ODA loans disbursed to the region in 2008, dropping the loan proportion from 12.2% to 5.9%. In 2008, it continued its practice of untying all ODA.

In its aid effectiveness action plan issued in July 2009, DFID identified three post-Accra priorities: improve predictability of ODA; enhance the transparency of aid so that all government-to-government support is shown on partner country budgets; and increase the use of mutual accountability at the country level.

## IS THE UK DOING ITS PART TO MEET THE G8'S SECTORAL COMMITMENTS?

The UK has consistently supported universal primary education (UPE), contributing nearly 70% of its global UPE ODA to sub-Saharan Africa between 2005 and 2008. Annual disbursements to education are expected to rise to £1 billion per annum by 2010/11, half of which will go to Africa. Commitments to agriculture returned to an upward trend in 2008, and are expected to rise following the UK's 2009 pledge of \$1.8 billion to the L'Aquila Food Security Initiative. The UK remains one of the largest contributors of general budget support to the region, committing \$766 million directly to African governments through bilateral and multilateral channels.

This section details the UK's performance and efforts in relation to each of the G8's sectoral commitments that ONE monitors. It also discusses recent changes and relevant developments in the UK's ODA, as they pertain to these sectors. OECD DAC numbers used in this section are from 2008 data on commitments, the most recent available figures.

ONE categorises the UK as being ON track or OFF track to meet its commitments on debt and trade, and provides a progress report on the UK's investments in health, education, agriculture and water and sanitation.

## ON TRACK

### DEBT

- Along with other G8 countries, the UK agreed to cancel 100% of qualified debts for the poorest countries, first through the HIPC Initiative and later through the MDRI process.
- An important measure of progress on debt is the extent to which donors fulfil their commitments to compensate the IFIs for lost reflows as a result of debt service cancellation. The UK is on track with such commitments. In total, it has made pledges to cover the cost of MDRI cancellation worth \$5.194 billion through 2044, which fully meets its share of long-term required contributions. To date, the UK has provided IDA with an 'unqualified' commitment of \$1.463 billion through 2019, which meets its share of near- and medium-term costs.
- The UK has cancelled 100% of bilateral debt owed by completion point HIPCs. This includes 100% of its post cut-off date commercial debt.

## OFF TRACK

### TRADE AND INVESTMENT

- The UK is represented in the Doha Development Agenda and Economic Partnership Agreement (EPA) negotiations by the European Union. Sensitivities in the agricultural sector, combined with market opening interests in the manufactured goods and services sectors, continue to impede progress.
- As of October 2009, LDCs receive 100% duty-free/quota-free access to the EU market through the Everything But Arms (EBA) programme. However, this programme does not cover all African countries and has been criticised for maintaining complicated rules of origin that make it difficult for poor countries to utilise.
- Towards the end of 2007, the EU initiated interim EPAs with 18 African countries, as the original programme that provided special market access expired at the end of 2007. These deals provide duty-free access to the EU market and improved rules of origin in some export sectors, in exchange for African countries opening their markets to EU products over time.

- In 2005, at the WTO Ministerial meeting in Hong Kong, the EU pledged to increase aid for trade to all developing countries by €2 billion (\$2.5 billion) per year by 2010. In 2008 the UK bilateral contribution to aid for trade was \$317 million. Multilateral contributions reached \$708 million, bringing the UK's total aid for trade contribution to slightly more than €1 billion. This was an increase of €236 million over 2007, making the UK the third largest G7 contributor to aid for trade.
- The EU provides the largest subsidies in total and on a per farm basis. In 2008 the EU spent an estimated \$145 billion on agricultural subsidies, including \$52 billion in market price support. In 2008, the UK contributed approximately €4.9 billion to the EU agriculture budget and received about €4 billion in return. As a net contributor to the CAP, the UK has generally been in favour of moving to a system of co-financing, whereby greater shares of subsidies would come from national rather than EU budgets. Within the EU, the UK has also generally been favourable towards CAP reform.

## PROGRESS REPORT

### WATER AND SANITATION

- The UK's ODA for water and sanitation in sub-Saharan Africa increased by \$104 million in 2008 over 2007 levels.
- In the absence of a robust G8 commitment on water and sanitation, the DATA Report interprets the Gleneagles pledge to 'give high priority in ODA allocation' to water and sanitation to mean that a donor should direct 5.5% of its ODA to sub-Saharan Africa to the sector. In 2008, the UK spent \$363 million, 9.1% of its total ODA to the region, on water and sanitation. The UK is comfortably exceeding the ODA target for this sector.

### AGRICULTURE

- After a decrease in agriculture funding for sub-Saharan Africa in 2007, UK ODA for agriculture in the region increased by approximately \$29 million in 2008, an 18% increase.
- In 2008 the UK also provided \$169 million for food aid in sub-Saharan Africa, an increase of 63% from 2007.
- In 2009, the UK pledged \$1.8 billion over three years for the L'Aquila Food Security Initiative focusing on agriculture, rural development and development-oriented food aid programmes. While this pledge is not inclusive of humanitarian and emergency food assistance, the UK has yet to clarify how much of it will be new funding. be new funding.

## EDUCATION

- The UK has been a leader in efforts to achieve universal primary education (UPE) in the years since Gleneagles. In 2008 it announced that it would provide 8 million children with an education as part of a partnership with France and the Fédération Internationale de Football Association (FIFA), and in 2010 then Prime Minister Gordon Brown attended the launch of the 1Goal Campaign which aims to make Education for All the lasting legacy of the 2010 football World Cup in South Africa.
- From a peak of \$696 million in 2006, commitments from the UK fell to \$269 million in 2007 and then to \$128 million in 2008, falling below the country's proportionate share of UPE for the first time since Gleneagles. However, increased contributions through the Fast Track Initiative will not show up in these figures. The UK has consistently prioritised spending on UPE within its overall support for the education sector, contributing nearly 70% of its global UPE ODA to sub-Saharan Africa on average annually between 2005 and 2008.
- The UK has committed to scaling up global education assistance to £1 billion (\$1.56 billion) per annum between 2010/11 and 2015/16. Half of this is expected to go to Africa. 70% of the bilateral assistance (£570 million/\$890 million) will be dedicated to basic education.

## HEALTH

- The UK's total health sector commitments for sub-Saharan Africa in 2008 amounted to \$624 million; these commitments were down roughly \$59 million from 2007. Of the \$624 million, the UK committed \$48 million (7.7%) to basic health, \$366 million (58.6%) to infectious diseases, \$199 million (31.9%) to health systems and \$11 million (1.8%) to reproductive health. In 2007 and in many other years before that, the UK had invested the highest percentage of funding into health systems of all G7 countries; in 2008, however, it cut commitments on health systems by more than half, while nearly doubling its commitment to infectious diseases.
- The UK has been a core contributor to all aspects of the Global Alliance for Vaccines and Immunisation (GAVI)'s work. This includes \$122 million in core funding to GAVI between 2000 and 2007, roughly \$2.58 billion over 20 years (beginning in 2006) to the International Finance Facility for Immunisation (IFFIm) and roughly \$485 million to launch the first Advance Market Commitment (AMC) to help speed up the development and availability of pneumococcal vaccines. In September 2009, it also announced an extension to the IFFIm specifically for health systems strengthening over 10 years, worth £250 million (roughly \$380 million).



- The UK pledged \$185.8 million for 2009, \$263.7 million for 2010 and an additional £670 million (roughly \$1.036 billion) from 2011 to 2015 to the Global Fund to Fight AIDS, TB and Malaria – provided the Fund is receiving good quality demand, is performing well and is demonstrating sustainable impact.
- The UK has pledged and contributed a total of \$897.89 million to the Global Polio Eradication Initiative (GPEI) since 1985, including a 2009 contribution of \$37.72 million and a 2010 contribution of \$38.4 million. It has also pledged an additional \$23.04 million in 2010 and \$30.72 million in 2012.
- In 2008, the UK committed £50 million (roughly \$75.9 million) to the control of neglected tropical diseases (NTDs) over the following five years, including £10 million (\$15.18 million) in December 2009.

## LOOKING AHEAD

ONE looks forward to seeing the new UK government continue to show international leadership on development with regard to meeting development assistance promises, particularly to sub-Saharan Africa, and also on governance, investment and accountability reform at forthcoming G8/G20 meetings, September's UN MDG Summit and within the EU.

Domestically, the Strategic Defence Review and Comprehensive Spending Review (CSR) will set the framework for the UK's approach to international development for the coming years. The Strategic Defence review must reinforce DFID's role as the world's most respected bilateral aid agency and must reconfirm the commitment to put poverty reduction at the heart of development spending. All political parties included commitments in their manifestos to introduce legislation that would place a legal duty on the government to ensure that the UK spends 0.7% of GNI on overseas assistance from 2013. Passing of such legislation should be prioritised and reflected in the detail of the CSR. A renewed commitment specifically to sub Saharan Africa is required in 2010.