

International development in a contested world: ending extreme poverty and tackling climate change

A White Paper on International Development

November 2023





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Presented to Parliament by the Secretary of State for Foreign, Commonwealth & Development Affairs by Command of His Majesty

November 2023

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The impact of COVID-19, climate change, conflict, and migration show how events that begin overseas affect our people at home. These issues have significant global human and economic consequences. The United Kingdom is uniquely placed to help address these challenges at source, using our science and technology expertise, our position as a global financial centre and our extensive diplomatic network.

The Rt Hon Rishi Sunak MP Prime Minister

Testimonials

"In response to calls for the Multilateral Development Banks to reform, the African Development Bank is innovating to respond to the polycrisis affecting Africa. I value the partnership with the UK government, which has supported us to stretch our balance sheet and mobilize private investment to meet these challenges, and look forward to consolidating this partnership for the implementation of the White Paper."

Dr Akinwumi A Adesina, President of the African Development Bank

"Building beyond aid is crucial for equal partnerships, where voices of developing countries are heard and respected. I welcome the UK's recognition of a new, more equal partnership with Ghana and Africa, and the need for African voices to be heard."

His Excellency Nana Akufo-Addo, President of the Republic of Ghana

"The scale and complexity of the challenges we face requires turning big ideas into action and partnerships into progress. It will require all shoulders to the wheel because no one has a monopoly on good ideas. We should steal shamelessly and share seamlessly. And we must do it with - and among - think tanks, the private sector, civil society, and anyone who is working to move the needle. The ideas the UK is putting forward in this White Paper are part of that communal mission."

Ajay Banga, President of the World Bank

"Most of the world's poorest people are concentrated in countries afflicted by conflict. Conflict reduction therefore needs to be at the heart of tackling extreme poverty. As the White Paper recognises, diplomacy can be just as important as financial assistance in tackling the obstacles to development in such contexts."

Professor Malcolm Chalmers, Deputy Director-General, Royal United Services Institute

"I welcome the UK's commitment to partnerships with us in local and international NGOs based on mutual respect. We cannot achieve the progress needed unless we can make partnerships more equal."

Jan Egeland, Secretary-General, Norwegian Refugee Council

"The UK's commitment to addressing global inequities, and this ambitious agenda for positive change, are much needed as the world faces unprecedented challenges. Our foundation will continue to join with the UK in the development and delivery of innovative tools and effective responses to the health and development issues that affect the world's poorest people."

Bill Gates, Co-Chair, Bill & Melinda Gates Foundation

"A comprehensive approach to strengthening health systems is vital. I commend the UK for the spirit of equal partnerships and learning set out in the International Development White Paper."

Dr Tedros Adhanom Ghebreyesus, Director-General, World Health Organization

"Tanzania reaffirms its drive for actions that provide global solutions to climate change and reform of the international financial system. I welcome the UK's commitment to long-term partnerships, built on mutual respect, that put equal emphasis on women and girls and finding a fair path to stronger trade, investment and sustainable economic growth."

Her Excellency Samia Suluhu Hassan, President of the United Republic of Tanzania

"Improving governance of public finances is critical for accelerating the SDGs. As vital are the actions needed to increase the amount of resources available for low and middle income countries to finance their own development. I welcome the White Paper's focus on reform of the multilateral banks and the broader international financial system."

Sir Mo Ibrahim, Founder and Chair of the Mo Ibrahim Foundation

"We have only 7 years to deliver on the promise of the 2030 Agenda and the SDGs. The time for bold and audacious action has arrived.... cooperation can bring us closer to a more sustainable, equitable, and prosperous world, as envisioned by the SDGs. Let us work together to get there and to leave no one behind!"

Amina Mohammed, UN Deputy Secretary-General

"I welcome the deep commitment to multilateralism. There is no other way to beat global challenges. It is good to see global public goods like climate, health and biodiversity alongside ending poverty as critical objectives. And I value the call to reshape the international financial system to serve everyone."

Honourable Mia Amor Mottley, Prime Minister of Barbados

"The WTO's purpose of ensuring a free and fair multilateral trading system that supports developing countries to create jobs, enhance living standards and deliver on sustainable development is crucial for delivering on the SDGs. We therefore welcome the UK International Development's goal of achieving the SDGs through ending extreme poverty, tackling climate change and biodiversity loss, because, like the WTO's purpose of enhancing living standards, creating jobs, and supporting sustainable development, it puts people squarely at the centre of development! Together we can deliver for developing countries."

Dr Ngozi Okonjo-Iweala, Director-General, World Trade Organization

"The United Kingdom and the United States have a critical and longstanding partnership in international development. Together, our countries are tackling some of our greatest global challenges: preventing famine, bolstering health systems decimated by the pandemic, combating the climate crisis, and rebuilding trust in democratic institutions. As this White Paper highlights, the UK is moving toward a locally-led development approach to help take on these challenges—a critical shift for driving sustainable and enduring change."

Samantha Power, Administrator of the United States Agency for International Development

"With the world more divided and unstable than at any time since the end of the Cold War, a leading British role in international development is crucial. I welcome the White Paper's clarity of purpose in tackling the SDGs, climate change and biodiversity loss."

Lord Ricketts, former Permanent Under-Secretary, Foreign & Commonwealth Office

"The UK-Kenya strategic partnership exemplifies high level political commitment to shared prosperity. I welcome this White Paper and its vision for international cooperation to reverse deepening poverty and inequality, tackle climate change and accelerate the realisation of the Sustainable Development Goals."

His Excellency Dr William Ruto, President of the Republic of Kenya

"The 'UK's and Ethiopia's development cooperation in recent years has put partnership at its core: building resilient government institutions, leveraging new investment from the private sector and adapting to new challenges. I welcome the focus in this White Paper on long-term, patient development, done in partnership."

Ahmed Shide, Minister of Finance, Federal Democratic Republic of Ethiopia

The science and the evidence is clear, unless ambitious action is taken to combat climate change, we will not be able to secure development goals. We need a step change. Now is the time for action."

Professor Jim Skea, Chair of the Intergovernmental Panel on Climate Change

"Climate Change and biodiversity loss are existential challenges. Failure to act with urgency and on scale will have devastating effects on prospects for development, undermine poverty reduction, exacerbate conflict, and push the world further off track on the SDGs. The future progress for all SDG's rests on the actions we take on energy, climate, and nature, both now and in the future."

Lord Stern of Brentford, Chair of the Grantham Research Institute on Climate Change and the Environment, London School of Economics

"Partnership lies at the heart of this White Paper on international development. Working together, across faiths and nations is essential so that we can deliver change that benefits our future generations."

Dr Justin Welby, Archbishop of Canterbury

"France, which recently adopted a new policy paradigm shifting away from aid towards a solidarity and sustainable investment strategy, welcomes the bold vision set out in this White Paper.

UK and France are close partners on global development and the protection of global public goods. We look forward to strengthening our shared efforts to build a fairer and liveable world for everyone. This is the spirit of the Paris Pact for the People and Planet already endorsed by more than 40 countries"

Dr Chrysoula Zacharopoulou, Minister of State for Development, Francophonie and International Partnerships, France

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Foreword



Ten years ago, I co-chaired a panel for the United Nations on the future of development. Our report paved the way to the 2015 Sustainable Development Goals.

Since then, international development has become both more vital and more difficult.

More vital as the scale of the challenge has grown. We are off track on the 2015 Goals. 701 million people remain in extreme poverty. Climate change's impact on lives and livelihoods is accelerating, affecting developing countries the most.

More difficult because the world of development has changed. The traditional donor-recipient model of the past is not working as it was. Additionally, fragile and conflict-affected states are a much bigger part of the problem.

The 2015 Goals were a remarkable achievement. For the first time, the world recognised that sustainable development requires action on climate change and achieving gender equality. That it depends on peace, justice and strong institutions. That we wanted to end poverty in all its forms everywhere. Crucially, we made these promises to every country and person on the planet – nobody would be left behind.

This destination remains unchanged. But our approach needs to adapt to new realities. The White Paper captures how we are doing that.

We have to understand the importance of fragility and conflict in shaping development outcomes. Conflict has stalled or even reversed progress in too many places, with humanitarian needs at their highest since 1945. Soon half the world's poorest will live in fragile or conflict-affected states, with a lack of state capacity and respect for the rule of law, high levels of corruption and enduring ethnic or political divisions.

Today's answer cannot be about rich countries 'doing development' to others. We need to work together as partners, shaping narratives which developing countries own and deliver. Development cannot be a closed shop, where we try to help other countries and communities without heeding their vision for the future.

Equally important is development finance's catalytic role. For 75 years, the UK has been a reliable lender for projects able to transform lives. As the first donor to mobilise pension fund assets to fund development, British International Investment continues to lead the way.

We also see a major opportunity to scale up finance from multilateral development banks – greater support from shareholders coupled with reforms could unlock hundreds of billions of dollars over the next decade.

Our approach is grounded in partnerships. Britain has real development expertise, within government and beyond. But we do not have all the answers. We must work with others, especially those whose lives are blighted by poverty and injustice.

Development has the capacity to save and improve lives. It is part of a moral mission. And in a world of illegal migration, climate change, instability and conflict, it is essential for our own security and prosperity as well.

We are global. We are interconnected. We need to do development smartly, for the benefit of the British people and the world.

The Rt Hon David Cameron

Secretary of State for Foreign, Commonwealth and Development Affairs

Preface

Back in 2005, when I was first asked to take on the international development brief, I accepted with a mixture of relish and scepticism. A banker by background, I was fluent in the language of global finance, but knew little of the humanitarian world. Even as an MP with ties to local NGOs, international development was not an issue I actively engaged in. I was curious, yet unconvinced this world was the right place for me – or for that matter, that I was the right person for it.



It did not take long for any trepidation to

melt away. Conscious that I had a lot to learn, I was under no illusion about the gargantuan task ahead, and the role swiftly became a labour of love. I quickly understood the power of results, seeing how our support was having life transforming impacts. I was also impressed by the ingenuity and creativity of what the UK was doing – government and NGOs – and by how much our partners valued our efforts and approach. To this day, I believe that to be an international development minister is more than a privilege; it is the best job in the world.

The role today is vastly different from when I was first in government. The world has changed. The needs of countries, societies and people have evolved. Old problems have not gone away, but new challenges are rapidly surfacing. We know that poverty, conflict, and climate change often go hand in hand. Climate change does not respect national boundaries, and neither do pandemics. There is growing interest in job security, investment in growth and digitalisation. All of which necessitate a radical rethink of the way the UK responds to challenges and opportunities, based on an honest acceptance that what may have worked well in the past may not be right for the future.

This White Paper is a roadmap to 2030. It represents the UK's answer to a world that is under huge stress: a world which until recently, made great strides in reducing poverty, but is presiding over a dramatic fall back into poverty; where faith in multilateral institutions is fading, at a time when cooperation is needed more than ever; where the climate is heating up, conflict is spreading and the prospect of pandemics is looming.

It is a world which exceeded many of the ambitious expectations of the Millennium Development Goals, but is falling woefully behind our targets to meet the Sustainable Development Goals.

The SDGs give us the possibility of great global progress. But the scale of the challenges means we have to go beyond traditional ideas of aid. We need an ambitious yet achievable development offer fit for our time, workable within financial constraints and which delivers the best of Britain's financial, scientific and diplomatic capabilities and assets.

Crucially, we need an offer based on partnership and mutual respect, giving leaders, communities and individuals a voice in shaping the solutions they want to see, rather than accepting the ones we think they need.

This White Paper has drawn on the sharpest and most expert minds in the business: NGOs, academia, the private and financial sector, youth activists, our partners abroad, and all political parties in the UK. The quality of creativity and intellectual agility is as illuminating as it is instructive.

It is clear to me that how we mobilise finance, spend effectively and deliver results is central to success. At a time of domestically straitened budgets, the paper makes the case that the traditional model of doing international development needs to change, and go far beyond the parameters of UK Official Development Assistance.

A whole chapter is dedicated to this quest literally to 'mobilise the money'. It charts the UK's plans to deliver a quantum leap in the volume of finance that our partners need to reinvigorate the SDGs and help face down the threats of climate change. The UK is pioneering new approaches to debt so repayments are immediately paused when vulnerable countries are hit by extreme weather events or health emergencies. I will be pressing our partners to follow our example with this simple innovation that will make such a huge difference.

We will also champion a scale up of the financing capacity of international financial institutions by stretching their balance sheets, while working with institutional investors, including pension funds and the wider private sector, to boost their investment in low- and middle-income countries. Harnessing our capabilities and expertise will help ensure that each penny embedded in the Multilateral Development Banks (MDBs) goes as far as possible.

The UK's work on women and girls is paramount. I have always said that we cannot understand development unless we see it through the eyes of girls and women. Increasing access to education, supporting family planning and combating sexual violence is central to creating conditions for economic opportunity and growth. These rights are universal and should be non-negotiable.

We will use research and diplomacy to deliver on our campaign to End the Preventable Deaths of mothers, babies and children. We will deploy policy and investment to defend strongly and to advance sexual and reproductive health and rights, including safe abortion.

We will do this through a reinvigorated approach to partnerships with women's rights and other local organisations. We will partner with national leaders, women's groups and other experts, to test and scale-up creative ways to drive forward change.

The private sector perhaps best illustrates how the UK makes a difference, while delivering back for the taxpayer many times over. The private sector is the engine of development, providing the building blocks for economic independence. Its activity not only generates jobs and drives growth, it provides the tax receipts for governments to fund public services and develops the technologies that help end extreme poverty and critically, engender self-sufficiency.

BII, the UK's investment arm of development, is engaged across many projects to bring this aspiration to life. Building on its impressive record of success, BII will go further and faster

to invest in the hardest places, aiming to make over half of its investments in the poorest and most fragile countries by 2030. Bll will also become one of the most transparent development financial institutions, cementing its place as a world leader in this field.

Finally, science and technology will drive all of these agendas forward. Science is not only the future, it may be the answer to our survival. But it goes beyond the tangible difference it makes, or the hope it offers. Science is partnership in



action: Partnerships between scientists here and abroad, with academic institutions, between businesses and government. Partnerships which bring together intelligence and creativity to address problems money alone will never solve.

The world has never been so intimately connected, nor our fates so closely entwined. Our participation in delivering the SDGs is needed more than ever. But only cooperation and partnership will help us forge ahead. If we are serious about building a safer and more prosperous world for future generations, then it falls upon all of us to try to model in our actions, the kind of world they deserve to inherit.

Rt Hon Andrew Mitchell MP

Minister for Development and Africa



Introduction

Why this White Paper?

In 2015, the world gathered at the United Nations to agree the Sustainable Development Goals (SDGs), a development framework for people, planet, prosperity, peace, and partnership for development, to be achieved by 2030. This universal framework linked the aims of investing in people's health and education, tackling poverty, building the prosperity and jobs that economies need, supporting peace and security, and protecting our fragile planet.

At half-way point, the SDGs are off-track and impacts of climate change and nature loss are accelerating. Only 15% of the SDG indicators are due to be met. The COVID-19 pandemic significantly set back development progress. Russia's illegal invasion of Ukraine increased energy and food insecurity around the world. An increasing number of countries are in severe debt and unable to access affordable finance to grow their economies. Conflict is increasing in many parts of the world. In a contested and volatile world, global development co-operation is more difficult, but more important, than ever.

A prosperous and secure world, where the SDGs are back on track, and where developing countries achieve their development aims, is in the world's interests. Global development co-operation is essential to tackle challenges that do not respect borders. It is necessary to build the open and stable international order in which all countries, including the United Kingdom (UK), can secure their interests, and in which we and others can prosper. Migration, where properly managed, can be a win-win. Co-operation is the foundation for tackling climate change and biodiversity loss, for growing trade and commercial opportunity, for improving security and reducing conflict – which we in the UK also stand to benefit from.

The global context for development has changed. The UK approach to development needs to change with it. Developing countries want and need a different development offer, based on mutual respect, powered by development finance at scale, and a more responsive multilateral and international system. The development progress required to meet the SDGs in 2030 needs much more than aid; it needs global policy change, a greater role for the private sector, for science and technology, and a whole-of-UK effort for international development.

What is the strategy?

The goal of UK international development is to end extreme poverty and tackle climate change and biodiversity loss. Achieving this goal and meeting the SDGs is only possible if all countries achieve sustainable and inclusive economic growth.

This White Paper sets out a re-energised international development agenda, for the UK, working with our partners, based on the following priorities:

- going further, faster to mobilise international finance to end extreme poverty, tackle climate change and biodiversity loss, power sustainable growth and increase private sector investment in development
- strengthening and reforming the international system to improve action on trade, tax, debt, tackling dirty money and corruption, and delivering on global challenges like health, climate, nature and energy transition
- harnessing innovation and new technologies, science and research for the greatest and most cost-effective development impact
- ensuring opportunities for all, putting women and girls centre stage and investing in education and health systems that societies want
- championing action to address state fragility, and anticipate and prevent conflict, humanitarian crises, climate disasters and threats to global health
- building resilience and enabling adaptation for those affected by conflict, disasters and climate change, strengthening food security, social protection, disaster risk financing and building state capability
- **standing up for our values**, for open inclusive societies, for women and girls, and preventing roll-back of rights

How will we deliver?

Patient and mutually respectful relationships will be central. The UK will listen to and champion the asks of developing countries in the international system. Our country partnerships will focus on supporting countries' own plans, prioritising their capability and building their resilience. We will model transparency in how we shape and deliver our development offer.

We will work closely with partners to promote global action. We will strengthen alignment between the UK's development and diplomatic capabilities – including civil society, research and science, and the private sector.

We will ensure our development offer responds to locally owned priorities and contexts. We will ensure grant aid is focused on the lowest income countries and delivered as far as possible through local institutions and organisations. In middle-income countries, we will build development finance that leverages the private sector, and harnesses UK expertise.

We will bolster multilateralism with stronger voice and representation from the lowest income countries. We will work with our partners to shape the global development agenda, building international ambition and collective resolve to deliver the SDGs. Our development offer will support stronger co-operation across multilateral and international organisations, and greater co-ordination and effectiveness in delivery.



Chapter 1: The challenge we face

- 1.1. In 2015 the world gathered to agree Agenda 2030 and the Sustainable Development Goals (SDGs). Agreed by all 193 UN member states as a framework of 17 goals and 169 targets, these are a universal commitment for people, planet, prosperity, peace, and partnership. The UK is proud of its role working with other countries to create the SDGs, which represent truly collective ambition and a shared vision for a better world by 2030.
- 1.2. Sustainable development is fundamental to an open and stable international order. As set out in the Integrated Review Refresh 2023, development makes the world safer, freer, more prosperous and greener. It supports our own security and prosperity. Ensuring that everyone has the opportunity of a good life, tackling climate change and nature loss, enabling inclusive growth, building peace and preventing conflict, is in the UK's interests in a more contested and volatile world.

Decades of progress under threat

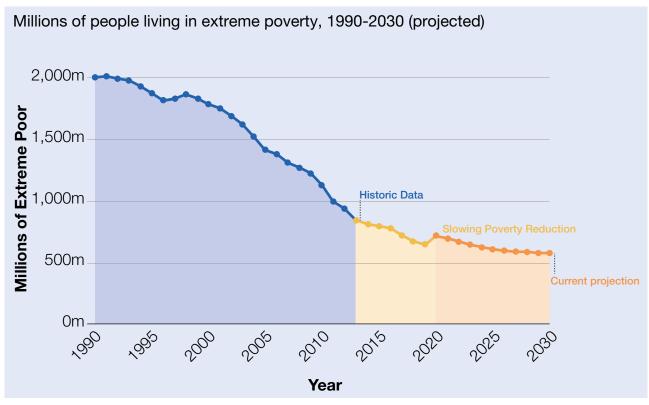
- 1.3. The development gains of recent decades are now under threat of reversal. Hardwon progress has stalled since 2015. Latest figures show that 701 million people remain in extreme poverty, predominantly in Sub-Saharan African countries. Much of this slowdown has been caused by weak economic growth. But the growth challenge has been exacerbated by conflict, energy insecurity, loss of nature and environmental degradation. The long-term impacts from the COVID-19 pandemic have reversed progress, including in education, health and gender equality. Russia's illegal invasion of Ukraine has added to pressure on energy and food prices, and reduced supply into international markets, creating a risk of further deterioration in global food security.
- 1.4. The impacts of climate change and nature loss are being felt by everyone, everywhere. Extreme weather, sea level rise and ecosystem collapse are accelerating, with the impacts felt most acutely in developing countries. It is estimated that climate change and biodiversity loss will increase food prices by 20% for billions of low-income people.³ Climate change and biodiversity loss are enablers of other global threats,⁴ they further compound risks of insecurity and instability, and drive migration.
- 1.5. Conflict state fragility and instability are on the rise and holding back development, with the impacts spreading in affected regions, as seen in the growing challenges faced in the Sahel and the Middle East. In 2022, there were 55 violent conflicts and a 97% increase in deaths on the previous year. The human costs of conflict are high and rising, with women and children particularly affected. In 2022, conflict and insecurity were the most significant causes of high levels of acute food insecurity for around 117 million people in 19 countries and territories.⁵ Up to two-thirds of the world's extreme poor will live in fragile and conflict-affected contexts by 2030.⁶

1.6. **Humanitarian needs are at their highest since 1945.** Approximately 360 million people need humanitarian assistance in 2023, twice as many as five years ago. It is estimated that 80% of humanitarian need is driven by conflict. In 2022, humanitarian appeals to respond to all crises were only 58% funded, leaving significant unmet needs.⁷

Figure 1: Stalling Progress

Following stalled progress since 2015, the COVID-19 pandemic dealt the largest setback to global poverty reduction efforts in decades.

Progress in poverty reduction has stalled



Source: World Bank estimates based on Mahler, Yonzan, and Lakner, forthcoming; World Bank, Poverty and Inequality Platform, https://worldbank.org; World Bank, Global Economic Prospects database.

1.7. In an increasingly contested world, the stability and international collective effort that is needed for progress and prosperity is harder to achieve. Geopolitical contestation is at its most intense since the end of the Cold War. New geopolitical fault lines in the Indo-Pacific threaten to impact the region's potential as the world's growing economic centre of gravity. Nearly three-quarters (72%) of the world's population now live in countries with an autocratic regime, with the average level of democracy down to 1986 levels. The rise of autocratic governments threatens values of open and inclusive societies world-wide. Greater convergence and co-operation between powerful authoritarian states is fundamentally challenging the current international order.

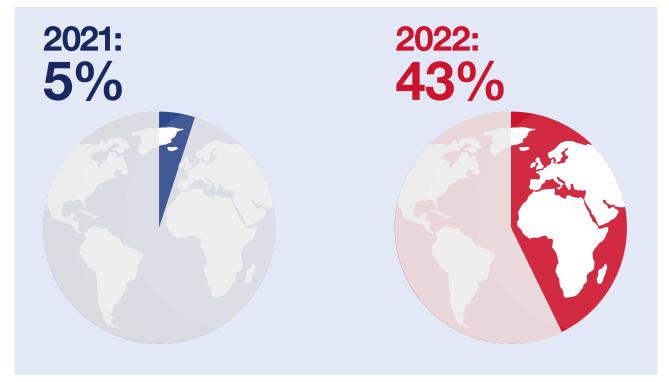


Figure 2: Share of world population living in autocratising countries

Source: Papada, E., et al., University of Gothenburg Varieties of Democracy Institute. 'Defiance in the Face of Autocratization', Democracy Report 2023.

- 1.8. Transnational threats have expanded significantly, taking advantage of geopolitical, economic and technological shifts. They radically impact the challenges we face, acting as barriers to success. These overlapping threats include terrorism, violent extremism, cyber-crime, serious and organised crime, illicit finance, kleptocracy and state threats.
- 1.9. **High and rising debt vulnerability poses a significant development challenge.** This is the case for many low- and middle-income countries, including those that are affected by conflict and fragility. Contributing factors include slow gross domestic product (GDP) growth increasing the pressure on fiscal deficits, low revenue collection, public investments that do not generate sufficient return, and insufficient foreign exchange to repay loans in foreign currency due to lack of export earnings. Nearly sixty per cent of low-income countries are already in, or at high risk of, debt distress. Restructuring debt has become more difficult as the range of creditors, institutions and instruments involved in sovereign finance has expanded.
- 1.10. **Demographic trends will add to the pressure on many developing countries.** Most of the world's population growth will come from Sub-Saharan Africa and some countries of Western Asia.¹² In many of these countries, women are still not free to decide whether to have children, and if so, when. The population of sub-Saharan Africa could more than double to 2.8 billion between 2000 and 2060.¹³ Rapid population growth increases the challenges of providing sufficient services, jobs and opportunity, tackling and adapting to climate change,

and maintaining stable and open societies. By 2030, universal education across sub-Saharan Africa will require an estimated 4.3 million additional primary teachers and 10.8 million additional secondary teachers.¹⁴

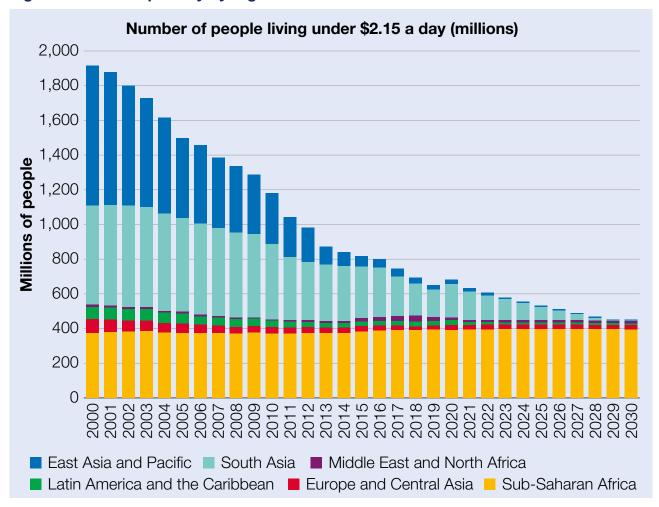


Figure 3: Extreme poverty by region

Source: World Bank PIP data, forecast from FCDO poverty model.

1.11. The negative impacts of climate change will intensify as temperatures rise.

Between 2000 and 2020, almost 7,500 extreme weather events were recorded, claiming 1.23 million lives, affecting 4.2 billion people and causing \$2.97 trillion in economic losses. Storms, drought, floods, heat stress, wildfires, glacial melt and rising sea levels will increase, with the impacts felt in all aspects of our lives, from health, to conflicts or migration. Small Island Developing States (SIDS), Least Developed Countries (LDCs) and Fragile and Conflict Affected States (FCAS), especially in East Africa and across the Sahel, are disproportionately impacted.

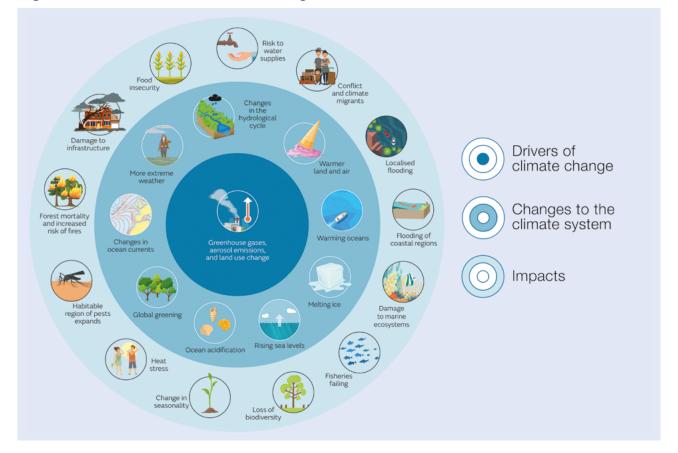


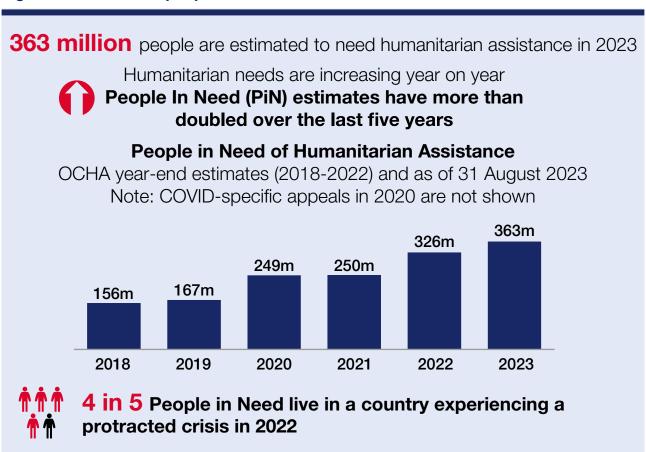
Figure 4: The effects of climate change

Source: UK MET Office.

- 1.12. **Degradation of nature and biodiversity is taking place on a vast scale and at rapid pace.** Pollution, damage to ecosystems and nature loss reduce the resilience of people and economies, as well as our ability to tackle and adapt to climate change. Three-quarters of the world's land surface and 66% of the ocean have been significantly altered and degraded by human activity. An estimated one million species are threatened with extinction. These changes have particularly severe consequences for people dependent on forests, fishing or farming for their livelihoods. Six of the nine planetary boundaries, critical for maintaining the stability and resilience of the world's climate and nature systems, are being crossed. ¹⁷
- 1.13. Increasingly severe and frequent weather extremes will add to humanitarian need. Food insecurity linked to extreme heatwaves affected 98 million more people in 2020 than it did annually between 1981 and 2010. Temperature increases from climate change will cause significantly higher GDP losses in developing countries. Without action, an extra 100 million people will be at risk of being pushed into extreme poverty by 2030, and 720 million by 2050.
- 1.14. **Forced displacement and migration are growing.** By the end of 2022 there were almost 110 million forcibly displaced people (refugees and internally displaced and stateless people). Conflict, climate change and lack of economic opportunities are causing rising

migration. In 2022 alone, 23.7 million new displacements occurred. Slow-onset climate change impacts could force as many as 216 million people to move within their own countries by 2050.²⁰ Illegal migration puts a strain on communities and increases the fiscal burden on transit and destination states. If they undertake illegal migration, migrants risk falling prey to unscrupulous criminals who lure them into undertaking perilous journeys, including to the UK.

Figure 5: Numbers of people in need of humanitarian assistance



Source: 1. Global Humanitarian Outlook, <u>OCHA</u>. (Methodological changes to PiN production in 2020, 2021 and 2022 means care should be taken when comparing year on year change); 2. Global Humanitarian Assistance report 2023, <u>Development Initiatives</u>.

1.15. Challenges to international norms and values are increasing. The UN charter has as its core the importance of sovereignty, territorial integrity, political independence for nations, and universal human rights for all individuals. Challenges include lack of accountability for violations of International Humanitarian Law (IHL) and International Human Rights Law. Parties to conflict are increasingly disregarding norms and rules designed to protect civilians in conflict and prevent mass atrocities, constraining populations' access to humanitarian aid and increasing the severity of need. Formal mechanisms to promote compliance with IHL are showing their limitations.

- 1.16. **Progress on human rights is at risk.** International norms on rights are being eroded. This is particularly pronounced for women and girls, on their sexual and reproductive health and rights, for LGBT communities, and religious or belief minorities.
- 1.17. **New technologies present both opportunities and challenges.** Emerging technologies have the potential to unlock progress against all SDGs. Breakthroughs in artificial intelligence (AI) and advances in engineering biology, batteries and renewables are likely to support greener growth paths.²¹ However, there is a widening digital divide between the richest and poorest countries and communities within them. New technology and cyber-attacks are playing an increasing role in modern warfare and insecurity. The spread of false narratives and mis- and dis-information have contributed to the erosion of trust in institutions, including the media. There are trade-offs between innovation and security. There are also challenges with supply chains for renewable technologies. The technological nationalism is intensifying.

Transformational progress that can be built upon

- 1.18. Current challenges follow decades of tremendous progress. Hundreds of millions of people have been lifted out of extreme poverty since the middle of the 20th century.²² Countries have grown their economies and resilience. There have been huge gains in health and access to education, though progress is now stalling. While some regions of the world are stagnating or falling behind, most are richer than ever before.
- 1.19. The UN Millennium Development Goals, agreed in 2000 to be achieved by 2015, brought rapid change. The goal to halve the number of people in extreme poverty was met ahead of schedule. Life expectancy improved from 50 to 65 in low-income countries. Health outcomes and education access improved worldwide. New human immunodeficiency virus (HIV) infections declined rapidly. Child mortality, malnutrition and stunting dropped. In LDCs, one-in-five children were dying before their fifth birthday in 1990, and this reduced to almost one-in-twenty-six.²³

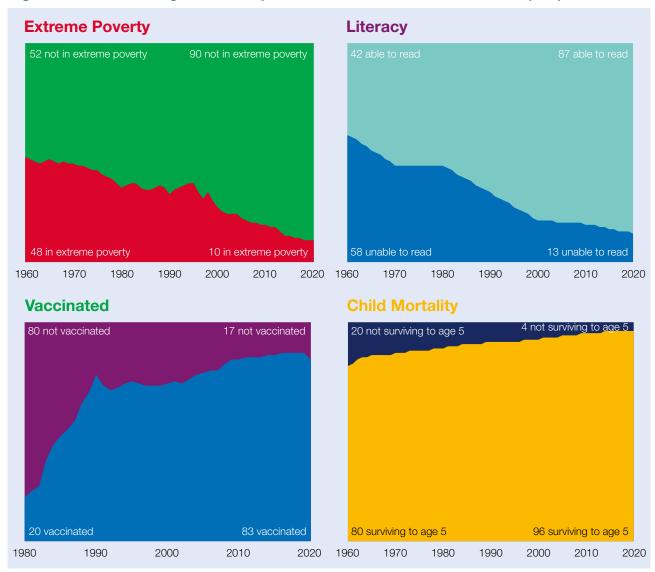


Figure 6: Global change in development indicators: the world as 100 people

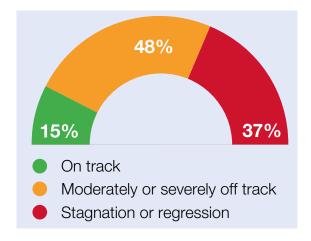
Source: FCDO, based on <u>The short history of global living conditions and why it matters that we know it – Our World in Data</u> (Creative Commons by licence).

1.20. SDGs will remain out of reach by 2030, or even 2050, if there is no improvement in current trends. Poverty rates globally have returned to pre-pandemic levels, but progress is uneven, with extreme poverty concentrated in low-income countries and countries impacted by conflict.²⁴ Climate change could push another 130 million into poverty, unless climate action is accelerated.²⁵

Figure 7: The Sustainable Development Goals



Figure 8: The proportion of Sustainable Development Goals which are off-track



Source: UN Sustainable Development Goals Report 2023.

A vision and invitation to action to achieve the Agenda 2030 and the SDGs

- 1.21. The scale and breadth of these challenges require a comprehensive and ambitious global invitation to action to deliver the SDGs by 2030. Every country has its part to play.
- 1.22. The UK will partner with others to accelerate progress across the broad SDGs agenda: going further, faster in mobilising finance; international system reform; championing prevention and anticipatory action; building resilience and enabling adaptation; standing for our values; and harnessing innovation. Success will help countries to achieve self-reliance and will lead to a safer, more prosperous and more secure world for everyone.
- 1.23. Our future approach must be different from the past, reflecting the global challenges and opportunities ahead. The global transition to net zero will result in the largest flow of capital ever seen into clean technologies and green industries, and provide opportunities to revitalise economies, improve health outcomes and catalyse sustainable development. It is in everyone's interests to ensure low- and middle-income countries secure their share of the benefits.
- 1.24. The financing gap to meet the SDGs, end poverty and chart a sustainable growth pathway is enormous. The Organisation for Economic Co-operation and Development (OECD) estimates that \$3.9 trillion more annually is needed to achieve the SDGs by 2030.²⁶ An analysis by the Intergovernmental Panel on Climate Change (IPCC) states that trillions of US dollars per year of climate finance will be needed by 2030 to meet the mitigation and adaptation needs of low- and middle-income countries.²⁷ This requires rethinking and rewiring how governments, multilaterals and the private sector support global development.
- 1.25. Shifting power and alliances are a feature of the geopolitical context in which countries are choosing how they will achieve their development goals. International and multilateral settings are changing and membership of groups such as BRICS and Shanghai Co-operation Organisation²⁸ are evolving. The UK will use its role in the G7 and the G20 to demonstrate we are responding to our partners' concerns. Greater co-operation can help the benefits of global development to be more widely felt, through increased global action and resources focused on the development, climate and nature objectives most important to our partners.
- 1.26. Low- and middle-income countries rightly demand that we respect and respond to their priorities for development. This means forming relationships fit for the 21st century that are not defined by aid, and working with countries on systemic global and regional solutions that meet their domestic development priorities. It means global development that is led by the countries, societies, and communities that are most affected. The UK recognises it has much to learn, as well as much to offer. The UK commits to listening to those closest to the challenges faced by communities and harnessing our economic and political capability to drive positive change together.
- 1.27. A bigger, better and fairer international system is needed, serving all those that need it. The countries and people that have historically been excluded from power must have a central voice in how the international order changes. The UK's historic role in the

international system means we have a responsibility to help ensure it is more representative, and that we make space for the people and countries who are closest to the development and climate challenges we share. This also means working with others to strengthen the effectiveness of multilateral institutions where low- and middle-income countries have greater voice. Ambitious agendas for reform of the international financial system are emerging from countries historically less well represented, but who most need it to change.

- 1.28. A clear strategic goal will sit at the centre of UK action. UK international development will work to end extreme poverty and tackle climate change and biodiversity loss. Meeting this goal will help countries to achieve the sustainable economic growth they need for self-reliance and will support progress across all the SDGs. This will protect our interest in an open and stable international order, and the UK's core national interests, the sovereignty, security and prosperity of the British people.
- 1.29. Delivering this mission requires action across six core areas to end extreme poverty and tackle climate change and biodiversity loss:
- mobilising the money to finance development (Chapter 3)
- international system reform to unlock progress (Chapter 4)
- tackling climate change and biodiversity loss and enabling economic transformation (Chapter 5)
- ensuring opportunities for all, including through equality and rights, education health, water and social protection (Chapter 6)
- tackling conflict and state fragility, disasters and food insecurity, including anticipatory action and building resilience (Chapter 7)
- harnessing innovation to overcome barriers to development (Chapter 8)
- 1.30. The UK's full capability for development will be involved (Chapter 9). We will take a whole-of-government approach. We will also work with UK businesses, civil society, the private sector and the City of London, universities and research centres.
- 1.31. Our generation can still be the first to end extreme poverty. Our generation is the last who can tackle the worst effects of climate change and nature loss. Collectively, we have the resources, the technology and the knowhow to ensure planetary limits are not breached, and to meet people's economic, social, and development needs. This requires working together on a development agenda fit for the challenges we now face.



Chapter 2: UK International Development and our approach

The role of the UK

- 2.1. The British people can be proud of their part in achieving development progress. The UK has been at the centre of an international effort to champion poverty reduction, increase trade, respond to humanitarian crises and conflict, build global health and education systems, support multilateralism, and sustain peace and security in some of the world's most challenging environments. This is the right thing to do, and the smart thing to do to advance UK interests.
- 2.2. **Results demonstrate the UK's track record.** Since 2015, the UK has supported nearly 20 million children, including 10 million girls, to gain a decent education.²⁹ Since 2011, the UK has supported more than 101 million people with managing the effects of climate change, improved the climate resilience of more than 32 million people, and reduced or avoided more than 86 million tonnes of greenhouse gases.³⁰
- 2.3. The UK is proud to have played a strong role with others to shape the SDGs. We remain committed to leaving no-one behind, a core principle of Agenda 2030, and to accelerating progress on the SDGs in the UK and internationally.
- 2.4. The UK has convened partners to secure many global development commitments, working in partnership for the SDGs (SDG 17). These include the Global Education Summit (2021), the Global Vaccine Summit (2011 and 2021), launching the G7's Partnership for Global Infrastructure and Investment (PGII) during our G7 Presidency (2021). For COP26 (2021), the UK led on the Glasgow Climate Pact, which agreed the importance of limiting global average temperature rise to 1.5 degrees Celsius. We also played a leading role in the historic Kunming-Montreal Global Biodiversity Framework (COP 15, 2022) being agreed, to halt and reverse the destruction of nature.
- 2.5. The generosity of the British people is demonstrated worldwide. When crises hit, the UK public and Government respond together. The UK Government has provided match funding for approximately £200 million of public donations for life-changing development projects and in response to humanitarian crises since 2016.³¹ Our civil society is one of the most experienced and active globally, connecting with partners and communities to improve development outcomes.
- 2.6. The UK Government will take a whole-of-government approach to deliver our strategic vision for international development to 2030 to end extreme poverty, tackle climate change and biodiversity loss, and accelerate sustainable economic growth to enable countries to achieve self-reliance. The creation of the Foreign, Commonwealth and Development Office (FCDO) joins together the UK's development expertise and its global diplomatic network, increasing our scope for development impact. The UK will bring a broad spectrum of capabilities and policy levers to our partnerships, including mobilising

investment, fostering trade, technical expertise, technology, science and diplomacy, and working in partnership with host governments and citizens in order to achieve long-term reform and change.

- 2.7. **UK International Development (or UKDev)** was launched as the new brand for UK development in 2023 to signal the UK's commitment to progress and represent the totality of UK development effort. UKDev will deliver the commitments outlined in this White Paper, always emphasising results and transparency. FCDO will bring together all of government, ensuring coherence, working to support other departments where they lead on policy, and making full use of the UK's global diplomatic network.
- 2.8. The areas of focus in this White Paper were developed based on an open dialogue. We consulted partners in the UK and around the world in 70 countries, primarily low- and middle-income countries, in multilateral and bilateral organisations, with the private sector and civil society, development practitioners and researchers. We received 464 responses from 46 countries to our public call for evidence.
- 2.9. We listened to what everyone involved in the consultation process told us. This is what we heard:
- the UK has the most positive impact when it is focused on transformative, long-term, systemic change. We should return to a long-term, predictable focus for policy and funding, built on locally-led development
- the UK's aid generosity and focus on need is valued and seen to support strong development partnerships
- the UK is recognised for its expertise and technical assistance, and for its enduring role in the multilateral system
- the UK's convening power is valued and could be used more for today's development challenges, from food security to AI in development
- the UK can do more to create genuine, equitable, strategic and long-term partnerships, working on shared priorities and based on a strong understanding of the context
- the UK has both a responsibility to acknowledge its role in the international system, and an opportunity to make the system fairer and more equal
- 2.10. We will build on UK strengths and shift our approach to partnerships, prioritising mutual respect. We will take a long-term approach. We will be more locally-led. We will bring the best of what the UK has to offer, including the breadth and depth of our global network, and support partners where they can lead. We will champion more open and inclusive approaches to international development.

Case study 1: The Strategic Partnership with Indonesia

The UK-Indonesia Roadmap enshrined our strategic partnership, based on mutual respect and focused on supporting Indonesia's green growth and human development. Our long-term engagement with Indonesia puts patient diplomacy and development in action. Our partnership bring together all our capabilities, including our diplomacy, research, trade, and investment.

Indonesia's development and actions matter globally. Its size and influence mean it is an important enabler for progress made against Sustainable Development Goals, both in its region and globally, and especially for supporting co-operation between low- and middle-income countries. Indonesia has seen significant progress on poverty reduction, human development and the environment over the last two decades. Indonesia's economic pathway from here on will have significance to achieve a global warming cap of 1.5 degrees Celsius and for global biodiversity.

Indonesia is grappling with the sometimes conflicting goals of supporting economic growth and reducing emissions. Home to the largest reserves of nickel in the world, Indonesia has difficult political choices to be made about powering the electric vehicle industry, given the abundance of cheap coal. The UK offers innovative financing instruments, expertise, and convening power to work alongside Indonesia on its development journey, while tackling a shared global crisis. Through our flagship Mentari programme on energy transition, the UK has deployed expertise, diplomatic influence, and an innovative \$1 billion guarantee to help create the conditions for a Just Energy Transition Partnership agreement that will mobilise \$20 billion of public and private finance for an accelerated green transition.



Jolinda, a young woman from Sumba in Indonesia, has helped to install and operate a new solar plant as part of the UK's Mentari programme, which has worked with the Indonesian government to provide electricity to rural and previously unconnected parts of the country.

Photo credit: FCDO

Principles for partnerships

Mutual respect

- 2.11. **UK** development partnerships will be guided by the principle of mutual respect. A focus on mutual respect will put patient diplomacy and development into practice. It will build long-term reliable and equitable partnerships that work towards common development objectives. It will move us beyond an outdated 'donor-recipient' model. We will engage with humility and acknowledge our past.
- 2.12. Mutual respect encompasses:
- **ownership**: our partners, whether countries, organisations, or people, own and lead their development
- **mutuality:** we are mutually accountable for delivering on our respective roles. We learn together and improve how we deliver together
- **transparency**: transparency on all sides is critical to development progress. We will provide the transparency our partners need, including by publishing Country Development Partnership Summaries³²
- values: we are open about UK values and will stand up for them. While we respect that not all our partners will share these values, we will seek and focus on common ground

Values we will champion

- 2.13. The UK defends and promotes human rights, the rule of law and accountable institutions. We will work with our partners to ensure that a reinvigorated multilateral system will effectively uphold global human rights norms. More than 90% of SDG goals³³ and targets correspond to human rights: rights are essential to achieving sustainable development. We will set out the benefits of open societies with confidence, while accepting that our values, national interests and paths to change may differ from other countries.
- 2.14. Leaving no-one behind remains a guiding value of UK international development.³⁴ This principle also underpins delivery of the SDGs. The UK will prioritise the most vulnerable communities, and those at the frontline of the worst effects of climate change and biodiversity loss when providing grant financing, working in partnership with these communities as agents for change.
- 2.15. Unlocking the full potential and power of women and girls accelerates progress on all global development priorities. The UK has been a long-term champion of the rights of women and girls around the world, through our development, diplomatic and legislative efforts, including the International Development (Gender Equality) Act 2014.
- 2.16. The UK is committed to concerted action to tackle sexual exploitation and abuse and harassment (SEAH). Hundreds of cases are reported every year. Many more go unreported. The UK supports the development of a new global 'Common Approach to Protection against SEAH',³⁵ to accelerate progress, improve coherence and momentum, and protect the most vulnerable.³⁶

Case study 2: Safeguarding

Sexual exploitation and abuse and sexual harassment (SEAH) causes physical, emotional and economic harm. It also undermines delivery of, and trust in, humanitarian, development and peacekeeping work. Without co-ordinated action, perpetrators can move undetected between organisations and countries, and it is much harder to support survivors and victims. In 2018, the UK Government hosted a global summit to amplify the voices of survivors, victims and whistle-blowers and seek a more co-ordinated approach: development partners, multilateral organisations, Non-Governmental Organisations (NGOs), contractors and others made commitments.³⁷ The UK has reported annually on progress³⁸ and funded work to identify perpetrators, support survivors and victims, and build the confidence and capability of individuals and organisations involved in or impacted by development work to protect against SEAH. As a result, tens of thousands of staff and volunteers have received safeguarding training and undergone more stringent background checks, and more survivors and victims of SEAH have been assisted. Hundreds of cases are still reported every year, and many go unreported. That is why, since 2022, we have been supporting the development of a new global 'Common Approach to Protection against SEAH' which should be agreed in 2024 and includes an even wider group of stakeholders.



The UK is funding work in Malawi through Social Development Direct to help Women's Rights Organisations (WRO) and local authorities to improve the support provided to survivors and victims of sexual exploitation and abuse and sexual harassment.

Photo credit: Social Development Direct

Localisation and Locally-Led Development

- 2.17. We will work towards a more inclusive and more locally-led approach. Where countries have their own clear vision, approach and narrative, about their development and progress, this increases the likelihood of development success. It is right for development to be increasingly designed and delivered by local people and organisations, especially typically marginalised groups, including women and girls, indigenous people and local communities. UK policy advice, technical knowledge, and funding will be more sustainable, when we partner with those who best understand local needs and realities, and when they determine their own development.
- 2.18. We will publish a strategy setting out how the UK will support local leadership on development, climate, nature and humanitarian action. The strategy will explore how our engagement, terminology, delivery, and approach to risk can change to support local partnerships. We will learn from current evidence on how best to engage local leaders and social groups in decision-making. We will invest in research to better understand and support local leadership.

Case study 3: Locally-led development in Myanmar

In Myanmar, the UK works with inspirational local organisations that find ways to support the emergency needs of families forced to flee their homes due to conflict. Two and a half years after the 2021 military coup, Myanmar is riven by violence. More than two million people have fled their homes, and the number in desperate need of aid has skyrocketed from 1 million before the coup to 18 million today. UK support, mostly provided through local partners, helps to meet the emergency needs of around 600,000 people affected by the conflict, despite the military blocking formal access by the United Nations and International Non-Governmental Organisations (INGOs).

This work is built on the relationships we have developed with networks of local civil society partners. Partners do not just want funding; they want a stronger voice and empowered agency reflecting their unique understanding. We invest in strengthening the capacity of local organisations and networks; developing funding instruments designed for them; and building platforms to help local and international partners talk meaningfully. We make sure our financing is flexible enough to allow partners to respond adaptively. Through engagement with community networks, we constantly update our understanding of the shifting context, our partners, and risks.

Targeting Development Assistance

- 2.19. The UK Government is committed to the International Development (Official Development Assistance Target) Act 2015 and to spending 0.7% of gross national income (GNI) on Official Development Assistance (ODA) once the fiscal situation allows. ODA is one of the largest sources of development finance to low-income countries and provides essential resources for activities that would otherwise have limited available funding, ranging from humanitarian support to tax reform.
- 2.20. **Poverty reduction is the primary purpose of ODA programmes.** This is required by existing domestic legislation and necessary to achieve our strategic development goal. The focus on poverty reduction is central to all parts of our development partnerships and activity and wholly in UK national interests.
- 2.21. We will prioritise ODA where it is most needed and most effective. That is why the UK will prioritise its grant resources to the lowest income countries and communities, which are often also vulnerable to the effects of conflict and climate change. We expect to spend less ODA in contexts where other sources of finance are available or other levers are more effective.
- 2.22. The UK will aim to spend at least 50% of all bilateral ODA in the LDCs. This focus on LDCs will inform all our ODA spending. In addition, the UK will support the global goal of providing at least 0.2% of our GNI to LDCs. The UN classification of LDCs includes income and human development measures as well as economic and environmental vulnerability. LDCs are the least able to finance their development through taxes, borrowing or investment. There is a strong overlap between LDCs, FCAS and countries vulnerable to climate change. The majority of the world's poorest people live in LDCs that are either fragile, affected by conflict, or vulnerable to climate change.
- 2.23. We will deliver on our commitment to provide £11.6 billion in international climate finance between 2021 to 2022 and 2025 to 2026, ensuring a balance between adaptation and mitigation and including at least £3 billion to protect and restore nature. We will spend at least £1.5 billion of International Climate Finance on adaptation in 2025. We will prioritise support for countries tackling the impacts and causes of climate change and biodiversity loss, and ensure that all new bilateral ODA is aligned to the Paris Agreement and Global Biodiversity Framework, building on previous commitments.
- 2.24. We will ensure that the reasonable needs of ODA-eligible UK Overseas Territories (OTs) are met. The UK and Territory governments will work in partnership, especially where we can help to build local capacity to deliver devolved responsibilities. The UK will fulfil its moral and constitutional responsibilities for the OTs and be as ambitious for our OTs as we are for the UK.
- 2.25. Strategic coherence and prioritisation of the UK's ODA is overseen by the UK Government ODA board. The board provides strategic oversight of ODA spend, scrutinises the value of spending, and anticipates and manages new risks. The board is chaired by the Minister for Development and Africa and the Chief Secretary to the Treasury.

Deepening our development partnerships

- 2.26. We want to expand the reach and depth of our partnerships. This includes countries, regional groups, organisations and people active in global development cooperation. The UK and our partners both bring ideas, networks, knowledge, expertise in specific areas, and resources that can be combined for greater development impact.
- 2.27. Our partnerships will be adapted to the specific goals and needs of our partners. Partnerships will be informed by a shared understanding of the context, objectives, and evidence of what works. We will use different approaches and instruments to suit the context. This will include supporting the capabilities, institutions, policies and narratives needed for lasting progress. This will ensure the right resources are allocated where they are needed most.
- 2.28. As countries' development trajectories evolve, whether they are experiencing progress or setbacks, so will our partnership offer. Climate vulnerability and biodiversity loss, fragility and conflict, will all cause setbacks and reversals and may require us to adapt our approach. In fragile and conflict affected states, we will work to reduce conflict and violence, and address the drivers and causes of crises.
- 2.29. We will draw on ODA only as necessary in our partnerships with middle-income countries (MICs). We recognise middle-income countries are a broad and variable group. MIC status masks pockets of extreme poverty and inequality, as well as acute humanitarian needs. ODA can be used in a targeted way to support their objectives and our shared priorities, so they can drive their own long-term development, and contribute to achieving global commitments, including supporting climate mitigation in MICs with the highest emissions growth.
- 2.30. To complement ODA spending we will work with our partners to bring together investment, trade, expertise, technology, science and diplomatic capability. This includes complementing conventional ODA programmes with commercial solutions, technical expertise and competitive export finance. Linking the UK's growth agenda with positive outcomes for low- and middle-income countries can raise living standards, lock partners into positive growth trajectories and support economic security at home and abroad. In the long-term, this will help low- and middle-income countries become increasingly significant trade and investment partners of the future, mutually benefitting businesses and consumers, both in our partner countries and the UK.
- 2.31. Where country priorities run counter to our principles, values and commitment to the SDGs, we will follow humanitarian principles, and we will support those trying to bring about positive change. Wherever possible we will remain engaged even in the most challenging countries, to ensure that life-saving support reaches those paying the price for conflict and bad governance, and to stand up for human rights and the rule of law.

Working with global development partners

2.32. The UK is stepping up collaboration with a range of emerging development partners. The UK will work with these partners to identify opportunities to collaborate further

and to share our respective learning and expertise. This includes consolidating and promoting partnerships with, for example, Turkey, Brazil, South Korea and India. This reflects our wider foreign policy commitment to invest in new relationships based on respect, solidarity, and a willingness to listen.

- 2.33. The UK will further deepen and expand our existing partnerships. This includes growing relationships with development partners in the Gulf; Saudi Arabia, United Arab Emirates, Qatar and Kuwait. We share interests in supporting vulnerable regions affected by deep development challenges, instability and humanitarian crises across Africa, South Asia and the Middle East. Collaborative working across humanitarian and development objectives provides an opportunity to share our knowledge, scale our funding and co-financing, and strengthen cultural connections as well as global and local networks.
- 2.34. The UK's co-ordination and engagement with traditional development bilateral partners, such as the US and EU, means we can more effectively support our low-and middle-income country partners and achieve greater development impact. The UN, Development Assistance Committee (DAC) of the OECD, G7 and G20, are essential platforms to make progress on multilateral reforms, development effectiveness and impact.

UK delivery: transparency, impact and results

- 2.35. We will improve aid transparency and programme management standards across the entire UK development portfolio. To assess progress since the independent 2020 UK Aid Transparency Review (UK ATR), we will commission a follow up UK ATR assessing the transparency performance of UK Government departments with significant ODA budgets.
- 2.36. The UK will take a lead in promoting aid transparency internationally. FCDO will play an active role in the International Aid Transparency Initiative and leverage our diplomatic and development influence to improve global standards. Building on our existing commitment to attain 'very good' in the 2024 global Aid Transparency Index, FCDO is committed to displaying the highest transparency standards among all foreign ministries globally. We will work with others, including multilateral organisations, to identify and share global best practices to maximise the benefits of published data and documents.

Box 1: The Independent Commission for Aid Impact

The Independent Commission for Aid Impact (ICAI) scrutinises the UK's use of Official Development Assistance (ODA), with a focus on development impact and value for money. By publishing reviews on topics, countries or strategic issues in the UK Government's aid spending with recommendations to improve impact, it plays a vital role in ensuring accountability. The subjects for review are agreed with the International Development Committee (IDC), the committee of the UK Parliament that scrutinises the government's development work. Through the IDC, ICAI informs and supports Parliament in holding the UK Government to account for its developing spending. The UK Government is mandated to respond to these reviews and demonstrate the changes it makes, ensuring our accountability both to Parliament and to the UK public.

Box 2: China's role in international development

China has made unquestionable contributions to international development and poverty alleviation. Domestically, China has lifted more than 800 million people out of poverty since 1978. Internationally, Chinese lending and investment has fuelled infrastructure development and growth across developing countries. But China's approach to development is fundamentally different to ours, and its development activity often comes with drawbacks, including operating with lower social and environmental standards, limited transparency, allegations of corruption and capture of local elites, and limited co-ordination through the multilateral system, especially of bilateral instruments like the Belt and Road Initiative. To reflect China's emergence and status as a middle-income economic power, the UK stopped providing bilateral government to government aid to China in 2011.

China's growing role as an actor in international development marks a systemic shift in the global development landscape and has implications for most of the issues covered in this White Paper. Between 2008 and 2021, China made \$498 billion in loan commitments, equivalent to 83% of World Bank sovereign lending during the same period. It increased assertiveness in seeking to shape the international order makes it essential for us to navigate the challenges that come with its evolving development role. In line with the Integrated Review Refresh and the Mansion House speech made on 25 April by former foreign secretary Jame Cleverly, our approach to China follows the three pillars of Protect, Align and Engage. We will look for opportunities to influence China on its approach to issues like climate finance, poverty eradication and global debt distress, while firmly resisting the risks China poses to open societies and good governance. Given China's critical role in raising global development standards and achieving the UN's SDGs by 2030, it is important that China's domestic initiatives complement multilateral efforts rather than undermine them. We will ensure sufficient space for co-operation and dialogue, while also ensuring we have the channels to discuss disagreements.

We recognise that no one country can meet the world's development needs. We need to listen to developing countries and ensure that the UK is valued as a first-choice development partner. We will focus on areas of UK comparative advantage and expertise to provide a compelling development offer, aligning with partners to provide high quality, sustainable, and poverty-focused concessional finance and capability support incountry. We will support developing countries to equip themselves with the capabilities necessary to make the most of all investment opportunities, regardless of source. While we will seek to influence China to adopt best practice and increase the positive impact of its development activity, we will be robust in responding to actions that challenge our national interests or those of the recipient country.

- 2.37. We will accept higher short-term risk in our programming where it is well managed and justified by the potential results. This includes enabling us to innovate, invest in locally-produced research, build evidence to support policy change, prove concepts that can be scaled up, respond flexibility to new evidence, and work with a wider range of partners to ensure long-term sustainability.
- 2.38. We will explore mechanisms to measure the full breadth of our development contribution, including inputs other than ODA.⁴⁰ This will mean we can make an objective assessment of our full development partnerships. To understand and fully utilise our different capabilities for development, we need effective ways to measure them.
- 2.39. The UK takes a zero-tolerance approach to fraud and corruption. We will strengthen measures to prevent, identify and recover instances of fraud if they occur.
- 2.40. Working with our partners, we will evaluate what we do and build the evidence on how best to accelerate progress across the SDGs. We will do this to understand and demonstrate how our actions, initiatives and partnerships are helping deliver.
- 2.41. We will intensify our efforts to deliver on the issues that matter to our partners through global development campaigns, leveraging our global diplomatic reach and development expertise. We will be responsive to the new priorities of our partners. We will put more emphasis on collaboration to deliver the key moments, summits and events, that convene our partners across the world and push forward international progress.

Box 3: Development Campaign

Through the Integrated Review Refresh (2023) the UK launched a new global international development campaign. The UK pledged to use all its levers, particularly our diplomatic reach and development expertise, to deliver on the issues that matter most to our partners. Our objectives are ambitious, and we are already making progress:



The UK has made progress on **reforming and greening the global financial system** through a call to action at the Paris Summit for a New Global Financing Pact on offering Climate Resilience Debt Clauses (CRDCs). France, the World Bank, the US and Spain made announcements to offer CRDCs, and Canada and Germany said they would actively explore using them. At the G20 Leaders' Summit, we announced £2 billion for climate finance, which will support developing countries to reduce global emissions and help communities adapt to the effects of climate change. This is a significant contribution towards the UK's pledge to spend £11.6 billion on international climate finance. The UK played a pivotal role in securing G20 ambition for unlocking more lending capacity from MDBs – in October 2023 the MDBs announced that they had identified measures to unlock \$300 – \$400 billion of additional financing over 10 years. This money can be used to mobilise even more from the private sector.



The UK has **led global efforts to crack down on lost and stolen money** by securing a commitment from OECD to enable developing countries to have increased access to global information exchange for corporates over the next three years. We are using our influence to boost international co-operation on illicit finance. In September 2023 the UK and African Development Bank co-chaired the first meeting of the Africa Beneficial Ownership Transparency Network's Steering Committee.



The UK has supported the **delivery of clean green infrastructure and investments**. Through British Investment Partnerships (BIP) we are on track to mobilise £8 billion a year by 2025, which represents our commitment to mobilise up to \$40 billion as part of the UK's contribution to the G7 PGII. In 2022, BIP created 80,000 jobs and supported a further 1 million jobs; increased access to new or improved infrastructure for 3.6 million people; reduced or avoided 300,000 tonnes of CO2; and generated 50,000 GWh of electricity while also improving access to clean energy for more than 6 million people. The UK is the first development partner to mobilise pension fund assets through an infrastructure asset-backed security vehicle, with equity provided by the UK's MOBILIST (Mobilising Institutional Capital Through Listed Product Structures) programme.



The UK has been a leading voice in **promoting lasting solutions to food insecurity and malnutrition** and will galvanise further action and ambition from the global community in November 2023, at the UK-hosted Global Food Security Summit: 'Towards Zero Hunger and Ending Malnutrition'. We have also partnered with the United Arab Emirates to ensure COP28 meaningfully progresses activity on this agenda.



At the UN General Assembly (UNGA), the UK showcased its credentials as a global pioneer of open and accessible science and technology. The UK announced £295 million of new funding for health research and development (R&D) to develop new drugs, vaccines and diagnostics;⁴¹ set out our vision for artificial intelligence (AI) for development, which emphasises the importance we place on open collaborations, partnerships, equitable access and strengthening local capability;⁴² and launched the International Science Partnerships Fund⁴³ to promote **open science for global resilience** through supporting joint work between UK researchers and innovators around the world.



The UK has advanced our work on **preventing the next global health crisis** by launching our Biological Security Strategy and Global Health Framework; supporting the global health Political Declarations on Pandemic Prevention, Preparedness and Response, on Universal Health Coverage and on Tuberculosis at UNGA; and investing up to nearly £500 million⁴⁴ to: support R&D to help combat infectious diseases in lower middle-income countries; expand the UK Vaccine Network programme; and to establish collaborative research and technical partnerships in Africa and the Indo-Pacific. New investments of £210 million will help tackle antimicrobial resistance, including for innovation and product development through the Global Antimicrobial Resistance Innovation Fund (GAMRIF), and for laboratory and surveillance strengthening through the Fleming Fund.



The UK Is challenging the rollback of women's and girls' rights at all levels. We are standing up and speaking out for women's and girls' freedoms by: leading the multilateral debate, widening consensus by working with like-minded partners from all regions, to ensure that women's and girls' rights are not eroded, and by empowering local women's rights organisations (WROs) through a £38 million fund. We have also committed to ensuring that at least 80% of FCDO's bilateral aid programmes have a focus on gender equality by 2030.



We have demonstrated our commitment to transparency and partnerships by publishing 43 Country Development Partnership Summaries and publishing our budgets and country allocations for financial year 2024 to 2025.

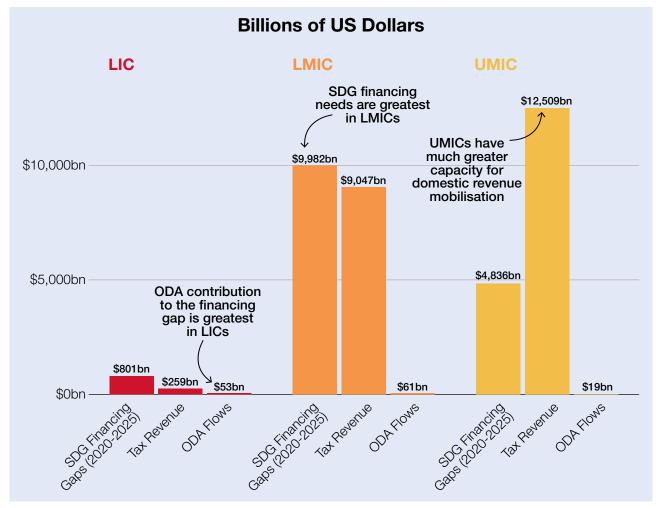


Chapter 3: Mobilising the money

Introduction

- 3.1. Official Development Assistance (ODA) grants and concessional finance have been essential to reducing poverty (SDG 1) and improving development outcomes.⁴⁵ However, aid alone is not, and has never been, a panacea for progress. Peace and security, effectively governed states, private sector investment, remittances,⁴⁶ domestic resources and trade revenues are essential to how countries can progress toward self-reliance.
- 3.2. New sources of finance, in addition to policy reforms and institutional strengthening, are required to deliver the SDGs and respond to climate change and biodiversity loss. ODA resources will never come close to reaching the scale of finance required to deliver the SDGs. The UK and its partners must therefore use ODA budgets with diplomatic and policy engagement to unlock larger volumes from other sources.
- 3.3. Many low- and middle-income countries are calling for major reforms to the international financial system. These reforms will help countries access more resources, respond to climate and other shocks, and provide them with more voice in decisions. This call to action has been echoed by the Bridgetown Initiative, UN SDG Stimulus, Nairobi Declaration, and Paris Agenda for People and the Planet, among others. The UK and our partners must respond in order to end extreme poverty and tackle climate change and biodiversity loss, and rebuild trust with these countries.
- 3.4. A quantum leap is urgently needed in the volume of international finance and private sector capital that flows to low- and middle-income countries. An estimated additional \$3.9 trillion⁴⁷ is required annually to deliver the SDGs. This chapter sets out our vision for the reform of the International Financial Institutions (IFIs) and for mobilising more private capital to low- and middle-income countries. The following chapter sets out complementary efforts to strengthen the international system to ensure that international tax rules benefit the poorest countries, that we tackle illicit flows that drain resources from countries, and that unsustainable debt is addressed.

Figure 9: The development financing gap
Estimated Financing Gaps by Income Levels, 2020-2025



The financing required to achieve the 2030 Agenda exceeds \$15 trillion. It varies considerably by income group. While upper middle-income countries (UMICs) have the capacity for domestic revenue mobilisation to achieve these, this is not the case in lower middle-income countries (LMICs) or lower income countries (LICs). ODA is a much more important element of the financing gap in low-income countries than in lower middle-income countries.

Source: UNCTAD (2022) Financing for development: Mobilizing sustainable development finance beyond COVID-19.

Mobilising more money and impact from the IFIs

- 3.5. The multilateral development banks (MDBs) are one of the largest sources of development finance. They leverage ODA and non-ODA resources to mobilise finance and represent strong value for money to the UK taxpayer. Every £1 of capital that the UK provides to the World Bank's International Bank for Reconstruction and Development (IBRD) unlocks more than £5 of additional affordable finance. The World Bank's International Development Association (IDA) which offers grants and concessional loans to low-income and lower middle-income countries provides more than £3 of concessional finance for every £1 that we contribute. The UK is a major shareholder in seven MDBs and has a strong record of working closely with other shareholders to shape them.
- 3.6. There is a significant opportunity to scale up the volume of finance available from the MDBs by implementing the recommendations of the G20 Review of MDB Capital Adequacy Frameworks (CAF). This sets out clear recommendations for how the MDBs can stretch their balance sheets by taking more risk using their existing capital while maintaining their AAA credit ratings. The review also identifies innovative ways that the UK and other shareholders can expand MDB lending including making greater use of guarantees. In October 2023 MDBs stated that measures identified, including those already agreed or under discussion, could potentially yield around \$300-400 billion of additional finance over the next decade. Further measures, including better recognition of callable capital, could unlock significantly more. The reduction in the World Bank IBRD equity to loan ratio from 20% to 19% unlocked \$40 billion of additional finance and a further reduction to 18% could free up even more.
- 3.7. Where there is a strong case to do so, the UK and other shareholders should also stand ready to provide additional capital to MDBs. The UK has already signalled conditional support for capital increases for: the World Bank's IBRD; the private sector investment arm of the Inter-American Development Bank Group; the European Bank for Reconstruction and Development. This support is conditional on a strong package of reforms being agreed for each MDB, including further implementation of the G20 CAF Review.

Case study 4: Mobilising finance for development through UK guarantees

In the last two years, the UK has announced guarantees that will unlock more than \$6 billion of additional multilateral development bank (MDB) finance for African, Asian, and Pacific countries. UK guarantees enable the MDBs to increase lending beyond the amount their credit policies would ordinarily allow. This has positioned the UK as a leader in using guarantees for MDBs, which have become an increasingly important way in which the UK can cost-effectively support middle-income countries.

No Official Development Assistance (ODA) is used when a guarantee is issued. ODA is only used in the unlikely event that a country defaults to an MDB and the guarantee needs to pay out. As a result, guarantees can mobilise large volumes of additional financial assistance. The risk of one of our guarantees being called is low, because the MDBs benefit from preferred creditor treatment for the loans we are guaranteeing, which means that borrowers repay the MDBs before other creditors.

One example of how we are using guarantees is the 'Room2Run' guarantee, which the UK signed with the African Development Bank (AfDB). Through this initiative, the UK has come together with three UK private sector insurance firms to provide a guarantee to AfDB. If AfDB suffers a loss in part of its portfolio, the guarantee will compensate the bank for a proportion of that loss. The guarantee unlocked \$2 billion of additional climate finance for Africa, at least half of which will be assigned to projects improving African countries' adaptation and resilience to climate change.

One of the first projects to be funded under the Room2Run guarantee is a project in Senegal that provides access to safe water and sanitation services, which will reach 1.45 million people, 51% of whom are women who will benefit from improved access to drinking water and sanitation.

3.8. Operational reforms are also needed to strengthen the impact of MDB finance. All MDBs that the UK is a member of are currently delivering reforms to increase their ability to tackle global challenges, such as climate change and pandemics, while redoubling efforts to reduce poverty. The UK is pressing all MDBs to become more responsive to financial shocks; mobilise significantly more private capital; become much faster and more collaborative; raise ambition on climate change and nature; and strengthen the voice of the lowest income countries. There is also a need to focus on the quality of investments, and support to wider reforms (in recipient countries) to ensure new investments deliver their intended impact.

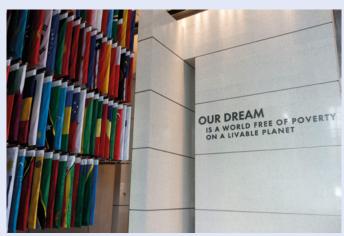
Box 4: The UK and World Bank reform

The World Bank is a key development partner for the UK. Last year, it invested more than \$70 billion to support countries through the multiple crises they face; it has operations in more than 145 countries. The World Bank's strategy and operations are overseen by a Board of 25 Executive Directors, representing 189 countries. The UK has a single country seat on this board and is represented by a small, cross-government team that works closely with the UK office in the International Monetary Fund (IMF). The team uses the UK's global network of embassies and its policy experts in the UK to shape the strategic direction of the Bank and oversee its lending operations.

That expertise has enabled the UK to have significant influence at the World Bank. As one of the largest and most longstanding supporters of the World Bank's fund for low-income countries, the UK has pressed for Bank reforms to leverage official development financing contributions in the market, to focus on Fragile and Conflict Affected States (FCAS) and to invest in protecting biodiversity. In responding to the COVID-19 pandemic, the UK helped ensure the Bank supported developing countries to buy and then deploy vaccines, accelerating the end of lockdowns. In 2021, when the UK was both G7 and COP President, we led the effort across the Board, to shape the World Bank's most ambitious plan to tackle climate change. Last year, the UK team led the call for the Bank to surge its lending to record levels to respond to the shocks caused by Russia's invasion of Ukraine and other crises.

Over the past year, the Bank has begun an ambitious reform process. As part of that, the UK has pushed the Bank to use financial innovations to stretch its own balance sheet before asking for new money. We will shape how the Bank mobilises more private sector funding, cuts red-tape and focuses on results.

The World Bank's new mission, 'to create a world free of poverty – on a liveable planet' is fully aligned with the aims set out in this White Paper, and the Bank will remain one of our closest partners.



The World Bank's headquarters in Washington D.C. with its new mission "Our Dream is a World Free of Poverty on a Livable Planet'.

Photo credit: The World Bank

- 3.9. The IMF is the global lender of last resort and operates at the heart of the global financial safety net. It performs a vital surveillance function, and the policy reform measures it recommends ensure that economies facing balance of payment crises are set back on the path toward sustainability. It plays a key role in supporting countries in debt distress, including via IMF-supported programmes in the context of debt restructurings. The IMF has stepped-up to recent challenges, particularly in response to the pandemic. It is essential that the IMF evolves to respond to current and future challenges, with the resources and capacities required to meet the needs of the poorest countries, and to support other countries facing shocks including climate, conflict and debt crises.
- 3.10. The UK has channelled Special Drawing Right (SDRs) to support vulnerable countries. The IMF's SDR allocation in 2021 provided significant support to poor countries at a time of crisis and its Poverty Reduction and Growth Facility, and Resilience and Sustainability Trusts provide an important source of fiscal and balance of payments support. In 2023, the UK supported these funds by re-channelling 20% of its 2021 SDR allocation. This delivered the equivalent of \$5.3 billion of support in addition to ODA spend. The UK is also supportive of international efforts to explore viable options for channelling SDRs through MDBs.

The UK's commitments

- 3.11. To mobilise more money from international financial institutions and shape a more effective system, we will:
- champion a scale-up of the financing capacity of the MDBs by stretching their balance sheets and providing more capital where needed. There is a major opportunity for the UK insurance sector to play in stretching the MDBs' balance sheets as the UK has done with Room2Run (Case study 4)
- champion the poorest and most vulnerable countries so they are more visible and better heard at the key International Financial Institutions, including through increasing their shareholding in the World Bank and creating a 25th chair to represent Sub-Saharan Africa at the IMF Board
- seek to use more innovative financial instruments to mobilise additional finance beyond our ODA, including considering the use of further guarantees and exploring the provision of hybrid capital⁴⁸ to increase MDB lending
- secure operational reforms of the MDBs to increase their impact, ensuring that they
 are faster, more shock-responsive and more results-focused, work better together as a
 system, and are better equipped to tackle the development and climate challenges of
 the day
- advocate that concessional MDB resources are prioritised for low-income and vulnerable countries to end extreme poverty. Current reform efforts on how these institutions can better address global challenges are needed, but this must be additional to resources addressing extreme poverty

- support strong replenishments of the arms of MDBs that help the lowest income countries including the World Bank's IDA
- champion the use of non-financial incentives and longer-maturity loans to tackle global challenges. We will ensure that middle-income countries who can afford to borrow have access to the scale of financing required to finance their green transitions and to prepare for and respond to climate shocks and pandemics
- press the IMF to evolve to meet the needs of the poorest countries. This includes
 ensuring that it has the capabilities and financing to meet the needs of the poorest and
 most vulnerable countries. The UK champions an increase in the access limits of the IMF's
 Poverty Reduction and Growth Trust

Mobilising private capital

- 3.12. There is a huge opportunity to mobilise more private capital, both domestic and international, to help deliver the SDGs and support climate and nature positive transitions. The stock of private institutional capital is estimated to amount to \$98 trillion globally, 49 with \$48.1 trillion in pension funds in OECD countries alone. 50 Reorienting just a fraction more of this towards low- and middle-income countries would far exceed in scale the financing from public and multilateral sources of finance. There is growing evidence that people want their savings, including their pensions, to support the delivery of the SDGs. In 2019 68% of UK savers said that they want their investments to consider impact on people and the planet. 51
- 3.13. The UK is recognised globally as a leader in development and green finance. UK capital markets are a vital conduit for portfolio investment to low- and middle-income countries. The City of London has the largest share of global foreign exchange trading and is a leading venue for issuance of offshore bonds. 114 African companies are listed on the London Stock Exchange, where they raised more than \$2.7 billion between 2020 and October 2023 alone. The UK is also a major source of foreign direct investment, accounting for the largest share of foreign direct investment (FDI) stock in Africa of any country.
- 3.14. Action is needed to mobilise private capital at scale for international development, using a multipronged approach that targets constraints. In recent years there have been many international efforts to mobilise institutional assets, including pension savings, for low- and middle-income countries. However, there has been relatively limited success. Barriers to mobilising institutional investment vary in different regions. We must use our ODA strategically to develop innovative solutions that can be scaled by other partners.
- 3.15. MDBs and development finance institutions (DFIs) need to adopt new business models to mobilise more investment. British International Investment (BII) will be a leader among its peers in this area. BII is piloting new approaches and vehicles to unlock greater volumes of private finance, with a strong focus on equity investment to support businesses in developing economies accessing additional finance.

Box 5: British International Investment

British International Investment (BII) is a world leading development finance institution (DFI). It has 75 years of experience of providing pioneering and patient capital to the private sector in developing countries in support of sustainable, productive and inclusive economic transformation, enabling people in developing countries to build better lives. With its significant risk appetite and deep expertise, BII is a central part of the UK's means to address the SDGs. In 2022 alone, BII-supported businesses directly employed close to one million people, generated nearly 50,000 GWh of electricity, and paid more than \$1.5 billion in taxes.

Today, BII has the most focused geographic mandate of any DFI and is targeting its investments to those countries most in need. BII has more investment in private sector businesses in Fragile and Conflict Affected States than any other European DFI; 57% of its \$8.2 billion portfolio is invested in Africa.⁵²

BII has significant appetite to take risk to drive development impact. More than 70% of its portfolio is in equity: the riskiest form of finance. Uniquely, BII is willing to create companies from scratch to generate long-lasting, transformative impact for millions of people. In Africa, BII has created companies that are increasing access to electricity, improving access to affordable medical supplies and providing much-needed local currency lending to small and medium-sized enterprises (SMEs).

BII is innovating and piloting new approaches to unlock greater volumes of private finance for the SDGs. For example, BII's recent partnership with ILX, an SDG and climate-focused emerging market private debt fund aims to raise up to \$500 million to facilitate long-term sustainable development across Africa, Asia, and the Caribbean. In 2022 alone, BII's investments mobilised an additional \$1.3 billion of finance.

BII is leading the way on climate change and women's economic empowerment. In 2022, BII invested over £590 million in climate finance, including a \$50 million climate loan to



Bangladesh's Pubali Bank which is increasing funding to local businesses for renewable energy and green transition projects. Bll also co-founded the 2X Global initiative to drive gender lens investing in developing countries and which has led to over \$16 billion of investment.

BII will drive impact and innovation as a world leading DFI out to 2030, as set out in the 'We Wills' below.

Bll invests in digital services for small businesses, helping them to increase productivity and to grow.

Photo credit: British International Investment

- 3.16. More needs to be done to build a stronger pipeline of bankable projects, especially in low-carbon, climate resilient infrastructure (SDG 9). The World Bank estimates there is an existing total pipeline of \$1.2 trillion for sustainable infrastructure projects in low- and middle-income countries far short of the additional \$3.9 trillion that is needed annually through to 2030 to meet the SDGs. The UK-funded Private Infrastructure Development Group (PIDG), using UK support through its project development arm InfraCo, is developing a pipeline of early-stage infrastructure projects, with the aim of doubling its annual investment commitment levels by 2030.
- 3.17. New vehicles are needed to channel finance to low- and middle-income countries, which meet the requirements of institutional investors. The UK has a strong reputation for financial innovation. The UK-funded MOBILIST programme established in December 2019 is the first of its kind designed to build a strong pipeline of publicly listed investments in low- and middle-income country markets. The ILX Fund (see Box 5) launched with UK support in 2022, has pooled MDB and DFI assets to enable investors including European pension funds to gain exposure to a more diverse range of assets.

Case Study 5: MOBILIST

The UK's flagship public market mobilisation programme 'MOBILIST' is enabling institutional investors across the world (including pension funds) to finance sustainable development including critical infrastructure needs in developing countries. MOBILIST provides equity investment and technical assistance to support the listings of developing country assets through innovative financial products on major and local stock exchanges, mobilising both domestic and international investors.

One example of a structure that the UK's has sought to demonstrate is in relation to 'securitisation.' Securitisation can be a very powerful way of raising finance because it enables banks – whether commercial or multilateral development banks (MDBs) – to free up capital on their balance sheets and therefore accelerate further investment into green projects. MOBILIST recently anchored an asset-backed securitisation of £330 million in infrastructure loans and bonds from across Asia, the Middle East and Africa that is listed on the Singapore Stock Exchange (one of a number of MOBILIST partner exchanges around the world) and demonstrates the scale, transparency and governance benefits of public markets.

MOBILIST is pioneering how public markets can be instrumental in providing solutions to global challenges at scale.

If MDBs adopted similar approaches, they could greatly increase the amount of capital they have available to achieve the SDGs.

- 3.18. There is a role for the UK to play in tackling market failures that raise the cost of capital, such as data gaps and the difficulty of hedging foreign exchange risk. The cost of private capital in low- and middle-income countries can be up to seven times higher than that in Europe and the UK. Currency risk is an important contributor, with borrowers often faced with a choice between borrowing expensively in their home currency or relying on foreign currency loans, which in turn can expose firms and governments to harmful exchange rate fluctuations. The UK is supporting initiatives to mitigate foreign-exchange risk, including a 2019 investment in the Currency Exchange Fund ('TCX'), which provides currency hedging solutions for emerging and frontier currencies. But more is needed to allow low- and middle-income countries to raise affordable finance in their home currencies at scale. We are working to resolve information gaps to better price investment risk in low- and middle-income countries.
- 3.19. There are considerable pools of savings within low- and middle-income economies which can be more productively mobilised, including over \$1.4 trillion of institutional assets in Africa alone. Efforts are needed to deepen local capital markets, so that these countries can efficiently mobilise and then allocate finance, including from these domestic savings pools. Through Financial Sector Deepening Africa (FSD Africa), for example, the UK is investing in capital market infrastructure across the African continent, including the creation of Ethiopia's first stock exchange.
- 3.20. Some international financial regulations and other global rules and standards, if not developed with low- and middle-income countries in mind, may have the unintended consequence of harming their ability to attract finance. There may be opportunities for the UK to do more to mobilise investment under current rules, building the capacity of low- and middle-income country financial regulators and promoting pro-active accounting standards. But we should also work across government and with international partners to ensure that global standards consider the potential implications for financing the SDGs and climate transition in low- and middle-income countries.

The UK's commitments

- 3.21. Bll will go from strength to strength as a world leading development finance institution, innovating and driving-up standards as in the pursuit of development impact. As part of this:
- Bll will aim to become the most transparent bilateral development finance institution, as measured by the 'Publish What You Fund' DFI Transparency Index
- BII will be a leading DFI on climate finance, supporting partner countries in their transition to net zero and resilient economies. BII will make pioneering investments in under-invested sectors and lead the way for other DFIs in supporting the most innovative climate solutions that partner countries critically need – including for adaptation and resilience

Case Study 6: Financial Sector Deepening Africa (FSD Africa)

Established in Nairobi in 2012 by the UK, FSD Africa is a specialist development agency working across more than 30 African countries to address challenges stopping finance getting to where it is most needed. FSD Africa has helped mobilise £2.7 billion of capital, increased access to financial services for 12 million people and to basic services for 4.7 million. It advises on policy and regulatory reform and supports innovative transactions like green and gender bonds. In 2019, FSD Africa worked with Acorn Holdings to issue the first green bond in Kenya, to finance environmentally sustainable student housing, which co-listed in Nairobi and London. FSD Africa strengthens financial systems by putting in place core market infrastructure such as its ongoing work to establish a new securities exchange in Ethiopia.

FSD Africa develops high-risk high-impact projects like Cavex (Carbon Value Exchange) from initial idea to scalable platform, supported by FCDO research. Cavex has the potential to go to scale like mobile money did 15 years ago when M-PESA spearheaded a global wave of digital finance. Cavex will connect companies in countries like the UK that want to offset their carbon emissions, with the innovators and rural households in Africa that want to switch from open fires to clean energy stoves. Embedded chips in the stoves enable auditors to confirm the stoves are being used and the carbon saved. Mobile money platforms, such as M-PESA, can then enable tens of thousands of households to directly benefit from these carbon credits, typically worth \$40 a year. The FSD Africa team aims to channel \$500m of climate finance to many organisations and individuals across Africa by 2030 and support the removal or avoidance of 100m+ tonnes of carbon offsets through Cavex.

FSD Africa is also pioneering nature finance on the continent through the launch of the African Natural Capital Alliance – all part of a strategy focused on driving investments which deliver for both people and planet.



A female farmer resident of the Orwu Community, Etche Local Government of Rivers State, Nigeria, who experiences challenges due to lack of electricity. She welcomes the installation of a new solar mini-grid by Darway Coast Nigeria Limited, a provider of off-grid solar and hybrid energy solutions, which is backed by UK development through a green bond, guaranteed by InfraCredit and with technical assistance from FSD Africa.

Photo credit: InfraCredit

- BII will boost its mobilisation of private finance into developing economies, enabling
 impact at even greater scale. BII will take forward a stronger approach to sharing risk with
 private investors with an enhanced approach to responsibly exiting assets, so that private
 investors can build their track record. We will also explore medium-term reforms to further
 scale mobilisation, including allowing BII to manage third-party capital. We will push other
 MDBs and DFIs to follow BII's lead
- BII will be a leader amongst DFIs for investing in countries where support is most needed, aiming to make over half of its investments in the poorest and most fragile countries by 2030.⁵⁴ BII will share its experience with other DFIs and encourage them to explore how they could provide more support for the poorest and most fragile countries

3.22. The UK will:

- Develop a pipeline of bankable projects by providing project development support through our funding for PIDG, as well as through the Green Cities and Infrastructure Centre of Expertise, Climate Finance Accelerator and others. We will encourage MDBs to provide greater support for early-stage project development
- Support low- and middle-income countries to deepen their domestic capital markets and more productively use their pools of local savings. We will do this by establishing core market infrastructure like stock exchanges, collaborating with local institutional investors, including pension funds, developing new asset classes like green bonds, and strategically deploying instruments such as PIDG's local currency guarantees
- **Deliver new instruments and vehicles**, including in public markets, to crowd-in new investors at scale and commercialise new asset classes, leveraging the UK's expertise in financial innovation
- Improve market information and transparency in low- and middle-income countries, and work with the MDBs to share their data to give confidence to private investors to participate in new markets
- Mitigate currency risk, which contributes to high costs of capital and can force low- and middle-income countries to rely on foreign currency borrowing, increasing exposure to debt distress, by exploring innovative solutions with partners such as TCX and IFC
- Work with institutional investors, including pension funds, to unlock specific barriers to increasing their investment in low- and middle-income countries
- Ensure appropriate global regulations and standards that do not unduly inhibit flows of finance to low- and middle-income countries, while encouraging adoption of globally accepted accounting and sustainability standards, working across Government and with international partners

Case Study 7: Private Infrastructure Development Group (PIDG)

Established in 2002 by the UK and like minded partners, and with pioneering input from Keith Palmer, to respond to market failures in the supply of infrastructure finance, PIDG develops, invests and mobilises private sector finance for sustainable infrastructure projects across low-income countries and lower middle-income countries in Africa and south and south-east Asia. PIDG has committed over \$5.3 billion to 211 infrastructure projects and mobilised \$24.5 billion from the private sector. Through these projects more than 220 million people are estimated to have access to new or improved infrastructure in sectors such as renewable energy, transport and water.

PIDG has demonstrated the viability of first-of-a-kind renewable energy investments in Asia and Africa, for example through investing in and exiting from some of the first solar and hydro independent power plants in Vietnam and wind independent power plants in Pakistan. Investments in the now operational Golomoti Solar and Salima Solar power plants in Malawi have resulted in the provision of 88.5MW of electricity to Malawi's grid, providing new and improved electricity access to 1.8 million people. In Senegal PIDG's project development arm supported the provision of solar-powered pumps and drip irrigation systems to farmers. These pumps provide reliable water and climate resilience to c.4500 farmers, who live under or around the poverty line.

PIDG has also pioneered new means of mobilising vital local finance to support sustainable infrastructure development through local guarantee companies in Nigeria, Pakistan and Kenya. Each company uses guarantees to encourage domestic institutional investors to invest in infrastructure. In Nigeria this has mobilised 110.5 billion Naira (\$250m) to support infrastructure development in the country to date. PIDG is aiming to roll out this model to cover an additional eight countries by 2030.



A female smallholder farmer picks sweet potato leaves for sale at local markets. The Chanyanya market gardens in rural Zambia were irrigated as part of a large-scale irrigation project supported by PIDG investment.

Photo credit: Pentatech/InfraCo Africa

Chapter 4: International System Reform



Introduction

- 4.1. The international system is uniquely placed to promote universal principles and priorities, global norms and standards and sustainable development and economic growth. The international system has delivered a 40-fold growth in world trade since 1950,⁵⁵ and helped the world tackle challenges from peace and security, climate change, humanitarian crises, global health security, food insecurity and malnutrition, to tax avoidance and illicit finance. Multilateral organisations such as UN and the MDBs have the global reach, leverage, expertise and convening power to have a transformational impact on poverty, climate and nature and achievement of the SDGs.
- 4.2. Our vision for 2030 is a multilateral system fit for the challenges of today and tomorrow, inclusive, effective and responsive to the needs of all countries and harnessing the potential of data, technology and science. Global multilateralism brings the scale and legitimacy needed to tackle humanity's most fundamental challenges. The UK is deeply invested in making sure it can succeed and thrive. The UK will use all the levers at our disposal to effectively influence and ensure development partners' voices and priorities are heard at institutions at every level in our Board positions, ideas and funding of high quality evidence.

Multilateralism and co-operation fit for the future

Multilateral voice and representation

- 4.3. The UK will build on our work to champion inclusive multilateralism that is flexible, co-ordinated and responds effectively to global challenges. The multilateral system must set and uphold international norms and human rights. The UK will support reforms of the multilateral system that promote mutual respect.
- 4.4. The countries and people excluded from power in the international system need a voice in how it changes. Although progress has been achieved, for example through UN development system reforms since 2019, there is widespread recognition that the multilateral system needs to be reinvigorated and made more responsive, inclusive and effective. Collectively countries must enable the people and countries who are closest to the development and climate challenges to have their voice heard.
- 4.5. We will champion the voices of low- and middle-income countries in the International Financial System. This is why the UK is a leading supporter of the African, Asian and Caribbean Development Banks, where countries from these respective regions own more than 55% of the shares. We will also champion greater voice for the lowest income and most vulnerable countries on the World Bank and IMF Boards.

Case study 8: UK working with the World Health Organization (WHO)



WHO is a key part of the international system that the UK has committed to strengthen. It is the only global health organisation able to convene 194 member states to achieve good health and well-being for all.

The UK is the largest 'Core Voluntary Contributor' of flexible funding to WHO. Our funding directly drives reform, supporting WHO to become a more effective organisation that sets the global health agenda, drive innovations and prevent the next global health pandemic.

Child receiving a malaria vaccine in Malawi as part of the WHO Malaria Vaccine Implementation Programme.

Photo credit: WHO/Fanjan Combrink

- 4.6. We will support the UN in its efforts to achieve greater development impacts on the ground, including ensuring that the UN development system is best configured to respond to development needs, under the strong leadership of Resident Coordinators. To accelerate development impact, the UN must also better co-ordinate with international financial institutions and do more to harness private sector finance.
- 4.7. We will support increased diplomatic and development engagement with regional bodies and smaller groupings of countries to work on shared challenges. The G7, G20, Commonwealth, the Association of Southeast Asian Nations (ASEAN), African Union (AU), Organization for Security and Co-operation in Europe (OSCE) and other groups have provided the space for tackling specific challenges, addressing global debt vulnerabilities or tackling regional issues. Informal alliances of partners can also help to strategically shape policy debate. In October 2023, the UK hosted the inaugural UK-AU High-Level Dialogue, reaffirming our commitment to working in partnership to support the AU's Agenda 2063.
- 4.8. **We will support reform of the UN Security Council,** including permanent African representation and permanent membership extended to India, Brazil, Germany and Japan recognising this is a priority for partners.

Global co-operation to promote trade

4.9. Free, fair and inclusive trade conducted within a system of transparent and predictable international rules, standards and institutions is a proven engine of economic transformation. In developing economies, comprehensive trade liberalisation has been seen to increase economic growth by 1 to 1.5%, resulting in 10 to 20% higher incomes after a decade. By contrast, arbitrary, coercive trade and economic policies and practices that undermine free and fair economic systems can distort global economic growth. It is important that trade arrangements and value chains are sustainable and legal and do not involve the degradation and depletion of natural assets and ecosystems.

Case study 9: Working with the Commonwealth

The UK is deeply committed to the Commonwealth, a vibrant and diverse network of 56 member states, aligned to values of democracy, human rights and the rule of law. It is an influential global advocate for action on shared challenges, such as climate change and protection of the natural environment. It uses its powerful collective voice to highlight issues of importance to its members, for example engaging internationally on improved access to concessional finance and debt sustainability measures. The Commonwealth also plays a valuable role in delivering sustainable development for its citizens. Examples of Commonwealth action include providing expert technical advice and support to help members access climate finance and to engage in multilateral discussions on global trade and human rights. The Commonwealth works with governments, parliaments and civil society to help strengthen democratic institutions and legislatures. The UK is looking to deepen co-operation within the Commonwealth so that the benefits of membership for all 2.5 billion Commonwealth citizens are even clearer, in particular by further strengthening intra-Commonwealth trade, supporting members to attract inward investment, building the resilience of the most vulnerable states, and embedding democratic values.



Caption: Leaders of Commonwealth countries meet with His Majesty King Charles III, Head of the Commonwealth, at Marlborough House on 5 May 2023.

Photo credit: Commonwealth Secretariat

- 4.10. Growing export sectors create jobs, stimulate investment, attract technology, and incentivise the domestic private sector to be more competitive. Trade gives consumers a greater choice of goods to purchase at more competitive prices. Trade generates foreign currency that can be used to import higher-quality inputs, expand private sector productivity, service debt and access global public goods.
- 4.11. Trade in goods and services needs to be expanded, particularly for the world's 46 least developed countries (LDCs) who account for only 1% of global goods trade. For the last 15 years, trade in services has been the most dynamic segment of world trade. Exports of services have grown more quickly than those of goods in recent years, especially in developing countries. The services sector creates two-thirds of productivity growth and almost two-thirds of jobs in developing economies. The UK will encourage imports of goods and services from low- and middle-income countries to support their development and make UK supply chains more diverse and resilient to climate change while taking action to reduce the UK's environmental footprint.
- 4.12. Trade within Africa, defined as the average of intra-African exports and imports, is currently low at 13%, compared to 30% for America, 59% for Asia and 68% for Europe. Simplifying rules that govern the use of inputs from other countries in exports beyond Africa has the potential to increase intra-African trade. This will boost the Africa Continental Free Trade Area, as well as trade with the UK, resulting in increased growth, jobs, investment and foreign exchange reserves in low- and middle-income countries.
- 4.13. The UK is a champion of open, fair and sustainable trade. UK trade policy enables us to harness development opportunities. This includes increasing imports of goods and services from low- and middle-income countries, smoothing market volatility, promoting intra-regional trade and ensuring compatibility with climate and nature goals. The UK uses its voice, and will press for reform, in the World Trade Organization (WTO) to support our trade and development objectives, and help low- and middle-income country members enjoy the benefits of multilateral trade, challenge discriminatory rules, promote sustainability and collectively negotiate better and fairer terms of trade.
- 4.14. Collective international advocacy, working in partnership with LDCs in particular, should be bold. The WTO is the cornerstone of the multilateral trading system. ODA-eligible countries comprise two-thirds of the WTO membership, and those members have benefited hugely from integration in global supply chains. Between 2000 and 2016, 14 of the 20 countries that saw the greatest impact on exports from WTO membership were low and lower middle-income countries, with 11 of these being African. The UK will work with low-and middle-income country partners so they can make the most of the system and will aim to shape a future WTO agenda that fully takes into account development issues such as services, gender, digital trade and climate.

Case study 10: The Developing Countries Trading Scheme



The new UK Developing Countries Trading Scheme takes advantage of our independent trade policy to offer developing countries one of the most generous sets of trade preferences in the world. The new scheme cuts tariffs and simplifies rules for 65 developing countries and, when combined with our network of eight Economic Partnership Agreements, means that the UK now offers duty-free or nearly duty-free trade in goods to more than 90 developing countries. These tariff reductions will support more jobs in partner countries and cheaper imports for UK consumers and businesses. Increasing developing country exports, and the jobs they generate, is a priority for the UK. Our approach combines generous UK market access, support to unlock trade flows and reduce barriers, and advocacy at the WTO.

Ready-made garments are the number one import from developing countries with preferential tariffs in the UK's new Developing Countries Trading Scheme, with Bangladesh the country that benefits most. Women account for more than half of the workforce.

Photo credit: FCDO

- 4.15. **Developing country engagement in the WTO should be facilitated.** The UK supports developing country engagement in the WTO through providing technical assistance to negotiating groups, such as the LDC group and on Joint Statement Initiatives, and helping countries to join the WTO, such as, most recently, Uzbekistan and Ethiopia. Our Commonwealth Trade Advisers provide technical advice and support to enhance and increase the capacity of Commonwealth Small States and Small Island Developing States (SIDS) to participate in international trade.
- 4.16. Climate change has particularly stark impacts on our developing country partners, and trade needs to be part of the solution. Trade policy can support clean growth and efforts to tackle climate change, including through the promotion of low-carbon exports. International trade co-operation can also help manage potential frictions and support decarbonisation. Working internationally towards solutions on pricing and regulating carbon emissions will support action to meet global emissions reduction targets and address the risk of carbon leakage.

The UK's commitments

4.17. We will increase trade in services with, and investment in, low- and middle-income countries by: exploring opportunities to deepen Economic Partnership Agreements over the next decade; improving preferential trade through the WTO LDC services waiver; and widening engagement in the Joint Services Initiative on domestic regulation.

- 4.18. We will stimulate imports from low- and middle-income countries in areas of demand in the UK that can have an out-sized impact on economic transformation, including for critical imports, through a developing country import campaign, including market access improvements, capacity building and diplomatic effort.
- 4.19. We will support intra-African trade and the Africa Continental Free Trade Area by seeking to simplify and harmonise cumulation rules in our Economic Partnership Agreements and the Developing Countries Trading Scheme.
- 4.20. We will make development a key pillar of our work at the WTO, championing development outcomes in negotiations, and supporting LDCs to fully integrate and participate in the multilateral trading system.
- 4.21. **We will advocate for international co-ordination on decarbonisation.** We will engage with countries and other partners as we develop UK policy on carbon leakage mitigation.
- 4.22. **We will promote sustainability in trade**, through trade agreements, through initiatives to unlock trade flows and reduce barriers, and by improving the UK's global environmental footprint. We will address illegality in trade, including illegal wildlife trade and illegally produced products which increase risks to forests.

Strengthening the international debt architecture

- 4.23. High debt levels in developing countries are a significant challenge to achieving the SDGs. According to the UN, 3.3 billion people now live in countries where debt interest payments are greater than expenditure on health or education.⁵⁶ When debt becomes unsustainable it needs to be restructured rapidly. However, recent restructurings have taken too long, exacerbating the economic and social impacts of debt distress.
- 4.24. The Common Framework for Debt Treatment created by the G20 to bring together new and traditional creditors has been a major and welcome development, but it has taken too long to deliver the debt restructurings that countries have needed. Due to a number of factors, Zambia waited more than 18 months between staff level agreement with the IMF and an agreement among official creditors on a debt treatment. The development of a debt architecture involving the G20 alongside the Paris Club is an important achievement, and progress on debt treatments for Chad and Zambia is welcome. But the Framework needs to be strengthened to enhance its co-ordination, predictability and timeliness.
- 4.25. Private creditors now account for 19% of low-income country foreign debt and engaging with them is essential. The UK Government has a track record of working with the private sector to deliver innovations that ensure debt restructuring takes place in a timely, effective and fair manner. In 2014, the UK supported the IMF's endorsement of enhanced Collective Action Clauses (CACs) for international sovereign bonds. These clauses help facilitate the restructuring of sovereign bonds by providing for a majority decision of bondholders across multiple series of bonds to bind the minority to restructuring terms. This minimises holdout risk. Over the last two years, the UK Government has worked with

the private sector to develop Majority Voting Provisions (MVPs), which act in a similar way as CACs in bonds but for syndicated loans, supporting fairer and more effective private debt restructurings.

- 4.26. Stronger debt transparency across both debtors and creditors is essential. Greater transparency builds confidence in the management of public finances, which is reflected in better credit ratings and a lower cost of debt. However, weaknesses in transparency and oversight systems mean that the terms and conditions of loans and the use of proceeds are not often disclosed, undermining macroeconomic stability and debt sustainability.
- 4.27. The UK is supporting progress on improving debt transparency. In 2021, the UK became the first G7 country to publish details of all new government lending on a quarterly basis, and secured a commitment from other G7 countries to do the same. More work is needed to ensure that the private sector and borrowing countries have the means and incentives to properly disclose their debt portfolios. Only six loans from two banks have been published on the OECD Data Transparency Initiative portal, for example, since its inception in 2021. The Initiative was intended to facilitate the wide disclosure of private credit. Disclosure by debtor countries is also limited.
- 4.28. The UK is leading by example in promoting debt sustainability. The Government is committed to ensuring its own lending meets international standards for sustainable lending. Assessments are conducted on all UK lending to low-income countries to ensure alignment with the OECD sustainable lending principles. As set out, the UK has also led the way in offering and promoting the use of climate resilient debt clauses, which support debt sustainability by enabling a pause in repayments when shocks hit. We have also supported the introduction of the World Bank's Sustainable Development Finance Policy, which links concessional financing to debt-related actions.
- 4.29. **Many low- and middle-income countries have weak capacity for managing debt.** Capacity development of debt management departments in ministries of finance is needed to support management of existing debt and to enable debtor countries to engage with creditors in restructurings. The UK is providing significant support in this area through bilateral and multilateral channels.
- 4.30. The upcoming review of the IMF's Debt Sustainability Framework (DSF) is an important opportunity to ensure that low-income countries are motivated by the right incentives when making decisions about future debt. The DSF needs to be updated to include more detailed analysis of shocks and tail risks, and to better reflect the risks associated with different sources of finance, as well as the long-term benefits of investing more in the immediate term in climate adaptation.

The UK's commitments

4.31. We will push for the Common Framework for debt restructuring to be improved and expanded. We will support the creation of a user manual to clarify timelines for debtor countries and look to extend the common framework to more lower middle-income countries.

- 4.32. We will ensure that the IMF's Low Income Country Debt Sustainability Framework (DSF) is fit for purpose to help countries manage debt sustainability issues. The DSF needs to be an objective and impartial measure of debt sustainability, to help countries managing the borrowing decisions they face today, including the funding of their adaptation to climate change.
- 4.33. We will use the UK's position in official creditor committees within and outside of the Common Framework to help return countries to debt sustainability. We will push for timely conclusion of debt treatments including supporting debt standstills where relevant while protecting the UK taxpayer.
- 4.34. **We will engage with the private sector** to build a strengthened sense of partnership between official and private creditors to facilitate sustainable lending and enable timely debt restructuring when required.
- 4.35. We will push for the broad adoption of majority voting provisions (MVPs) in lending. The UK Government pioneered these innovations alongside international counterparts and the private sector in 2021 and 2022, as part of the UK's G7 Presidency.
- 4.36. We will work with and support debtor countries to champion their voice in relevant fora, including at the Global Sovereign Debt Roundtable. We will support development of mechanisms to strengthen their collective voice.
- 4.37. We will help debtor countries meet their capacity needs around debt management, including debt transparency and accountability mechanisms, through support offered via the forthcoming Centre of Expertise on Public Finance. Debtor countries perspectives will be critical in shaping the focus of this support.
- 4.38. **We will champion greater debt transparency.** The UK will publish a self-assessment of our adherence to the G20 guidelines and call on other G20 members to adhere.

Fairer and more effective taxation systems

- 4.39. Unless gaps in implementation of tax rules are addressed, lost revenue for low-and middle-income countries will only increase. The UK is a longstanding supporter of the development of international rules to prevent tax avoidance and evasion via the OECD. As G7 President in 2013, the UK championed the base erosion and profit shifting rules, and called for tax information exchange systems to work in all jurisdictions. His Majesty's Revenue and Customs (HMRC)'s capacity-building unit works to support low-income countries to implement international tax rules and has pioneered unique solutions to help them overcome related technical hurdles to do so.
- 4.40. Existing global commitments must be met so that low- and middle-income countries collect the revenue they are owed. Globally, tax avoidance by multinational companies is estimated at between \$100 and 240 billion annually,⁵⁷ with low- and middle-income countries likely disproportionately affected due to higher reliance on corporate taxes. Of particular importance is the "Country by Country Reporting" (CbCR) initiative which provides the information that enables countries to assess the tax risks associated with large

multinational companies operating in their country. However, very few low and lower middle-income countries have access to CbCR, when many would benefit.

- 4.41. There are unrealised benefits for low- and middle-income countries from new global tax rules. As a share of current corporate income tax revenues, low- and middle-income countries are expected to gain the most from the redistribution of taxing rights over approximately \$200 billion of profits a year under Pillar 160 and the new minimum corporate tax (Pillar 2) is expected to raise \$220 billion globally each year. In July, the Inclusive Framework also agreed the Subject to Tax Rule, a treaty-based provision which is especially advantageous for developing economies. The UK will help low- and middle-income countries implement the global minimum tax and collect the tax arising in their jurisdictions. In April 2023, HMRC launched its Knowledge Sharing Network, which is open to more than 140 tax administrations worldwide.
- 4.42. Government revenue in low-income countries stood at around 15% of GDP in 2021, far behind revenue collection in high-income countries at 37% of GDP.⁵⁹ Low-income countries could collect up to \$260 billion⁶⁰ more tax revenue each year with the right policy and administrative reforms, helping them to self-finance the service provision and public investment. UK support to the Rwanda Revenue Authority (RRA) demonstrates the impact that long-term support can have. The UK has been working with the RRA since the late 1990s, and between 1997 and 2021 tax revenue increased tenfold, and the ratio of tax to GDP has almost doubled, from 8% to 16%, the highest in the region.

The UK's commitments

- 4.43. We will help low- and middle-income countries get the revenues they are owed from the international tax system, doubling-down on our efforts to improve their access to international rules on corporate information exchange (CbCR). We will encourage development partners to support greater capacity building to enable implementation of rules such as the new global minimum tax.
- 4.44. We will deepen our offer to countries to help them improve revenue performance and promote sustainable, inclusive growth, using our bilateral tax support programmes and the peer-to-peer support provided by HMRC's capacity building unit.

Responding to corruption and illicit finance

- 4.45. International illicit finance includes transfers of stolen assets and illicit wealth from low- and middle-income countries to advanced economies. These undermine governments' ability to deliver the services and public investment necessary for long-term development. Illicit finance also reinforces geopolitical risks. It enables corrupt and autocratic regimes to sustain themselves, finances violent conflict, and undermines democratic and rule-based societies. Illicit finance also enables the activities of organised crime groups and terrorist organisations, which entrench instability, negatively affect the environment and natural resources and hinder development objectives.
- 4.46. Illicit finance needs a long-term approach, working across the UK Government and with international partners including civil society, making it harder to move illicit

funds between jurisdictions, more likely that the corrupt will face justice, and stolen assets returned. Countries must be able to stem flows of illicit finance and hold the corrupt to account. Reforms to increase transparency of beneficial ownership need to sit alongside a 'follow the money' approach looking at particular sectors or vulnerabilities. The UK is proud to support developing countries to pursue stolen assets by hosting the International Anti-Corruption Co-ordination Centre and the International Corruption Unit at the National Crime Agency (NCA).

4.47. Greater resilience to corruption and illicit finance in country systems is needed. Technical assistance alone is not sufficient. Compliance needs to be complemented by building institutional capability and resilience. The international finance institutions have a major role to play in addressing state capture and corruption in country systems. Frameworks for increased investment to lower income countries also need to address these issues and ensure that investment decisions are made with the political environment in mind. This is vital to ensure development and climate finance investments deliver their intended impact. There is also a need to increase lower income country engagement with multilaterals, such as the Financial Action Task Force (FATF), to help them in the fight against corruption and illicit finance. Initiatives such as the Africa Beneficial Ownership Transparency Network can help bring international partners together with African governments to support regional priorities in driving reform.

The UK's commitments

- 4.48. We will strengthen our commitment to the NCA and Crown Prosecution Service capabilities, maintaining a five year rolling framework of support that will enable consistent and predictable planning, to ensure effective tracing and retrieving of stolen assets and to aid efforts to combat organised crime and other state and transnational threats.
- 4.49. We will pilot a whole-of-government approach to tackling corruption and illicit finance in up to five developing countries. This will be overseen by the Minister for Development and Africa, in consultation with other relevant ministers.
- 4.50. We will deploy an expanded network of illicit finance experts and deliver the UK's new International Centre of Expertise on Illicit Finance. This will deepen our international understanding, preparedness and response to illicit finance threats and vulnerabilities.
- 4.51. We will accelerate the use of beneficial ownership and transparency data in high-risk sectors and country systems and work through the Africa Beneficial Ownership Transparency Network to support action in Africa.
- 4.52. We will enhance our collaboration with international finance institutions to promote assistance on anti-corruption and illicit finance that is grounded in political economy analysis and takes a long-term approach to building resilience in low- and middle-income countries.

- 4.53. We will work with the FATF and FATF-style regional bodies to increase engagement by developing countries with the FATF. We will also work directly with developing countries, including through the UK Treasury's Technical Assistance Unit, to support them in meeting the FATF standards.
- 4.54. We will, in 2024, review and bolster our existing support to civil society on illicit finance. This includes the crucial role played by investigative journalists. We will lead efforts to promote transparency and inclusion of civil society in the UN Convention Against Corruption Review Mechanism.
- 4.55. We will further strengthen our close joint work between the Overseas Territories (OTs) and the UK on illicit finance as a shared and common threat, agreeing an Illicit Finance Action Plan to be delivered by March 2024 and a Ministerial Illicit Finance Dialogue.

Remittances

- 4.56. Remittances are a financial flow three times greater than ODA and have a direct impact on the lives of 1 billion people. Nigeria currently receives roughly £140million in bilateral ODA from the UK per year, but an estimated \$2 billion is sent from the UK to Nigeria in remittances. Migrants sending a proportion of their earnings back to their country of origin is a benefit of well-managed migration and at approximately \$650 billion a year, remittances account for a third of the total recorded capital inflows to low-and middle-income countries.
- 4.57. Reducing the costs of remittances could have significant development impact. Remittances play a vital role in day-to-day living, with 75% of remittances being used to cover essentials such as food, school fees, medical expenses and housing. On average, each time an individual remits, 6% is lost to transaction costs. This figure rises to more than 35% in some instances. The SDG on reduced inequality (SDG 10) aims to reduce transaction costs to 3%, which could globally increase the financial flow to some of the world's most economically vulnerable people.
- 4.58. New technologies can help drive down transaction costs and make better use of global remittance data. As a world leading financial centre, the UK's regulatory technical expertise and experience means we are well placed to help increase the impact of remittance flows and influence policy and regulations that impact the costs of remittance transfers. 'Large net senders' like the UK⁶² can also work with migrant and diaspora communities to help channel remittances into causes that need capital, as well as working with the remittance industry to shape policies that benefit senders and receivers. Low- and middle-income countries and remittance services should be assisted to counter any illicit finance risks.

The UK's commitments

4.59. We will enhance the development impact of remittances, working with partners, including international finance institutions, INGOs and diaspora communities, to reduce costs and improve flows, exploring new opportunities afforded by data and technology.

4.60. We will reinvigorate the UK's role in addressing challenges in global remittance systems, improving the policy environment and enhancing international co-ordination to help ensure remittance flows can meet relevant international standards and expectations.

Chapter 5: Tackling climate change and biodiversity loss and delivering economic transformation



Climate, energy and nature

- 5.1. Urgent action is needed before 2030 to reduce emissions in line with a 1.5 degrees Celsius pathway and avoid the worst impacts of climate change, which will hit low- and middle-income countries hardest (SDG 13). For many countries, climate change and biodiversity loss are reversing fragile development gains. Women and girls, and vulnerable groups, face the worst impacts. Without systemic and urgent action, the negative impacts will significantly worsen over the next decade, and risk undermining decades of development work. This White Paper supports and builds on the commitments set out in the Government's 2030 Strategic Framework for International Climate and Nature Action.
- 5.2. Our vision for 2030 is for transformative global action to address the inter-linked, and existential challenges of climate, nature and energy. International agreements to limit global warming to 1.5 degrees Celsius, adapt and build resilience to climate change, and protect nature provide the framework to deliver to 2030, 2050 and beyond. Delivering the Global Biodiversity Framework will mean that at least 30% of land and ocean is protected globally by 2030, and 30% of degraded ecosystems are under restoration, working towards conserving life below water (SDG 14) and protecting life on land (SDG 15). More and better climate and nature finance will be mobilised at the speed and scale required, better targeted and balanced to mitigation and adaptation, and significantly easier to access for those who need it most.

Reducing emissions

- 5.3. Countries' emissions reduction targets can only be achieved with more ambitious climate policies. The dangers of not doing so are clear. Children born today can expect to see global warming reach almost 3 degrees Celsius within their lifetimes.⁶³ Temperature records are being set and quickly broken, with July 2023 the hottest month on record.⁶⁴ Glaciers in the Hindu Kush Himalaya have disappeared 65% faster in the 2010s than in the previous decade. Based on current emissions pathways, 80% of glaciers' current volume will have gone by 2100.⁶⁵ The global health, wellbeing and prosperity of all people and of our planet⁶⁶ are affected.
- 5.4. Just, sustainable, and clean transitions in energy, forests, food, the ocean and land use are essential. These will reduce emissions and create green economic growth and jobs. Clean and affordable energy solutions and technologies would narrow the gap on energy access and support economic growth (SDG 7). New and ambitious partnerships would help countries decarbonise energy, secure land and forest tenure reforms, and achieve sustainable, water resilient, industry, transport and land use sectors. The UK is already active

in Just Energy Transition Partnerships (JETPs), the UK Partnering for Accelerated Transitions Programme (UKPACT), and the Forest and Climate Leaders' Partnership (FCLP).

5.5. Ensuring clean affordable, reliable, sustainable energy for all requires transforming global energy and industrial systems. A global clean just energy transition, supporting SDG7, is necessary to ensure access to reliable, sustainable and modern energy for all while building diverse and decarbonised energy systems in low- and middle-income countries. Stable, transparent, and resilient global energy markets will help to deliver energy security, ensure energy affordability, support the clean transition, and drive economic growth.

Case study 11: Just Energy Transition Partnerships

Just Energy Transition Partnerships (JETPs) are country-led partnerships between governments, international financial institutions, private sector investors, philanthropies and others to support developing economies. The goal in each JETP country is to mobilise the public and private sector investment required to achieve energy transitions away from fossil fuels while benefiting vulnerable communities, including by retraining and reskilling people to sustain livelihoods and create new green jobs.

The UK has a leadership role among the international community in South Africa and Vietnam JETPs, and has made investment commitments from BII and PIDG, complemented by technical assistance. We have worked directly with communities in South Africa's coal heartland to support their transitions to new industries. Technoserve is facilitating agribusinesses to be more inclusive and create new jobs in South Africa.

We have also pioneered the use of guarantees that will allow the Africa Development Bank and the World Bank to lend more – to South Africa and Indonesia, respectively – in support of the JETPs. The guarantees are backed by the UK Government's balance sheet and will increase the ability of South Africa and Indonesia to borrow on a sustainable basis to invest in their energy transitions.

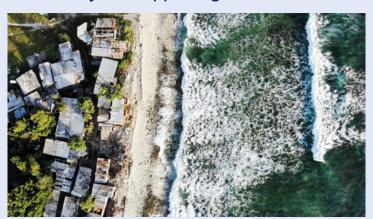
The JETPs demonstrate a new model for financing countries' just energy transitions and better equip the global financial system to mobilise investment for climate action in developing countries.

5.6. Low- and middle-income countries need support to retain more of the value of their critical mineral resources. Global demand for critical minerals is rapidly increasing due to their use in technologies for the clean energy transition including electric vehicles, renewables, and batteries. Countries holding significant deposits of critical minerals want a greater share of the value of these resources, including by moving into processing or even manufacturing of components. There is potential to do this, supporting sustainable economic development and the resilience of global supply chains.

Adapting to climate change and protecting nature

5.7. Helping developing countries adapt to the impacts of climate change is critical. Where impacts occur, countries need support for climate resilient recovery and rehabilitation. Greater investment in early warning and disaster risk reduction enables countries to adapt. They also need better planning to address the impacts of long-term climate change such as sea level rise. Countries need help to plan for risk and to build their capacity to deliver sustainable infrastructure and finance. Planning needs to focus on disaster preparedness, social protection, health systems, energy systems, fisheries, agriculture, food and water, including through nature-based solutions, that work with nature to tackle climate change and support development.

Case study 12: Supporting Small Island Developing States



The UK is supporting vulnerable island communities to build resilient, sustainable futures. Small Island Developing States (SIDS), including in the Pacific, are on the frontline of climate impacts and they have suffered the steepest GDP declines of any country group due to COVID-19. We are working with partners ahead of the 2024 UN 4th International Conference on SIDS to

press for reforms, including through co-chairing a development partners-SIDS Taskforce to develop a new ambitious partnership. UK programming complements this policy agenda, including supporting Fiji's launch of a blue bond to unlock private sector finance for marine protection.

An aerial view of homes next to the Pacific Ocean on 28 November 2019 in Funafuti, Tuvalu. The low-lying South Pacific island nation of approximately 11,000 people has been classified as 'extremely vulnerable' to climate change by the United Nations Development Programme.

Photo credit: Getty stock image

5.8. Climate change impacts on food and agriculture systems can be catastrophic. Desert locust outbreaks linked to climate change forced up to 20 million people into hunger and starvation in the horn of Africa and Middle East in 2019 and 2020. The outbreaks spread as far as Pakistan. Losses reached \$8.5 billion in East Africa and Yemen in 2020 alone.⁶⁷

- 5.9. Digitally enabled early warning systems, disaster risk-reduction measures and sustainable infrastructure are preventative measures that support countries' resilience to climate impacts. Investment in these areas makes economic sense, 68 while also supporting climate resilient recovery and rehabilitation when impacts occur.
- 5.10. The health impacts of climate change are increasingly clear and low- and middle-income countries need to adapt and build more resilient health systems. Extreme weather events, nature loss, malnutrition, diarrhoea, vector-borne diseases, poorer air quality and heat stress could undermine decades of progress on global health and increase barriers to vital health services. The 'One Health' approach will enable countries to address threats associated with climate change, including pathogens. ⁶⁹ Many will be zoonoses diseases caused by viruses, bacteria or parasites that spread from animals to humans as population growth drives the intensification of agriculture and as the loss of habitats increases interaction between humans and animals. Another novel pandemic remains a realistic possibility. Global deaths related to antimicrobial resistance will rise from 1.27 million⁷⁰ to more than 10 million per year by 2050.⁷¹

Case study 13: Climate resilience in Dominica



Since the devastating impact of Hurricane Maria caused damages estimated at \$1.3 billion, or 226% of the size of the Dominican economy, the UK has led support of Dominica's recovery through designing and funding the Climate Resilience Execution Agency of Dominica. The UK has also helped to build disaster-resilient healthcare centres, develop geothermal energy, and construct

climate resilient road infrastructure. By supporting the country in this way, the UK has had real impact on Dominica's recovery, and helped to power Dominica to within sight of its goal of building the world's first climate resilient nation. Dominica shows how Small Island Developing States can meet the challenge of climate resilient recovery in the wake of major natural disasters.

Drilling for the construction of Dominica's geothermal development plant.

Photo credit: The Dominica Geothermal Development Company

Protecting and restoring nature

- 5.11. The sustainable use of land, natural resources and the ocean is central to the vision set out in the SDGs, international climate agreements and the Global Biodiversity Framework. Agriculture requires greater support as one of the highest drivers of greenhouse gas emissions and biodiversity loss globally. It will also be important to consider how land can most effectively be used to meet both food security and climate change adaptation and mitigation objectives, without one having unintended consequences for the other.
- 5.12. Protecting, restoring and sustainably managing biodiversity is essential for tackling climate change, sustainable economic growth, food and water security, and health. The Global Biodiversity Framework must be implemented in full. Governments, businesses, financiers, and consumers need to be better equipped to integrate impacts on nature in their decision-making.⁷²
- 5.13. Effective action on climate change and nature requires the inclusion of indigenous communities, as well as women and girls. These groups are vital to driving locally-led adaptation and internationally a just transition to a green, inclusive economy. Traditional indigenous territories encompass up to 22% of the world's land surface, with areas that hold 80% of the planet's biodiversity.

Climate and nature finance

- 5.14. The international financial system needs reforming in order to become more inclusive, more responsive to shock events, and better aligned with the Paris Agreement and the Global Biodiversity Framework, and to ensure access to quality finance for those who need it most. An increase in the quality and quantity of multilateral development bank finance for climate and nature is needed, supporting borrower countries' efforts to drive low-carbon, climate resilient development.
- 5.15. Access to affordable, reliable, and clean energy is fundamental to social and economic development, yet investment in clean energy in low- and middle-income countries is well below what is needed. Pricing carbon and removing inefficient fossil fuel subsidies will be essential to promote an energy transition for many countries.
- 5.16. There is an opportunity to further deploy the UK's green finance strength and expertise internationally, greening investing practices. The UK is already helping countries to develop investible national climate and nature plans to attract international capital, putting in place plans to transition to low carbon investment and supporting the disclosure of the climate and nature impact of investments. We support partner countries to develop finance systems and build their regulatory and tracking capability.

Case study 14: Partnerships for Forests

The UK's Partnerships for Forests works with businesses to develop and implement new approaches to business that balance agriculture, livelihoods, green commerce and forest protection. The partnership helps businesses to grow and develop until they are able to attract commercial finance, mobilising private investment into green jobs, livelihoods, and the protection and sustainable use of forest resources.



2015, Partnerships for Forests has helped to mobilise £1.25 billion of private investment, protecting and restoring forests across 7.8 million hectares of land and bringing benefits to more than 290,000 people, mainly small farmers and communities in remote rural areas. The programme operates in East Africa, West Africa, Southeast Asia, and the Amazon region in Latin America.

Since it was established in

A collector picks Açaí berries in the Pacific region of Colombia.

Photo credit: CorpoCampo

The UK's commitments

Climate and nature finance

- 5.17. We will work with international partner organisations, including funds and multilateral development banks (MDBs), to reform the international climate and nature finance system. This will increase the quantity, quality and accessibility of these mechanisms, and improve impact, particularly for the poorest and most vulnerable countries.
- 5.18. We will help secure an ambitious new global climate finance goal in 2024 through playing a constructive role in international climate negotiation processes, balancing mitigation and adaptation funding. This includes a nature finance component in support of the Global Biodiversity Framework, and better targeting concessional public climate finance for the lowest income countries.
- 5.19. We will champion launching a Centre for Access to Climate Finance, at COP28, and implementing country-led trials to test what works. We will focus on LDCs, SIDS and countries with high humanitarian need.

- 5.20. We will work with other countries to deliver the 10 Point Plan for Financing Biodiversity⁷³ and co-lead the development of biodiversity credits, an innovative finance mechanism, to incentivise investment in biodiversity.
- 5.21. We will promote and support policy reform to scale innovation and repurpose inefficient fossil fuel and agricultural subsidies to deliver just climate and nature positive transitions. We will do this by providing targeted technical assistance to improve efficiency of public funds and reduce long-term cost.
- 5.22. We will support the growth of high-integrity carbon and nature markets to unlock a global estimated potential of \$40 billion⁷⁴ per year of private finance for low- and middle-income countries by 2030, developing trusted integrity standards and capitalising on digital innovation. This includes working with forest countries to scale finance for forest carbon, via results-based payments, market mechanisms, and wider efforts to mobilise the private sector.
- 5.23. We will champion global efforts to agree definitions, principles and reporting of 'nature positive' ODA with the OECD, MDBs and partner countries, and deliver on our commitment to ensure UK ODA is nature positive in line with these.⁷⁵

Supporting a just and clean global energy transition

- 5.24. We will support the governments and citizens of partner countries to benefit from their mineral resources. We will deploy UK expertise to help countries understand their mineral resources, build capacity of ministries to support planning and build environmentally and socially responsible regulatory frameworks. We will also work with companies and private finance to increase investment in critical mineral value chains. This includes UK support for the Resilient and Inclusive Supply-chain Enhancement (RISE) initiative.
- 5.25. We will support a comprehensive, long-term and co-ordinated UK capability-building offer on energy access and transition for emerging and developing countries, enhancing their implementation of nationally determined contributions (NDCs).
- 5.26. We will accelerate and scale up transition to clean and affordable technology in sectors such as energy and mobility, working through the UK's Ayrton Fund, the COP26 Breakthrough Agenda, ⁷⁶ Powering Past Coal Alliance, ⁷⁷ Energy Transition Council ⁷⁸ and the Green Grids Initiative One Sun One World One Grid. ⁷⁹
- 5.27. We will work with partners to increase global funding for decarbonisation by deploying initiatives such as the international Climate Investment Funds, Mitigation Action Facility and the global NDC Partnership.
- 5.28. We will offer support to countries interested in introducing or scaling up carbon pricing mechanisms. We will advocate in international climate discussions for countries to get credit for removing inefficient fossil fuel subsidies.

Supporting just and sustainable transitions in forests, food, water and land and ocean use

5.29. We will protect forests, land and natural resources by working to counter illegal practices, supporting action to strengthen governance and to help communities to secure rights to the land and resources they depend on for their livelihoods.

- 5.30. We will reform global markets and supply chains for forest and agricultural commodities, reducing deforestation. We will promote sustainable production (SDG 12), with support for the development and enforcement of laws in producer countries, and improved transparency so that products can be tracked from source to market.
- 5.31. We will help farmers to secure their livelihoods through sustainable and resilient agriculture and food systems. We will do this by mobilising investment in sustainable practices, through evidence and knowledge-sharing, partnerships and technical support, and by scaling up innovation.
- 5.32. We will mobilise political support and investment to protect and restore forests, land and forest tenure security, produce food sustainably, and tackle water insecurity. We will scale up support for public-private partnerships to catalyse private sector action and mobilise investment.
- 5.33. We will support governments, businesses, investors and consumers to better integrate impacts of their actions on nature, and the services it provides, in their decision-making, including through improved information.
- 5.34. We will protect the marine environment by addressing marine biodiversity, pollution, climate change, and sustainable seafood, including using the UK's Blue Planet Fund.
- 5.35. **We will reduce pollution** by supporting low- and middle-income countries to implement sustainable alternative practices and by promoting global solutions through international frameworks and treaties.

Reducing risk and vulnerability and building resilience to climate impacts

- 5.36. We will maintain a balance between adaptation and mitigation, with at least £1.5 billion of International Climate Finance (ICF) spend on adaptation in 2025. We will focus our adaptation resources on the most climate vulnerable countries and communities. We will focus our mitigation resources where they are effective to support developing countries with the highest emissions to take action to mitigate climate change. We will deliver at least £3 billion of ICF nature spend over five years to 2025-2026.
- 5.37. We will advance action on climate adaptation by building capacity, planning and finance at national and international levels, transforming priority sectors and systems, and working with effective nature-based solutions.
- 5.38. We will improve the climate resilience and prosperity of vulnerable coastal communities and SIDS. We will support a more sustainable and inclusive management of their marine environment and coastal resources through UK Government financed programmes.
- 5.39. We will improve the generation and use of innovative weather and climate information. We will work with the UK Met Office and partners so that people and governments can better understand, plan for and reduce the risks and impacts of climate change and of weather extremes, including from flooding, drought and zoonotic diseases.

5.40. We will establish a new co-ordinated UK R&D initiative for international nature and invest in water and ecosystems research to test and scale innovations that build resilience to climate change.

Sustainable and inclusive economic transformation

- 5.41. **Broad-based and sustained economic growth underpins development transformation**, overcoming poverty and allowing human potential to flourish. In the regions where economic transformation has occurred, particularly in China and across Asia, spectacular falls in poverty have been achieved. Pursuing high ambition on poverty reduction, through economic transformation that addresses the challenges of climate change and environmental degradation lies at the heart of the UK's approach to international development.
- 5.42. Our vision for 2030 is to achieve sustainable and inclusive growth in low- and middle-income countries that reduces poverty while preserving natural assets for the long-term. Our goal is to help partner countries transform the productivity of their economies at a pace sufficient to meet the needs of their growing populations, mobilise domestic and international investment, provide quality jobs for an expanding workforce, and deliver public services to secure the long-term wellbeing of their citizens all part of delivering decent work and economic growth (SDG 8).
- 5.43. Inclusive growth drives sustained exit from poverty through raising incomes, creating jobs, and increasing women's participation in the workforce. Growth enables the revenue generation needed to improve the quality and availability of public services including education, health, food and nutrition, and economic security and resilience. Creating markets and stimulating private sector investment is essential for sustained growth.
- 5.44. Sustainable economic growth must seek to avoid and mitigate damage to nature and the climate. The poorest countries are also the lowest emitters, meaning they have more time to manage their carbon transition while taking advantage of the opportunities for green growth with increasingly cost-effective clean technologies. Many countries need support to achieve economic growth in ways that protect and restore natural assets, and access renewable energy.
- 5.45. Increased public and private investment in low- and middle-income countries is needed so the private sector can grow and become more productive. This includes investment to develop infrastructure, including energy and transport, factories and machinery. Only with rapid expansion of productive sectors, particularly those targeting non-commodity exports, can countries provide enough high-quality jobs at scale and generate the public resources needed for public services.
- 5.46. The UK is a major provider of foreign direct investment (FDI) to low- and middle-income countries. The return on UK FDI in lower-middle and upper-middle countries was 16% and 12% respectively between 2011 and 2020, significantly higher than the 5% return on investment in high-income countries. FDI is mutually beneficial and strengthens our partnerships. Financial earnings flowing back to the UK can be reinvested, stimulating business growth and increasing domestic employment.

5.47. Export Credit Agencies (ECAs) provide access to finance to support export growth in their home country, which can also create significant benefits for low- and middle-income countries. The UK's export credit agency, UK Export Finance (UKEF), has a recognised role as a leader and innovator in finance products that help deliver impact and prosperity. ECAs represent a well-developed mechanism for mobilising finance into partner countries by bringing large finance capacity, long maturities, and embedded high environmental and social standards. By de-risking the private sector, ECAs help to unlock commercial sources of finance for infrastructure and other priority projects. Recent reforms have extended repayment terms that OECD participant ECAs can offer climate friendly sectors, increasing finance flows for sustainable development and enabling a more patient approach to lending.

Box 6: UK Export Finance

UK Export Finance (UKEF) is the UK's export credit agency. Its mission is to advance prosperity by ensuring that no viable UK export fails for lack of finance or insurance, doing that sustainably and at no net cost to the taxpayer.

Like other export credit agencies (ECAs), UKEF provides finance and services to facilitate exports. ECAs are a deep pool of capital, supporting over \$100 billion of debt finance each year, and an important source of finance for developing countries.

UKEF offers finance on commercial terms (it is not grant finance or ODA) to support UK exports, however this also creates significant benefits for developing countries. Since April 2021, UKEF has provided over £4.5 billion in support of UK exports in developing countries, unlocking commercial finance for priority projects. As a pillar of the UK's BIP, UKEF works closely with governments and corporates to understand their priorities and identify how to use UK supply chain expertise for mutual benefit.

For example, in Guyana, UKEF provided a £124 million direct loan to support the construction and operation of a 256-bed paediatric and maternity hospital based in the outskirts of Georgetown. The investment will deliver state-of-the-art care for Guyanese mothers and children and, through UKEF's involvement, has facilitated significant export opportunities for UK businesses.

UKEF is committed to the reforming and greening of the international financing system.

5.48. Flourishing domestic private sectors need strong institutional frameworks and state capability. Through combining consistent, strategic industrial policy with effective and more inclusive economic regulation, governments can play a role in encouraging investment, competition and competitiveness. Secure land and property rights and appropriate use of public spending will ensure that economic growth enhances equality of opportunity, particularly for women and marginalised groups, so that economic opportunities and benefits flow to all in society.

- 5.49. Promoting economic transformation requires governments to manage their public finances sustainably. This means raising revenue fairly, spending effectively to deliver goods, services and infrastructure, and keeping debt levels manageable. Well managed public finance helps governments raise private investment and supports the private sector to add efficiency and value.
- 5.50. Robust and transparent public financial management systems including debt management support growth and promote accountability. They play a significant role in strengthening service delivery, preparing for and responding to crises and in attracting finance from the private sector. The UK supports more effective, efficient and transparent public finances in partner countries, and champions fiscal transparency and accountability, from open and competitive procurement systems to strengthening external audit.

Case study 15: Public financial management reform in Jigawa State, Nigeria

UK technical assistance has helped to increase revenue collection in Jigawa State Nigeria from £27.5 million in 2019 to £43 million in 2021 and in Kaduna from £89 million in 2019 to £104 million in 2021. Government spending on service provision and social protection in Nigeria is among the lowest in the world. On average, state governments generate 20% of their revenues, with the remaining 80% coming from federal level transfers that are volatile, unpredictable, and linked to oil revenues. This low level of domestic revenue mobilisation is inadequate to support growth and development and has resulted in limited public expenditure in sectors including health, education, and social protection.

These additional resources raised with UK support enabled increased spending on basic service delivery including infrastructure, health, and education. Public expenditure on education in Jigawa State increased from £62 million in 2016 to £106 million in 2022. In the health sector expenditure increased by more than 100% from £22 million to £44 million.



Mother and child at Rasheed Shekoni Specialist Hospital, Dutse, Jigawa State.

Photo credit: FCDO/PERL

5.51. The UK has a significant contribution to make through British Investment Partnerships (BIP) and Centres of Expertise for Economic Development and Public

Finance. BIP uses a multidisciplinary approach with country-specific diagnostics to provide a comprehensive set of instruments including trade support, investment and expertise, and economic partnerships to fit country partners' needs. British International Investment (BII) is a central component of the UK's BIP approach, as set out in Chapter 3. UK Centres of Expertise for Economic Development and Public Finance help governments and the private sector to build their capabilities, skills and systems to implement the right rules and regulations and operating practices to grow markets inclusively and sustainably. These approaches deliver economic transformation and support UK interests by helping to develop the markets and the investment and trading partners of the future.

Case study 16: British International Investment supporting renewable energy and nature-based solutions in Pakistan

Power shortage is one of the most important problems to tackle for Pakistan's development. Power blackouts averaging eight to 15 hours are a fact of life, and much of the country's energy comes from fossil fuels. In 2017 Bll invested in Zephyr Power, a renewable energy company developing a 50 MW wind-power plant in the Sindh province. The wind farm became operational in 2019 and is built on wetland in a tidal and coastal location. As a result of rising sea levels, the site may become exposed to increased flooding over time. Bll has worked with the company to strengthen its resilience to climate change using nature-based solutions. This has included implementing a mangrove protection and rehabilitation programme, which will improve the site's ecological value and protect it from the effects of climate change, and bring broader benefits to the local community.



Wind farm in Pakistan where mangroves have been planted to protect the site from climate change.

Photo credit: British International Investment

- 5.52. Sustainable economic development requires fostering the links between exports, imports, and sustainable and resilient global supply chains, and limiting market-distorting practices and policies. The UK's approach to trade and investment-driven growth creates positive outcomes for low- and middle-income countries through market-led commercial solutions, raising living standards and benefiting businesses and consumers abroad and in the UK.
- 5.53. With its outstanding expertise, the UK's private sector can support development at all stages: through expertise to build the capacity of partners to grow sustainably and attract more finance, through investment, effectively blended with public development finance and supported by guarantees, and through trade, creating long-term opportunities, jobs and economic security.

The UK's commitments

- 5.54. Transformative sustainable growth partnerships with innovation, flexibility and responsiveness. We will:
- roll out and scale up the UK Centres of Expertise for Economic Development and Public Finance which will provide strategic, integrated support using expertise from within UK Government and the non-profit and private sectors to support economic transformation
- use multidisciplinary analysis to support country-led priorities for economic growth. Economic transformation needs to be embedded in countries' development plans, while also protecting environmental systems and mitigating conflict risks
- improve how the UK's investment and expertise instruments work together, through the BIP approach and including UKEF. This will deliver even better tailored solutions to economic development problems that build productivity and competitiveness in developing economies
- fund research, in partnership with world-class UK universities, to give policymakers the evidence they need on how to drive growth and economic transformation
- launch a global campaign to accelerate all aspects of women's economic
 empowerment, through BIP. We will drive dialogue with our partners, by integrating
 gender equality into our economic diplomacy; we will lead by example to create meaningful
 jobs, trading opportunities and to leverage innovative investment in and for women; we will
 lead through knowledge, identifying evidence-based solutions to expand women's voices
 and income opportunities
- 5.55. Scaling up sustainable public and private investment into economic sectors. We will:
- promote productive and job-creating sectors such as manufacturing, agribusiness and services, scaling up regulatory and policy reforms, and providing support to businesses which results in increased investment and improved development impact

5.56. Supporting governments and the private sector to enhance their skills and capabilities to drive systemic, sustainable and inclusive economic transformation. We will:

- ensure energy systems develop in a manner that minimises waste and stranded assets, including by using British and global technical expertise in system planning to help provide reliable and affordable electricity to households and businesses in at least 10 countries
- work with cities to create infrastructure services that are resilient and sustainable (SDG 11) and help realise their potential to drive growth and create jobs, drawing on outstanding UK and global expertise in urban planning and project development
- promote a step change in public infrastructure investment management. We will promote transparent project appraisal and selection, open and competitive procurement and transparent financing arrangements. We will encourage better scrutiny of public investment management decisions. We will promote the use of climate risk assessments and insurance, including through risk pools, to de-risk investment in infrastructure. We will build on the approaches developed by the Infrastructure and Projects Authority and the National Infrastructure Commission as well as the expertise of UK companies
- deliver targeted campaigns to improve responsible and inclusive business practices in supply chains in low- and middle-income countries including on environmental, social and corporate governance issues. This will be driven through the new UK programme for Responsible and Inclusive Business, partnering to improve environmental and social standards in critical mineral supply chains and to support the protection of human rights for women workers in garment sector supply chains
- step up support for the governments and citizens of partner countries to benefit
 from their mineral resources deploying UK expertise to help build strong financial
 management, enhance developing country value addition, and support diversification of
 supply chains. This will include green manufacturing and the digital revolution, working with
 companies and private finance to increase investment in critical mineral processing and
 downstream manufacturing

5.57. UK Export Finance (UKEF) will:

- increase the development impact of its financing by measuring its impact on SDGs and raising environmental and social standards in the projects it supports
- identify opportunities for the UK supply chain to meet the development needs of emerging markets, harnessing its international network based in strategic markets across the globe to deepen partnerships, and provide overseas partners with access to competitive finance for their priority projects, resulting in mutual benefits



Chapter 6: Ensuring opportunities for all

Equality and autonomy

- 6.1. Tackling inequality could secure huge benefits, both internationally and for the UK itself (SDG 10). There is overwhelming evidence that investing in women and girls and breaking down the barriers they face accelerates development, especially when women are helped into the workforce. If women had the same role in labour markets as men, an estimated \$28 trillion (26%) could be added to global GDP in 2025.80
- 6.2. Girls face compounding barriers, particularly when they reach adolescence. Across their lifetime, one in three women are subjected to physical or sexual violence, one in five girls are married as children, with high rates of adolescent pregnancy. These barriers intensify when combined with other factors like race, ethnicity, sexual orientation, disability and other statuses.
- 6.3. The rights of women and girls and the LGBT community are being eroded. International standards and norms on women's rights and gender equality are under threat. In many countries people are criminalised simply for being who they are. This accelerating, well-financed and organised attack on women's and girls' rights is an attack on our values and on democracy.
- 6.4. Our vision for 2030 is to achieve gender equality and the autonomy of all women and girls (SDG 5), working with new partners to counter the rollback of women's and girls' rights and LGBT rights globally. Progress on gender equality will lead to freer and fairer societies, where women are shaping and contributing to sustainable development and claiming their rights. Progress will be made in understanding what works to end gender-based violence. Proven solutions will be scaled up, reaching those most at risk of being left behind, such as women and girls with disabilities, LGBT people, adolescent girls, and religious or belief minorities.

Gender equality

- 6.5. Unlocking the full potential and power of women and girls accelerates progress on all the UK's global priorities, from economic prosperity to security. The UK has been a long-term champion of the rights of women and girls around the world. The UK will use the full weight of our diplomatic and development effort to put women and girls, in all their diversity, at the heart of everything we do. To achieve gender equality, the disadvantage and violence that many women and girls face, both in person and online, must be addressed.
- 6.6. Educating girls, empowering women and girls, and championing their health and rights and ending gender-based violence are central to progress for women and girls. These 'three Es' (education, empowerment, and ending violence) are the areas where the challenges are most acute and the potential gains are greatest, in line with the UK's International Women and Girls Strategy 2023-2030.

6.7. Locally-led women's rights organisations (WROs) should be at the heart of setting development priorities in their communities. WROs and movements carry out effective, locally-led work to advance gender equality, tackle barriers, and achieve sustainable development. WROs and women leaders need access to increased core, flexible multiyear funding, and safe and meaningful participation in decision-making to maximise their impact. Space and support for local WROs and movements is also needed in crisis contexts.

Case study 17: UK work to champion equality

The UK's Special Envoy for Gender Equality represents the UK Government internationally and is responsible for promoting the UK's priorities on gender equality. The Envoy focuses her action on the three priority areas, as set out in the International Women and Girls Strategy: educating girls, empowering women and girls and championing their health and rights, and ending gender-based violence. Focusing on the 'three Es', the UK Gender Envoy exchanges lessons learned to strengthen approaches to gender equality



internationally and domestically throughout her travels. The Gender Envoy has also forged strong relationships with countries to counter the rollback on women's and girls' rights, encouraging governments and other partners to be more outspoken in challenging the rollback of rights in their regions and within the multilateral system.

UK Special Envoy for Gender Equality visiting a Girls' Club, facilitated by 'Building Learning Foundations', at Government School, Mburabuturo, Rwanda. These clubs enable girls to build confidence; build aspirations; and improve their knowledge on sexual and reproductive health.

Photo credit: Building Learning Foundation

LGBT Rights and Disability Inclusion and Rights

6.8. **Inequality holds back opportunities for all.** Only 17.4% of those living in Africa are covered by at least one form of social protection compared to 83.9% in Europe and Central Asia. Globally, seven of every 10 people with disabilities are not in the labour market, compared with four in 10 of people without disabilities. Half of the 65 million children with disabilities are not in school. More than 60 jurisdictions criminalise private, same-sex, consensual sexual activity.⁸¹

- 6.9. **Disability inclusion should be accelerated.** More than 1.3 billion people 16% of the world's population have a disability, including 20% of women.⁸² People with disabilities are disproportionately affected in disaster, emergency, and conflict situations. People with disabilities are more likely to be living in poverty, putting them at greater risk. Global development partners should build expertise to advance rights and freedoms of people with disabilities, working alongside organisations of persons with disabilities and with lived experience, to ensure they are engaged in decisions that affect them, and that their human rights are realised. More effective targeted financing and support for disability inclusion must be prioritised.
- 6.10. The UK is delivering the commitments of the Disability Inclusion and Rights Strategy and the global disability summits to advance the rights and freedoms of people with disabilities.

Case study 18: Assistive technology for development in Nigeria

The UK's Assistive Technologies 2030 programme (AT2030) tests 'what works' to improve access to life-changing assistive technology for all. It is estimated that by 2050 more than 3.5 billion people would benefit from assistive technology, yet in some low- and middle-income countries, as few as 3% have access.



One of the innovations supported through AT2030 is Vinsighte, a Nigerian startup that has developed an app called Visis. In the image here, a team member is assisting a visually impaired student at Pacelli School for the Blind and Partially Sighted Children in Lagos to use the app to help him read. Vinsighte applies AI to help students read printed text and navigate their environment independently by detecting

colours, objects and their surroundings using audio feedback. This has significant potential in helping people with visual impairments to access education, become more independent and participate more fully in society. Since its launch in September 2020, Vinsighte has changed the lives of more than 5,000 visually impaired persons in eight schools and in associations of the visually impaired in Nigeria via their Visis app.

A Vinsighte team member assisting a visually impaired student to read using the Visis app at Pacelli School for the Blind and Partially Sighted Children in Lagos.

Photo credit: Reuters

6.11. Local LGBT rights activists need support to counter the serious violations of their civil, political and economic rights. A concerted rollback of LGBT rights is gathering pace across the world. The UK is supporting LGBT rights through new programming investments.

Case study 19: Support for women's rights organisations

The UK's flagship Women's Rights Organisation Programme establishes a model for partnerships with WROs and movements, increasing financial support and access to decision-making spaces. The UK funds diverse organisations sustainably through its partnership with the Equality Fund which supports WROs to connect, strengthen and grow. Through the Women of the South Speak Out Consortium we support participation in decision-making processes at national and regional levels, and analysis to inform policy. A multi-year grant to Centro de Derechos de Mujeres (CDM) enabled 14 years of advocacy work by the feminist movement in Honduras. One of the outcomes was legislation, passed in March 2023, allowing every Honduran woman to access the morning-after or emergency contraception pill without legal repercussions. Flexible support has also enabled partners to respond to humanitarian crises. FemFund Poland provided emergency support to black and Roma led support groups following the invasion of Ukraine, who were often not reached by mainstream humanitarian assistance.



ELAS+ – the first and only women's fund in Brazil – hosting a landmark conference in 2023 for activists across the country, representative of the rich diversity of Brazil's feminist movements.

Photo credit: ELAS+

The UK's commitments

International action

6.12. We will spearhead a 'Rights, Freedom, Potential' campaign building on our International Women and Girls' Strategy to promote rights, and counter rollback globally.

6.13. We will ensure that development finance reaches those left furthest behind, getting development banks to consider the needs of women and girls and to ensure progress on equality through their investments, and by championing initiatives such as the G7's '2x Challenge' which inspires investment in women to provide opportunities such as increased access to quality employment.

National action

- 6.14. We will change our approach to partnerships with women's rights and other local organisations so that women, girls and marginalised people can drive the change they want in their lives and communities.
- 6.15. We will partner with national leaders, women's groups and other experts, to test and scale-up innovative approaches to increase women's autonomy, increase their voice and agency, and reduce gender-based violence and female genital mutilation (FGM), including against women and girls who have been marginalised.
- 6.16. The UK will support LGBT rights through new programming investments, working with partners to improve protection against discrimination, including by removing discriminatory laws, reducing hate speech and violence, and improving access to services.
- 6.17. The UK will deliver the commitment in the International Women and Girls Strategy to ensure at least 80% of FCDO's bilateral aid programmes have a focus on gender equality by 2030.

Open societies and human rights

- 6.18. Open societies and accountable institutions have enabled progress. On average, free and democratic countries that have higher levels of accountability and uphold human rights, have had more stable growth, more ambitious climate policies, better human capital, a lower risk of internal conflict and atrocities, and fewer wars. Selfective, capable and inclusive institutions, the rule of law, personal freedoms, and democracy have contributed to development success. Capable state institutions which are transparent and accountable ensure that government action benefits the majority and that governments can plan effectively.
- 6.19. Challenges to open societies and human rights are increasing. Technology has advanced exponentially and become increasingly more widely available, but with greater disparities in access. Malign actors are operating transnationally with grave human costs. Global challenges such as modern slavery and trends such as increasing conflict and irregular migration require more effective global responses.
- 6.20. Our vision for 2030 is an increasing number of open societies, with more people living in countries with accountable, effective and inclusive institutions that deliver their obligations. Open societies will meet citizens' expectations, including service delivery, maintaining security, an independent rule of law and a vibrant civil society. The political and institutional barriers to poverty reduction will be tackled. There will be greater understanding

of the political drivers of development. Global partners will champion equal rights for all, reversing the rollback of rights, advancing equality and challenging discrimination.

Case study 20: Tackling modern slavery.

My employers said I didn't have anyone to send my salary to, so they wouldn't give it to me. I used to cry a lot because I had a debt to pay back in Nepal. One day I looked outside the house, my employers saw me and beat me.

These are the words of Aditi*, who left her home in Nepal with hopes of making money for a better life by working as a maid in the Middle East. She returned three years later penniless, having endured 20-hour working days and physical and psychological abuse. Since returning home, Aditi received support through the UK's *Work in Freedom* programme, which helped her reintegrate and set up her own successful business. The programme has reached more than 710,000 women and girls in local communities across South Asia and the Middle East, with skills and 'pre-decision' training. It has helped 113,000 migrant women join local support groups in their destination countries, and worked with governments to develop laws and policies that help to protect at-risk migrant workers.

Globally, modern slavery is on the rise. There are an estimated 27.6 million people living in forced labour. Women and girls, and migrant workers, are at particular risk. The Global Commission on Modern Slavery and Human Trafficking, led by The Rt Hon Theresa May MP, aims to restore momentum towards achieving UN Sustainable Development Goal 8.7 to eradicate forced labour, end modern slavery and human trafficking.

*Not her real name



"What I went through, I wouldn't wish it on my enemy" – Returnee migrant trafficking victim, Nepal.

Photo credit: FCDO

Standing up for rights and freedoms

- 6.21. Safeguarding human rights and supporting open societies to address democratic backsliding will require broad-based alliances to pursue shared objectives, listening carefully to the positions of others, and reducing polarisation wherever possible.
- 6.22. Accountable, effective, inclusive institutions are needed to support and protect human rights. This is the foundation of promoting peaceful and inclusive societies (SDG 16). Progress will ensure that everyone in society can have a voice and control over the decisions that affect their lives. This will also help to build states' legitimacy with their populations.
- 6.23. The role of independent media must be promoted and protected. This is needed to ensure free flow of reliable and trustworthy information, so that people can discuss and debate issues freely, hold their governments accountable without fear of censorship, internet shutdowns, or disinformation.
- 6.24. **Defending civic space and fundamental freedoms means working with civil society, and local organisations, including WROs.** Civil, political, economic, social and cultural rights are all inter-dependent and all must be defended. The protection of civic space and fundamental freedoms is needed as a response to growing authoritarianism and influences of non-state armed groups and violent extremist organisations.

Case study 21: Death penalty abolition in Sierra Leone

The UK works closely with the security and justice sectors of countries around the world to uphold and protect the human rights of all, particularly individuals belonging to vulnerable and marginalised groups. This includes strengthening the rule of law, preventing torture and bringing an end to the use of the death penalty.

In Sierra Leone, the UK Government co-funded a group of experts from the Death Penalty Project and legal professionals from the UK, Sierra Leone, and the United Nations Development Programme to remove 100 people from death row, and work with the Sierra Leonean government and civil society to prepare the ground for abolition of the death penalty. They provided free legal assistance to women and other vulnerable prisoners on death row. They worked with local partners to conduct advocacy with influencers and policy makers on ending the death penalty. They advised on the political and legal process for abolition, and shared expertise on how to shift public opinion from focusing on harsh punishments and retribution, to human rights and justice.

In July 2021, Sierra Leone became the 110th country in the world to abolish the death penalty for all crimes. The UK was a constructive partner, using patient diplomacy, working hand in hand with civil society and the judiciary, sharing expertise and insight to accelerate progress on human rights.

- 6.25. **Upholding freedom of religion or belief for all is vital for open and inclusive societies.** Despite this, high levels of restrictions or hostilities on the grounds of religion or belief persist. In many places, religious or belief minorities are excluded from certain kinds of employment and education, and are denied basic services. Targeted support is required, harnessing our collective development and diplomatic expertise. The Prime Minister's Special Envoy for Freedom of Religion or Belief (FoRB) spearheads the UK's efforts to promote the right to FoRB around the world.
- 6.26. On modern slavery, we are focused on promoting raised standards overseas, sharing promising practice and reducing human trafficking to the UK.

The UK's commitments

- 6.27. We will refocus UK attention on promoting peace, justice and strong institutions (SDG 16). We will assess the impact of UK international policy and programming on open societies and human rights, including through new diagnostics.
- 6.28. We will support resilient, free, open and trustworthy independent media as a bulwark against disinformation, launching a new global programme on this in 2024.
- 6.29. We will ensure that UK development policies are inclusive of people who are marginalised for their religion or belief. We will prioritise FoRB in our bilateral and multilateral work, including through FoRB programmes.
- 6.30. We will publish and implement an FCDO Strategy on Open Societies and Human Rights.

Education

- 6.31. Educating girls is a top and long-standing development priority for the UK. The UK has been at the forefront of investing in girls' education and supported nearly 20 million children to gain a decent education since 2015. Girls should have choices, opportunities, and hope for their future. We focus on reaching the most marginalised girls, and children with disabilities. We are working with partners to keep more girls in school and improve their learning outcomes, and also to reduce violence against girls, child marriage, early pregnancies, and long-term poverty.
- 6.32. We have committed to tackling the global education crisis through two G7-endorsed global objectives by 2026: to get 40 million more girls in school and 20 million more girls reading by 10 years old, or by the end of primary education. We are the biggest bilateral contributor to the Global Partnership for Education. Alongside our programmes, our research teams invest in pioneering research in more than 40 countries worldwide, exploring what works to improve access and learning, and make the best use of education technology.

Box 7: What works in education

The UK has invested to improve the evidence on what works in education, including the establishment of the independent Global Education Evidence Advisory Panel (GEEAP), with UNICEF, USAID and the World Bank.

Their 2023 report highlights 'smart buys' to improve learning, including:

- · targeted information campaigns on the benefits, costs and quality of education
- interventions to target teaching instruction by learning level rather than grade (teaching at the right level), delivered in or out of school
- improving teaching through structured lesson plans with linked student materials and teacher professional development and monitoring
- 6.33. Our vision for 2030 is to see transformed education systems, providing quality teaching and learning outcomes. The impact of the pandemic on learning losses will be reversed, and the inequalities causing an estimated 244 million children to be out of school addressed.⁸⁴ The barriers to children attending school, including poverty, marginalisation, gender-based social norms, disability, or displacement due to conflict, climate or disaster will be tackled.
- 6.34. All children should learn literacy and numeracy, as well as how to learn and how to get on with others. These are the building blocks for making progress in school and reaping the full rewards of at least 12 years of quality education.
- 6.35. Increased investment and more innovative financing initiatives should be deployed, based on evidence, to meet the need of quality education (SDG 4). This needs to involve MDBs, global funds, philanthropic organisations, and the private sector. Global partners should work together, including the G7, G20, EU, African Union, ASEAN, and Gulf donors, to share perspectives and expertise to make new and innovative sources of funding available. The International Finance Facility for Education will provide additional affordable finance at scale, unlocking \$7 for every \$1 invested by donors for education reforms in lower middle-income countries where over half the children out of school live.⁸⁵
- 6.36. Education systems reform, from primary through to tertiary, should be based on evidence of what works. The UK invests in world leading research and innovation, including the What Works Hub for Global Education and the Education Endowment Foundation to support evidence-based reforms. Better data and evidence are needed to improve access to education and learning outcomes for the most marginalised girls, and for all children with disabilities, particularly during adolescence when gender-specific barriers multiply. More reliable and useful data sets should be developed to inform policy and decision-makers, working with UNESCO and partner governments, including through the UK's new Data for Foundational Learning Programme.

6.37. All young people, especially women and girls, should have the opportunity to access higher education and skills training. Access to higher education and skills will lead to better opportunities and contribute to more inclusive growth and prosperity. Greater uptake of science, technology, engineering and mathematics (STEM) subjects at school and university by girls will build digital and entrepreneurship skills and tackle outdated gender stereotypes. The UK Government is working to inform future policy and programmes based on what we have learned from our international higher education and skills programmes, including the Girls' Education Skills Partnership.

Case study 22: The Campaign for Female Education (CAMFED)

The Campaign for Female Education, better known as CAMFED, began as a small NGO with a big vision in Zimbabwe. Today it is globally recognised with an excellent track record of success. The UK's partnership with CAMFED in Tanzania, Zimbabwe, Zambia and Ghana has transformed the lives of almost 600,000 girls. Tens of thousands of these girls and young women have joined the CAMFED Association and become successful mentors, educators and entrepreneurs.

CAMFED works with girls from the most deprived communities in the region, with the greatest levels of poverty and extremely low literacy rates. The girls are selected by their communities as being the most in need. For these girls, education has a transformative impact. CAMFED helps them by enabling them to go to school, supporting them to do well academically and helping them to maximise the value of their education when they leave school. Through this model, CAMFED transforms their life chances. Marginalised girls and young women are nurtured to become the next generation of leaders, increasing the number of girls in school, and accelerating their transition to secure livelihoods and leadership.

Success is visible in the girls who have received CAMFED support. They use their education to improve their own lives, and those of their families and communities too,



by paying for and supporting girls in their communities to access quality education.

CAMFED graduates now run the organisation – as CEO, as Board representatives, and as national and international leaders. Their leadership and governance model provides an outstanding example of partnership with those the organisation was established to serve.

Dotto (centre), a Learner Guide in Tanzania, leads a session for students in her former high school. She holds a copy of CAMFED's 'My Better World' life skills and wellbeing workbook.

Photo credit: CAMFED/Eliza Powell

- 6.38. Children must be safe and secure to learn effectively. This means challenging harmful norms that prevent women and girls from gaining access to education. Girls and boys have the right to an education free from violence and abuse. Sex for education, grades and fees must end. Making education safe for every learner requires a global movement of civil society, partner countries, and multilateral organisations.
- 6.39. To mitigate the risk of major disruption to learning and education more resilient, inclusive and climate-smart education systems should be developed. The UK's new 'Climate Action Partnership for Education', co-funded with USAID, will scale up solutions to advance climate action through education, with a focus on girls and young people as the change leaders of their generation.
- 6.40. Al has potential to significantly enhance learning opportunities over the **next decade.** This includes material personalised to the needs of the individual learner, more locally-relevant learning content, or information supporting decision-making about education systems.

The UK's commitments

- 6.41. We will promote the right of all girls, including those caught up in conflict and crises, to 12 years of quality education. We will champion our G7 global objectives for girls' education, ensuring that countries monitor whether all children are in school, safe and learning.
- 6.42. We will unlock additional finance to deliver on the ambition of quality education (SDG 4), including ensuring countries can make best use of existing domestic and international finance, and that education systems are more resilient. This will include mainstreaming education across FCDO's climate and environment programming.
- 6.43. We will deepen our work with Education Cannot Wait (ECW) to ensure the world's most vulnerable children, including refugees and displaced girls, can access quality education. The UK is a leading contributor to ECW, with our most recent pledge of £80 million made in early 2023.
- 6.44. We will use the Girls' Education Challenge Results (GECR) mechanism to demonstrate the number of girls reached with effective and life-changing support through UK investment in their education, and account to the British public for this, building on our strong track record of supporting girls' education.
- 6.45. We will leverage our recent investment of up to £180 million in the International Finance Facility for Education (IFFEd), announced in September 2023, to unlock over £1 billion of affordable finance from multilateral development banks for lower middle-income countries, to expand access to quality education.
- 6.46. We will back a growing global coalition focused on ensuring all children secure foundational skills by 2030, aiming to reduce the global share of children unable to read by half.

6.47. We will support multi-country education research to address evidence gaps. This will help countries understand how digital technologies can support evidence-based teaching, and help partner governments to use evidence to improve learning outcomes and strengthen education systems.

Global Health

6.48. Our vision for 2030 is for everyone, everywhere in the world to have affordable access to the essential health services they need, while living in environments that ensure healthy lives and well-being (SDG 3). The world will be safer, cleaner and equipped to prevent and respond to disease outbreaks. People will breathe clean air and access safe, affordable health services, nutritious food and safe drinking water, sanitation, and hygiene. Health systems⁸⁶ will be equipped to deal with current and future challenges and to withstand the additional health burdens of climate change and environmental degradation.

6.49. All people, including women and girls, should have control over their own bodies. This means universal access to comprehensive sexual and reproductive health and rights, including modern methods of contraception, maternal health services, and abortion. Everyone should be able to avoid unwanted sexual contact, and decide if, and when, to have children. No woman or baby should die of preventable causes in pregnancy or childbirth. All people, especially women and girls, should have access to quality information, services and supplies, free of discrimination, coercion and violence. Women should face fewer risks during pregnancy and childbirth.

Case study 23: Demographic transitions in Iraq

In Iraq, the UK is working with the United Nations Population Fund (UNFPA) to support Iraq's demographic transition. Iraq's population is predicted to reach more than 70 million by 2050 – up from 45 million in 2023. By addressing the barriers that prevent women and



men from using family planning services, such as bottlenecks in delivery and low awareness, we are enabling women to choose whether and when to have children. Since the programme started in 2021 more than 23,448 young people in Iraq have increased access to information and education on family planning and life skills. This supports the reproductive health and wellbeing of Iraqi women. It also reduces future financial pressure on public services and households.

Health staff in a UNFPA clinic funded by UK Government provide reproductive health services to an internally displaced person.

Photo credit: UNFPA

Health systems

- 6.50. Maintaining our focus on leaving no one behind is essential to deliver this vision for our world in 2030. The UK's global campaign to end the preventable deaths of mothers, babies and children is at the heart of this aim, bringing together work on strengthening health systems, promoting and protecting human rights, gender and equality, supporting healthier lives and safe environments, and contributing to health technology, research and innovation.
- 6.51. Long-term partnerships for strengthening health systems are at the core of our approach. Expanding quality primary health care, increasing the numbers of skilled, motivated health workers, and better protection against costs that people cannot afford, will contribute to faster progress towards universal health coverage and better health and nutrition outcomes for all. This needs to be coupled with sustainable funding of health systems, improving the quality of care, using more reliable, accurate and timely data about health needs and services, and making sure that communities have a say in decisions that affect their health and wellbeing.
- 6.52. Sustainable development will not be achievable unless the demographic transition is accelerated in many countries. Population growth can present challenges to poverty reduction, provision of governmental services, the environment, stability and conflict. It is important that governments can access support to accelerate their demographic transitions, including girls' education, job creation, addressing gender inequalities and harmful social norms, defending, promoting and supporting universal voluntary sexual and reproductive health services and rights, as well as more and better population data. Investment in voluntary family planning must always prioritise women's empowerment and be rooted in human rights.

Case study 24: Health systems in Somalia

The UK works hand in hand with governments and partners to strengthen health systems for progress on universal health coverage, health security and ending preventable deaths of mothers, babies, and children.

In Somalia, the UK has been the largest government contributor to the health sector for over a decade, helping to build the health system, and reaching millions with better quality health services, immunisations and nutrition interventions. We also tackle FGM by working closely with survivors, nurses, midwives and community leaders, alongside the UN Joint Programme for the Elimination of Female Genital Mutilation (FGM) and the WHO.

While other partners have delivered through humanitarian platforms, we have been willing to work directly with the Ministry of Health in delivering services at the local level, making sure we are building up the capacity of the government to deliver for its citizens. We work closely with the Federal Government of Somalia. UK experts have been part of critical policy discussions and decisions, helping to develop an essential package of health services with scarce resources available, mobilising funding, and identifying how services can better deliver quality care to those who need it most, including women and girls. Our approach is now seen as the model for bringing development partners together behind the government's leadership on stronger health systems in Somalia.



A health worker checks a patient's blood pressure in a camp in Mogadishu for people who have been displaced from their homes.

Photo credit: @UNICEF Somalia/Sewunet

Global systems

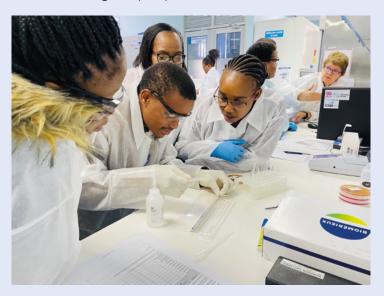
- 6.53. Global health institutions must be able to respond to global, regional and national health challenges. That includes investment and integrated action on health, sexual and reproductive health and rights, nutrition, water, climate and nature, and championing country leadership. It requires investing in strengthening local primary health care, to ensure sustainability of essential services. MDBs, Climate Funds, philanthropies and private investors should enhance their engagement with Global Health Initiatives, to support these priorities, and to mainstream climate smart and healthy environments in their operations.
- 6.54. For better health security, a strengthened global co-ordination mechanism is needed for future pandemic preparedness and response. This includes an end-to-end approach to research and development (R&D) and manufacturing, so that the right solutions are available when needed. This is in line with the UK's 100 Day Mission commitments, and ensuring equitable access to medical countermeasures such as vaccines, therapeutics and diagnostics.
- 6.55. A 'One Health' approach recognises that the health of humans, animals and ecosystems are interdependent. Responses to health threats will not always provide sustainable solutions without addressing the human, animal and environmental health interface. Taking a 'One Health' approach means more effective prevention, preparedness and response to prevailing and emerging health threats, including infectious diseases, and anti-microbial resistance (AMR), and ensures that challenges are properly addressed.
- 6.56. **Global disease surveillance must be strengthened.** The current system to monitor infectious diseases and AMR is not always effective. Accurate global surveillance of both human and animal diseases, ⁸⁷ and transparent data sharing is essential for more effective public health decision-making. Building on the strengths of the International Health Regulations to improve global health security, and embedding a One Health approach, the UK supports partnerships, technical expertise exchanges, and strengthened collaboration between human, animal and environmental surveillance.⁸⁸
- 6.57. Reaching the world's children with vaccination remains a top priority. The UK has supported Gavi, the Vaccine Alliance (GAVI), since its inception in 2000. This unique alliance of governments, private sector foundations, civil society organisations (CSOs) and vaccine manufacturers has vaccinated more than one billion children in 78 low-income countries, saving more than 17 million lives. GAVI reaches around half of the world's children with vaccines, protecting against 19 deadly diseases.

Case study 25: How the UK is tackling anti-microbial resistance

Anti-microbial resistance (AMR) is a huge global challenge. In 2019, AMR was directly responsible for 1.27 million deaths globally. This is more than the 860,000 deaths caused by HIV/AIDS and 640,000 deaths caused by malaria. AMR disproportionately impacts healthcare in low- and middle-income countries, ⁸⁹ where drug-resistant gonorrhoea causes untold suffering and is a heavy economic burden on healthcare resources.

A multipronged approach is required – from developing new vaccines, therapeutics, and tests, to strengthening AMR surveillance, improving infection prevention control and appropriate use of antibiotics through stronger health and water, sanitation and hygiene systems.

The UK's <u>Fleming Fund</u> is strengthening AMR surveillance systems in more than 20 lowand middle-income countries enabling them to detect the emergence of drug resistant gonorrhoea, target interventions and mobilise investment. The UK's Global Antimicrobial Innovation Fund (GAMRIF) funds innovative research and development into antimicrobial solutions for low- and middle-income countries. GAMRIF is tackling drug-resistant gonorrhoea by: funding point of care tests; developing vaccines and new, more effective antibiotics. We will progress these products to market, driving affordable and equitable access, to bring about real change in people's lives.



Qwars (Qualifying the Workforce for AMR Surveillance in Africa and Asia) Microbiology Professionals from Eswatini developing surveillance skills to identify and respond to drug resistant infections.

Photo credit: African Society for Laboratory Medicine

Health research and technology

- 6.58. Collaborative research should be supported to generate evidence for better health and nutrition. This includes evidence to detect, prevent, prepare for and respond to future emergencies, including disease outbreaks, epidemic and pandemic threats, AMR and climate and nature crises. It also includes evidence on effective health systems and the changing burden of disease. End-to-end approaches for new health technologies and products, such as vaccines from development to manufacturing and delivery will contribute to equitable access and tackle market failures. Low- and middle-income countries must be equal partners in the future of health science and research.
- 6.59. New inclusive and responsible technologies, including digital and AI, should be promoted to improve health and health security for all. Digital and AI-driven technologies have the potential to support major advances in medicines and vaccines, and the detection of new diseases. Collective regulation, standards, governance, policy, ethics and human rights, are all needed to ensure safe adoption of AI for health and equality in access.

Case study 26: Coalition for Epidemic Preparedness Innovations

With the UK as an early partner, the Coalition for Epidemic Preparedness Innovations (CEPI) played a central role in the global response to COVID-19 by creating one of the world's largest and most diverse portfolios of COVID-19 vaccines, including the affordable Oxford/AstraZeneca vaccine, with its early development funded by the UK Vaccine Network.

CEPI is a global partnership between public, private, philanthropic and civil society organisations, established following the devastating Ebola outbreak in Africa in 2014 and 2016. CEPI aims to help the world be better prepared with vaccines for future severe infectious diseases, supporting the 100 Day Mission to have effective vaccines



developed and available in 100 days. CEPI accelerates new vaccine technologies for priority diseases, investing in collaborative partnerships for strengthening vaccine innovation, research and manufacturing in Africa, including with the Institut Pasteur de Dakar, in Senegal. This complements the UK's global research partnership with the Institut, which supported diagnostics innovation and supply during the pandemic, and early-stage business case development for vaccine manufacturing.

Institut Pasteur de Dakar and CEPI teams discuss progress on their partnership for Madiba, the Institut's state-of-the-art vaccine manufacturing facility in Diamniadio, Senegal.

Photo credit: Institut Pasteur de Dakar

The UK's commitments

International action

- 6.60. We will work with partners to drive reform across the global health architecture through the next Global Health Initiatives (GHI) replenishments including of GAVI, the Global Fund to Fight AIDS, Tuberculosis and Malaria, and the World Health Organisation, to ensure effective and co-ordinated GHIs, and a stronger WHO able to respond in health crises and deliver on health services and well-being for all.
- 6.61. We will strengthen country partnerships to enable all children receive essential vaccines that will protect them against preventable diseases and save millions of lives.
- 6.62. We will work across sectors to support the implementation of a One Health approach, including through our support for the new Pandemic Fund, hosted by the World Bank.
- 6.63. We will tackle the global health threat of AMR, using all our levers, including science, diplomacy and investments to ensure access to safe antimicrobials for all.

National action

- 6.64. We will help adapt health systems to be more climate resilient, through our programmes working with partner countries, supporting global collaboration to build strong and climate resilient health systems, and advocating for climate action to reduce the impacts of climate change.
- 6.65. We will draw on our outstanding UK health expertise and work with partners to support strong health systems and help achieve universal health coverage in low- and middle-income countries, end preventable deaths and protect global health security by 2030.
- 6.66. We will work with partners to reach an ambitious global agreement a new Pandemic Accord which will strengthen countries' health systems, and enhance global health security.
- 6.67. We will champion equitable collaborative research partnerships with low- and middle-income countries, drawing on UK scientific expertise, to support development of and access to new technologies, stronger systems and better health and nutrition.
- 6.68. We will deliver on our campaign to end the preventable deaths of mothers, babies and children, through diplomacy and research, and through our programmes on sexual and reproductive health and rights, health systems, nutrition and water and sanitation for health in at least 11 priority countries.
- 6.69. We will strongly defend and progress sexual and reproductive health and rights, including safe abortion, through policy, investment and diplomacy.
- 6.70. We will support African-led inclusive demographic transitions through our investments in sexual and reproductive health and rights, activities addressing gender inequalities and harmful social norms, girls' education, and better population data.

6.71. We will harness the energy and expertise of NHS staff (where available) to promote knowledge and skills exchange for mutual learning between UK and partner health institutions in developing countries, building upon the extensive partnership experiences of organisations such as the Tropical Health and Education Trust, known as THET, and NHS England to help drive faster progress towards universal health coverage globally.

Water

- 6.72. Our vision for 2030 is that all countries establish and sustain water, sanitation and hygiene services that are reliable, resilient, and inclusive. UK work on water security, sanitation and hygiene will be backed up by effective partnerships maximising the UK offer, helping ensure that the SDGs, the Global Biodiversity Framework, and Paris Agreement goals for climate adaptation and resilience are achieved for people, planet, and nature.
- 6.73. The world is facing an unprecedented and accelerating water crisis. By 2030 we could face a 40% shortfall in freshwater supply. Growing water insecurity, accelerated by climate change, is rapidly undermining the achievement of the global goals for ending poverty, for health and food security, for education and gender equality, for nature and ecosystems, for energy and industry, for cities and infrastructure. The human and economic consequences are profound.
- 6.74. Sustainable access to clean water and sanitation (SDG 6) and good hygiene are vital for stronger health systems. If every healthcare facility could offer a basic hygiene service by 2030, this would help prevent avoidable infection and reduce the threat of AMR and future pandemics.
- 6.75. Better managed systems are needed globally to establish resilient, reliable, and inclusive water services. An effectively regulated water sector is needed, where standards are applied and maintained, and people receive the services they need. Infrastructure and investment programmes must be focused on strengthening systems.

The UK's commitment

6.76. We will establish a cross-government global water strategy that defines all our work on water security in the context of climate change and ensures coherence across sectors in water-related policy-making, including the linkages between water, health, energy and food.

Social protection

6.77. The case for more investment in social protection has never been stronger. This includes protections for workers, like maternity benefits and paid sick leave, health insurance, and regular periodic cash transfers for vulnerable children, people with a disability and older people. COVID-19 was the ultimate stress test of social protection systems, leading to global scale-up of measures to reduce the economic hardship people faced because of the pandemic. However, the pandemic also demonstrated the urgent need to strengthen systems and fill gaps in coverage – particularly in low-income countries and for groups

such as informal workers – and the potential to do more to prevent and respond to poverty, humanitarian need and climate risk. Social protection strongly supports both elements of the UK's strategic development goal of eliminating poverty and tackling climate change and nature loss.

6.78. Our vision for 2030 is for a world where hundreds of millions more people are supported by inclusive national social protection systems. Accelerating progress towards universal social protection will reduce extreme poverty and hunger, make people more resilient to climate and other shocks, empower them to seize economic opportunities and promote their autonomy and dignity. To deliver on this vision we need action at the national and international level, and we need to harness the benefits of innovation and technology.

Action with partner countries

- 6.79. Scaling up social protection systems is an investment in people that has many benefits. These include reducing food insecurity, facilitating access to education and health services, and supporting decent work and inclusive growth. In an increasingly risk-prone world a stronger focus on measures that prevent people sliding into poverty and greater vulnerability is critical.
- 6.80. Social protection has a key role to play in responding to climate change, future pandemics and other shocks. It enables vulnerable communities to become more resilient to shocks, reducing the need for humanitarian assistance. Social protection systems should be designed to cushion and compensate people for the adverse impacts of climate change, climate policies and transitions to net zero.

Case study 27: Social protection builds resilience in Ethiopia

In Ethiopia, the UK is supporting the Productive Safety Net Programme (PSNP) which provides predictable and timely support of cash or food transfers, to eight million chronically food-insecure people. The programme has lifted more than one million people



out of poverty, made recipient households 40% more food secure and reduced hunger. It has improved girls' ability to stay in school and reduced financial pressures to marry at a young age. PSNP has meant people no longer have to rely on unpredictable humanitarian assistance that often came too late to prevent the sale of assets, and has reduced both the impact of frequent droughts and the time it takes to recover from them. Through its approach, the UK is helping the Government of Ethiopia to build strong systems to deliver support to households and ultimately to self-fund the safety net for its citizens.

Mulu receives social protection support in Ethiopia. She said "[The programme] has provided me with enough income to afford food. I'm also sending my kids to school. It enabled me to live equal lives with my community, although I have a disability."

Image credit: FCDO

6.81. Developing more inclusive social protection systems, driven by national and local actors, is one of the most effective ways of supporting those at most risk of being left behind. It is one of the most effective ways to address needs of marginalised groups, supporting women, children, older people, people with disabilities, displaced people and those who are geographically hard to reach. Making gender equality central helps to deliver change for women and girls at scale, including women's economic empowerment, reducing gender-based violence, modern slavery and child marriage, and improving access to education for girls.

International action

- 6.82. Social protection should be at the centre of international development, humanitarian and climate efforts. Action is required to accelerate the expansion of social protection systems to reach the four billion⁹³ people currently not covered globally. More comprehensive systems are needed to tackle poverty, vulnerability and inequality today, and prevent crises tomorrow.
- 6.83. Success requires international collective action on policy and financing at scale. This includes support to protect social spending, increase domestic revenue mobilisation and budget allocations to social protection, and to strengthen and expand contributory systems. Additional financing, including through greater access to climate finance, is necessary to expand and strengthen both routine and shock-responsive systems.
- 6.84. Action must be co-ordinated, coherent and informed by risk. Strengthened social protection systems should be linked to disaster risk financing mechanisms to anticipate and respond better to future shocks. Co-ordinated action is needed across social protection, climate, humanitarian, and disaster risk management.
- 6.85. Social protection has an important role to play in conflict situations. Humanitarian cash and social protection systems need to be co-ordinated in protracted crises, to support conflict-affected populations and host communities. International finance providers and other partners need flexible programming and financing to ensure the resilience of social protection systems during rapid onset conflict. They must be also able to adapt and maintain provision where it becomes difficult to work through government systems.

Innovation and technology

6.86. Opportunities afforded by digital technologies should be seized. This increases the coverage and effectiveness of social protection systems and delivers wider benefits including financial inclusion of women and marginalised groups. Social protection system design should include a focus on digital access and literacy, and protection of users' rights.

The UK's commitments

International action

6.87. **We will champion universal social protection** and sign up to the Global Partnership for Universal Social Protection to Achieve the Sustainable Development Goals (USP2030), putting our weight behind its ambition.

- 6.88. We will facilitate stronger co-ordination between humanitarian, climate, disaster risk financing and social protection systems and actors through national and global level partnerships and technical assistance, with a particular focus on conflict contexts.
- 6.89. We will work to unlock more finance for social protection, including climate finance, through our partnerships with national governments and our seat on the boards of MDBs and climate funds.

National action

- 6.90. We will convene a series of social protection events on issues from conflict to digital technology and gender equality, to crowd in allies and shape the future of social protection as an enabler of the SDGs.
- 6.91. We will support the most climate vulnerable people by making social protection a cornerstone of UK action to tackle climate risk, promoting its role in building resilience, responding to shocks, long-term adaptation, and livelihood transitions.





- 7.1. **Conflict and insecurity act as a brake on development across the SDGs.** Conflict is usually development in reverse. Over the last 20 years, countries that have avoided fragility and conflict have seen poverty rates reduce from 26% to an estimated 5%, and countries emerging from conflict have seen their poverty rates reduce from 44% to 19%. Those countries that continually suffer from fragility and conflict have seen persistent poverty, above 40%.⁹⁴
- 7.2. There is a global food systems and nutrition crisis, and an existential challenge of feeding global populations in the face of conflict, economic turmoil, climate change and biodiversity loss. Nearly one billion people experienced severe levels of food insecurity in 2022. More than one in three people globally cannot afford a healthy diet, with women and girls worst affected. Current projections forecast 590 million undernourished people in 2030, approximately 120 million more than pre-pandemic projections, with other predictions being even more pessimistic. Although most of the world's extreme poverty will be in low-income countries by that date, most of the world's undernourished population are expected to remain in middle-income countries.

Promoting peace and security

- 7.3. **Development requires a foundation of peace and security.** The path to stability and prosperity is narrow. Preventing and resolving conflict, and building peace, requires balancing powerful interests and institutions to ensure power is checked and shared. Development work helping the most fragile states to transition out of conflict influenced the creation of the UK-championed SDG 16 as a goal for peaceful and inclusive societies.
- 7.4. Since 2015, the UK has influenced global thinking on conflict. This has included working towards more stable compacts between citizens and states, supporting transitions to peace in the middle of violent conflict by focusing on the role of elites, and making the case for the inclusion of women in all peace-building and state-building efforts. The UK is now at the forefront of integrating diplomatic, development and security approaches to prevent and resolve conflict, and create the conditions for enduring peace that upholds the principles of the UN Charter.
- 7.5. Conflicts have become longer-lasting and more complex. Malign actors are exploiting illicit finance and weak borders and using destructive disinformation and cyber-attacks to undermine state resilience and development. Incentives for change, and support to nationally led efforts to transition to peace are needed. But there should, in addition, be greater focus on prevention, and using cutting-edge technology to support foresight and enable early action.

7.6. Our vision for 2030 is that international efforts combine development, diplomatic and security approaches to reduce the intensity and frequency of conflict within a more effective and coherent multilateral system. There will be greater emphasis on improving our collective foresight, acting earlier and preventing conflict and atrocities. Peace and security actors will pursue long-term, conflict and gender-sensitive, nationally-led strategies to reduce and resolve conflict. All of this will be delivered with patience and a willingness to withstand setbacks. Wider transnational threats and drivers of insecurity, including serious and organised crime and violent extremism, will be tackled. In line with the Ottawa Convention, the world will become landmine-free.

Foresight for prevention

7.7. **Early action should be prioritised to prevent conflict and mass atrocities.** ⁹⁹ Partnership with regional, national and local actors is vital to address the causes of conflict and to mitigate risks, combining forecasting capabilities, development expertise, political access and influence. ¹⁰⁰ Multilateral financing can incentivise preventative action and nationally led prevention plans. Action on conflict needs to start with prevention rather than response.

Case study 28: Conflict prevention in Kenya



The UK's Reducing Insecurity and Violent Extremism in Northern and Coastal regions of Kenya (REINVENT) programme shows the impact of an inclusive and nationally led partnership model for violence and conflict prevention to improve security and stability in the Northern and Coastal regions for the 2022 elections.

REINVENT worked with national and local governments to strengthen and reform the security sector,

address sexual and gender based violence and support female leadership and civil society, including faith-based dialogues. In the focus counties of Mombasa and Nakuru, which were marked by conflict in 2017, incidence of violence reduced by 18% and 11% respectively in the 2022 elections, and the number of deaths from political violence fell from 42 to 10.

Religious leaders under the auspices of the Coast Interfaith Council of Clerics undertaking conflict analysis to inform the approach to election-related conflicts in Mombasa county ahead of the 2022 general elections.

Photo credit: REINVENT Programme/CICC

- 7.8. Foresight capability and systems should be strengthened to enable early action. Drawing on groundbreaking data science, AI, machine learning and open-source intelligence capabilities, the UK and its partners are entering new territory in our ability to forecast complex risks. New technology should be used to expedite forecasting of conflict and mass atrocity risks, extending the length of time from a few months to a few years in advance, buying time for response. Access to data and technology should be extended so that early warning is more systematically used across the international system.
- 7.9. A coherent approach is needed to transnational threats that fuel insecurity and undermine development. More effective stabilisation and security activity is needed to tackle transnational threats, and the underlying causes of these threats, including terrorism, violent extremism, serious and organised crime, kleptocracy and state threats.

Stabilisation, conflict mediation and resolution

- 7.10. Global partners should promote peace and security and build stronger international architecture, including the UN's peacebuilding, mediation and 'good offices' diplomatic roles. This is consistent with SDG 16 on peace, justice and strong institutions. The right capabilities and coherence are needed across development, peacebuilding, and stabilisation, ensuring conflict sensitivity, building open societies, and applying a human rights lens.
- 7.11. Global conflict reduction efforts require engagement with new partners. Supporting peace and security is a global public good. Partnerships should be developed with countries that exert influence in mediation, to pursue shared interests in reducing conflict. All those involved in mediation the UN, regional organisations, state actors including the UK and NGOs should work closely together to create the best chance of success. This includes facilitating inclusive and implementable agreements to achieve long-term solutions, and promoting inclusive peace processes that give a voice to non-combatants.
- 7.12. Stabilisation and security sector reform play a key role in managing down conflict and fostering sustainable peace. Effective stabilisation that focuses on reducing political violence and restoring basic security can allow for political deal-making and set the foundations for longer-term recovery, reform and reconstruction. Security sector governance and reform which is politically informed, conflict and gender sensitive, create clearer democratic control and increase public accountability, reducing the conflict risks stemming from security institutions. The UK has considerable expertise working with partners to strengthen their security sector and related governance to reduce state fragility.
- 7.13. Active involvement by civil society is needed for inclusive peace and security. This is particularly important in places where it is difficult to work with state parties. Deals between elites may achieve an immediate end to hostilities, but this is not enough to foster sustainable peace or tackle underlying fragility. Civil society can represent the voices of noncombatants and those who suffer from conflict, ensuring more sustainable settlements. Civil society can also play a vital role in strengthening governance, which is needed to complement international military and security capacity-building.

Case study 29: Ukraine - UK Development Partnership

One of the UK's policy priorities for 2023 is to support Ukraine to recover its territory and 'win the peace'. Our political and military support is reinforced by the UK response to urgent humanitarian, fiscal and energy security needs. At least 17.6 million people need humanitarian support, with the most acute needs in Ukraine territories that are temporarily controlled by Russia, and among older people, people with disabilities and other marginalised groups. ¹⁰¹ Russia's war on Ukraine also poses development risks for the region and beyond. Global food and energy prices have risen sharply. Trade has been interrupted. Refugee needs have hit already strained economies in the region.

Recovery costs are estimated at \$411 billion¹⁰² and rising, and early progress will depend on donors while we help Ukraine create conditions for private sector investment. We prioritise support to Ukraine that builds institutional, economic and social resilience, and is aligned with Government of Ukraine (GoU) priorities. We bring more than money to the table with our expertise, leveraging political opportunities, delivering innovation, and sustaining a commitment to gender, equity, social inclusion and climate protection.

UK advocacy for civil society and women's representation has led GoU to create a civil society dialogue platform for gender and inclusive restoration, for which we are providing technical advice and funding. This is putting gender and social inclusion at the heart of dialogue around winning the peace in Ukraine.

The UK-Ukraine Private Finance Partnership brings together the London Stock Exchange, asset managers, insurance companies, development finance institutions, investment banks and finance sector bodies to develop market-based solutions to support Ukraine's economic recovery. Initiatives launched at the Ukraine recovery conference in June 2023 include the London Conference Framework on War Risk Insurance and the Kyiv International Financial Centre initiative in partnership with TheCityUK.

The UK leads the Clean Energy Partnership co-ordination mechanism, geared towards shaping climate support for reconstruction and promoting energy and climate reforms. Our results include delivery of high-priority equipment for Ukraine's energy grid, and



investments in solar generation and business-led green projects.

The UK was among the first to support financing of GoU's budget, using guarantees for additional World Bank lending. The UK has committed \$3 billion to a wider \$115 billion financing commitment from international donors to stand behind a four-year International Monetary Fund programme.

In Vinnytsia in April 2023, UK funding supported psychologists working with the International Organization for Migration (IOM) to organise a workshop for displaced children and their parents.

Photo credit: IOM/Maryna Orekhova

Empowering women and children in conflict

- 7.14. Women should be meaningfully included at all stages of addressing conflict.
- Women's participation and leadership in conflict prevention, reduction, and resolution will make these initiatives more effective and sustainable. Local women's rights organisations are often at the forefront of promoting positive change and often the first to respond to conflict and humanitarian emergencies. They are uniquely placed to act as peacebuilders, powerbrokers, crisis responders, and mediators. Women leaders should participate meaningfully in local, regional, and international efforts on conflict, displacement, and peace.
- 7.15. The impacts of conflict on women and children both appals and motivates. It is estimated that 20% to 30% of women in conflict-settings experience sexual violence. A reinvigorated global approach is needed to address violations against children in conflict. Through the Preventing Sexual Violence in Conflict Initiative (PSVI), the UK is working with our partners to end sexual violence in conflict, including pioneering work on survivor-centred approaches. Building on the PSVI Conference in November 2022, the new International Alliance on PSVI brings together affected countries, development partners, the UN, survivors, and civil society to drive concrete action.

Case study 30: Combining survivor-centred approaches and diplomacy



The UK has been a global leader on action to tackle conflict-related sexual violence since the launch of the Preventing Sexual Violence in Conflict Initiative (PSVI) in 2012. The UK PSVI Survivor Champions, Nadine Tunasi (an advocate at Survivors Speak OUT) and Kolbassia Haoussou MBE (co-founder of Survivors Speak OUT), 105 work in collaboration with the UK's PSVI Team on policy development and on the Survivor Advisory Group, a global group for survivors of conflict-related sexual violence and their families. Through

the PSVI, the UK joins with survivors to drive global change to prevent sexual violence in conflict, empower and restore survivors' dignity and seek accountability for what they have experienced.

PSVI Survivor Champions Nadine Tunasi and Kolbassia Haoussou MBE with Lord Tariq Ahmad of Wimbledon, at the PSVI Conference in November 2022, discuss how to ensure survivors remain at the heart of PSVI decision-making.

Photo credit: FCDO

De-mining

7.16. The UK government and UK civil society organisations champion demining. Innovation is required using new technologies such as drones and AI detection to survey large areas of land. Innovative financing methods are also needed to bridge the funding gap and deliver stronger outcomes. The UK is already working with United Nations Development Programme to identify innovative funding options to scale up and accelerate mine action in Ukraine. The impact of mine action in enhancing progress on the SDGs should be more clearly measured.

Case study 31: Development Impact Bond and de-mining in Cambodia

The UK's Development Investment Bond (DIB) is being trialled for the first time in the mine action in Cambodia. In Preah Vihear province, the mine action NGO 'APOPO' is working with an agricultural NGO 'Cordaid'. First APOPO clear land of landmines, and then farmers are trained by Cordaid to grow and sell organic rice at a premium. Under the DIB model, the UK will only pay out in full if the work delivers better livelihoods for the community. In the meantime, the NGOs secure private finance to pay for their activities, so that the private financiers (and not the UK) cover the risk of failure.



APOPO deminers carry a team of mine detection rats to a work site in Cambodia. Working in conjunction with their trained handlers, one rat can clear up to 400 square metres each day.

Photo credit: APOPO

The UK's commitments

International action

- 7.17. We will champion early action to prevent conflict and atrocities, using innovative technology for better foresight, nationally led prevention strategies, and strengthened UN support.
- 7.18. We will promote inclusive and sustainable resolution to conflicts, champion women peacebuilders, and work with partners and the UN to improve international stabilisation efforts.
- 7.19. We will invest in the UK's global championing of PSVI, pioneer survivor-centred approaches, and develop a new strategy on children in conflict.

National action

- 7.20. We will take a whole-of-government approach to Ukraine. We will learn lessons for work elsewhere, in countries affected by conflict. This will demonstrate the impact of bringing security and development capabilities together.
- 7.21. We will tackle the causes of insecurity, conflict and violent extremism, collaborating with industry and beneficiary nations to get ahead of technology threats including cyber, fraud and Al.
- 7.22. We will tackle the causes of radicalisation and recruitment to violent extremist organisations through our development programming.

People on the move

- 7.23. There are an estimated 281 million migrants worldwide. Forced displacement is at its highest level since 1945, with almost 110 million refugees, internally displaced and stateless people by the end of 2022. ¹⁰⁶ Around three-quarters of refugees remain displaced for more than five years. ¹⁰⁷ Three-quarters of refugees live in low-and middle-income countries. Irregular migration is a matter of growing concern in the UK and elsewhere, ¹⁰⁸ with large numbers of people making dangerous journeys, many losing their lives, and facing exploitation by people smugglers and traffickers. Since 2014, nearly 50,000 people have died while attempting to migrate, ¹⁰⁹ while those who are forced to return often experience substantial hardships upon reintegration. ¹¹⁰ Illegal migration puts a strain on communities and increases the fiscal burden on transit and destination states.
- 7.24. Our vision for 2030 is for safe, orderly and legal migration. International efforts will have reduced the incentives for migrants to undertake irregular and dangerous journeys, including those on small boats, helping break the grip of unscrupulous groups engaged in organised immigration crime, protecting lives and boosting economic growth in host regions. Potential irregular migrants who may otherwise find themselves in desperate situations and may contemplate dangerous journeys should have better options. Properly managed migration can have a positive economic impact on origin and host communities. Globally, partnerships will unlock the human capital of forcibly displaced people, bringing skills, connections, and finance to local economies and host communities. While we work towards

durable solutions, education and training will provide opportunities for refugees in protracted crises, including those in camps.

Addressing the causes of irregular migration

- 7.25. Effective development interventions can help dampen the drivers of irregular migration. They can address the root causes of an individual's decision to move, increase migrant awareness of journey risks, and strengthen borders and returns processes. The reduction of irregular migration can benefit source countries through the retention of talent. Evidence, while complex,¹¹¹ shows that migrants may change their destination in response to incentives.¹¹²
- 7.26. Social protection, education and skills training programming help countries of origin manage the economic and social drivers of irregular migration. Working with stakeholders and governments on improving border management builds partnerships that support safe and circular regular migration. Effective interventions help both receiving and sending countries maximise the economic development benefits. Building stronger, safer and more prosperous communities is at the heart of what is needed.
- 7.27. Climate adaptation interventions are needed to manage and mitigate climate-driven migration. Evidence shows that climate extremes and environmental degradation often amplify other factors driving migration. The United Nations High Commissioner for Refugees reports that an average of 21.5 million people are forcibly displaced each year by sudden onset weather-related hazards. There are many more from slow-onset threats linked to climate change.
- 7.28. **Strengthened international co-operation is needed on migration.** This includes effective partnerships with the UN (including the International Organization for Migration), with the international financial institutions, and with governments. The Global Compact for Migration provides such a framework and promotes migration policy based on what works.¹¹³
- 7.29. **Development interventions can address the causes of smuggling.** Strengthening border protection with partners helps to prevent unauthorised border crossings. Improving search and rescue capacities through the deployment of personnel, equipment and other material can help partner countries deal with irregular migration at source. Such initiatives complement other work being done overseas, and in the UK, to tackle illegal immigration. This includes the UK NCA's work to tackle organised immigration crime.
- 7.30. A comprehensive approach is needed to dismantle the mechanisms used by organised crime groups facilitating irregular migration. International organised immigration crime is exceptionally complex, with criminal networks making huge illicit profits. A whole-of-route approach is required, from source to destination countries. This involves enhancing capacity and capability to tackle immigration crime along routes, disrupting criminal business models, targeting illicit profits, and preventing the facilitation of dangerous and illegal journeys which endanger people's lives.

Forced displacement

- 7.31. Coherent global action on forced displacement must be stepped up. The Global Compact on Refugees sets out a vision for equitable sharing of responsibility for hosting and supporting forcibly displaced people. The UN Secretary-General's Action Agenda on Internal Displacement provides an approach to address internal displacement crises. These mechanisms can be used to drive change in the multilateral system, including more effective use of the World Bank's Window for Host Communities and Refugees.¹¹⁴
- 7.32. Innovative approaches can improve development outcomes in situations of protracted displacement. Refugees and internally displaced people should be included in national systems where possible. Refugee compacts such as the UK-championed Jordan Compact¹¹⁵ support transition from humanitarian to development-led responses, and inclusive growth for both host and refugee communities. Compacts are bolstered by mobilising concessional financing, private capital and beyond-aid incentives (such as trade concessions and relaxed rules of origin to stimulate markets, business growth and jobs). Policy reform partnerships with host governments create the conditions for greater private sector investment and engagement.
- 7.33. Access to education must be improved for refugee children and youth so they are safe and learning, especially the most marginalised girls. All forcibly displaced children should have access to twelve years of safe, quality education, including the most marginalised girls and those with disabilities. The UK is cumulatively the second largest contributor to Education Cannot Wait (ECW), which operates across 33 countries affected by crisis, and our support has contributed to ECW reaching almost 7 million crisis-affected children with access to education since its inception in 2017. Innovative partnerships on education in emergencies and protracted crises should help make faster progress. These include working with the private sector to provide additional education finance to LMICs who have lost access to highly concessional finance.¹¹⁶
- 7.34. **Development interventions in marginalised displaced communities should be enhanced.** Bilateral relationships with countries that host refugees can help incentivise change towards more inclusive policy environments.¹¹⁷ Private sector investment can be crowded in to support broader development goals in exchange for progress on refugee rights.¹¹⁸

Case study 32: Integrating refugee children into education in Jordan



The UK was instrumental in driving forward delivery of the Jordan Compact, designed to help Jordan host more than 670,000 registered Syrian refugees. The UK has partnered with Jordan to integrate refugee children into its education system. The UK supports an average of 143,000 children each year with a quality education, and also provides life-saving humanitarian support to 114,000 refugees per year. The UK is helping Jordan extend social

security coverage to informal Jordanian and non-Jordanian workers (including refugees), supporting 2,842 vulnerable workers in the first phase of work.

Young girls benefit from the Access and Inclusion component of the UK funded Building Resilience, Inclusion and Diversity through Girls' Education (BRIDGE) programme.

Photo credit: FCDO

The UK's commitments

International action

- 7.35. We will help deliver a more effective global approach through implementation of the Global Compact for Migration, reducing the risks and vulnerabilities faced by migrants.
- 7.36. We will champion longer-term approaches to protracted displacement and the Global Compact on Refugees, and ensure that refugee children are safe and learning, especially the most marginalised girls.

National Action

7.37. We will uphold international humanitarian, human rights and refugee law and meet our international obligations, and offer safe and legal resettlement routes to the UK for refugees fleeing conflict, as the Prime Minister has made clear.

Humanitarian action

- 7.38. Humanitarian needs are at a record high. Crises and conflicts, climate change impacts and disasters are increasingly threatening the lives and livelihoods of millions of people. As set out in the UK's Humanitarian Framework, we prioritise humanitarian assistance to people in greatest need, protect the people most at risk, and prevent and anticipate future shocks and build resilience. The UK ensures that spending decisions are informed by evidence and that our funds are allocated where they are most needed.
- 7.39. In financial year 2022 to 2023, UK bilateral support reached 13.8 million people with food aid, cash and voucher transfers to meet their immediate needs and sustain livelihoods. We are a major contributor to the UN's Central Emergency Response Fund, which allocated \$250 million to underfunded humanitarian crises in 2022. We are providing £34 million over three years to the Start Network, which delivers humanitarian assistance for underfunded and small-to-medium scale emergencies.
- 7.40. Our vision for 2030 is that humanitarian crises are diminished and prevented, humanitarian need and famine risks have reduced, and humanitarian aid is a last resort. When crises cannot be prevented, their effects will be mitigated through locally-led solutions and better preparedness, including anticipatory action. The most vulnerable will be prioritised and protected. Sustainable solutions that effectively benefit refugee populations, while reducing burdens on host governments, will be part of humanitarian strategies. We will champion resilience, adaptation and early and anticipatory action, including through our rapid response capability.

Humanitarian response and civilian protection: Protecting people in greatest need

- 7.41. Protecting and prioritising those most in need must be at the heart of humanitarian efforts. This includes women, children and young people, people with disabilities, LGBT, forcibly displaced people and ethnic and religious or belief minorities. Promoting leadership by women and girls, and by organisations representing people who have been marginalised, should be central to this approach.
- 7.42. Action must be rooted in humanitarian principles with a collective commitment to uphold and promote international humanitarian, human rights and refugee law. Upholding protective laws, principles and norms is the strongest way to protect the health, safety and dignity of people affected by conflicts and crises.
- 7.43. **Diplomatic action should be used to enhance humanitarian access.** Use of political influence and diplomatic networks in support of frontline humanitarian agencies, would help to ensure that people caught up in crises and conflict receive the protection and assistance they need. Diplomatic efforts should reflect the voices of those who most need support.

Case study 33: Afghanistan - humanitarian action and context

The Taliban's takeover of Afghanistan has fuelled a humanitarian and human rights crisis that has a disproportionate impact on women and girls. With more than 170 edicts issued, and more than 50 directly targeting women and girls, there are severe limitations on their right to work, receive an education and travel freely. The UK is at the forefront of international efforts to respond to the crisis, taking an approach that draws on diplomatic, development and humanitarian capability to mitigate the worst effects of Taliban rule.

We helped secure UN Security Council Resolution 2593, which sets out the international community's expectations of the Taliban. We co-chair with Qatar the Group of Friends of Women in Afghanistan and are supporting the extension of UN Special Rapporteur Richard Bennett's mandate to report on human rights. We worked with the UN and development partners to develop the guiding principles of a common framework to protect women's role in the humanitarian response, and a mechanism for mutual accountability for development partners and implementing organisations.

We are committed to our target of ensuring that at least 50% of UK aid to Afghanistan reaches women and girls. Our sizeable programmatic response (over £532 million in aid since April 2021) will support needs of Afghan women and girls, addressing exploitation and abuse, as well as providing vital reproductive health care services and emergency food provision. UK diplomats directly engage Taliban leaders to press for the effective provision of schooling and health services and find practical local solutions to challenges.

We support Muslim majority countries and regional partners in engaging the Taliban on the equal rights of women and girls. We will invest further to support women's full participation in all political dialogue on Afghanistan, as we support Afghan led efforts to secure a more inclusive, pluralistic future.



A midwife supported by the United Nations Population Fund (UNFPA), offers postnatal care to a mother and her newborn at the Family Health House in Arkalik village, Qaisar District, Faryab province.

Photo credit: United Nations Population Fund

- 7.44. The humanitarian system needs to give affected populations more control. Locally-led and inclusive humanitarian responses will better protect the lives and dignity of people in need. Building partnerships with affected populations, people who have been marginalised, and the organisations that represent them, will improve accountability, contribute to more sustainable development and better humanitarian action. Local and national humanitarian actors must be supported to shape humanitarian effort, making it more inclusive and locally-led.
- 7.45. Sanctions must be designed to achieve their objectives, while ensuring that they do not impede legitimate humanitarian activities. This includes ensuring that sanctions do not prevent humanitarian actors and the financial sector from conducting legitimate life-sustaining activities. In addition sanctions must not impede appropriate humanitarian payments in high-risk jurisdictions where sanctions apply.

Early warning, anticipation and prevention

- 7.46. The UN, member states, and IFIs should adopt new approaches to fund long-term needs in protracted crises and to deliver innovative approaches, as well as approaches based on evidence of what works for education in emergencies and protracted crises, including in displacement settings.
- 7.47. A shift towards risk-informed approaches to prevent and anticipate all crises will reduce their impact. This will also protect vulnerable people from future shocks and build resilience. Risk informed approaches require a focus on resilience and preparedness. Improved resilience of critical infrastructure to rebound from shocks is also needed to mitigate the impact on affected communities. This should be complemented by knowledge transfer and improved planning to scale up support available to act ahead of crises, including through social protection systems.

Disaster resilience

- 7.48. A major shift is needed in the way that low- and middle-income countries are supported to prepare for and respond to disasters. Humanitarian appeals are generally launched after a disaster has already hit. So it can be weeks or months until pledged assistance arrives. It is much quicker and more efficient to act in advance, with reliable funding assured through insurance or other arrangements that trigger automatically and disburse funds rapidly to deliver a pre-agreed contingency plan. Ideally funds will flow through existing systems, such as social protection that can be scaled up quickly to reach those in need.
- 7.49. **Pre-arranged finance, such as insurance, ensures fast disbursements and minimises economic scarring.** Countries need more support to identify the main risks they are facing and the best instruments to mitigate these risks. Responses with pre-arranged finance are much cheaper and more effective, as damage is pre-empted by acting quickly. Currently only 2.7% of global crisis finance is pre-arranged. This figure can and should be much higher.

Case study 34: How the UK is supporting early warning, anticipation and prevention



UK funding has helped to catalyse support for a new 'insurance backstop' for the International Federation of Red Cross and Red Crescent Societies' (IFRC) Disaster Response Emergency Fund (DREF). The DREF releases finance rapidly and directly, both before and immediately after a crisis hits. As both the scale of humanitarian need and the impacts of climate-linked disasters grow, the DREF must remain able to respond where and when it is needed

by better anticipating future spikes in demand as the result of future crises. The insurance backstop means that a payout is triggered at the point when expenditure on disaster responses from the DREF in any given year reaches a pre-agreed level, unlocking up to 20 million Swiss Francs in further support and enabling the IFRC to reach an estimated six million additional vulnerable people when needs surge. The DREF can act quickly to get ahead of shocks, potentially preventing them from escalating into full-blown disasters. This innovative public-private initiative was developed alongside Aon and Lloyd's Disaster Risk Facility with technical support from the Centre for Disaster Protection, showcasing UK expertise at its best.

Photo caption: The Turkish Red Crescent support those injured and evacuated during the 2023 earthquakes in Turkey, with stocks of food and basic aid items.

Photo credit: Turkish Red Crescent

- 7.50. Disaster risk financing mechanisms need to be scaled up and strengthened, with greater coverage of vulnerable populations. This includes expanding the regional insurance risk pools in Africa and the Caribbean to enable them to cover more hazards and ensure that countries and humanitarian agencies can afford the insurance they need. The Global Shield against Climate Risks will be a framework for co-ordinated action on this issue. The City of London can be the insurance market of choice for developing and underwriting pre-arranged finance, using the extensive capacity and skills available.
- 7.51. **UK Export Finance (UKEF), became the first export credit agency globally to offer climate resilient debt clauses in its direct sovereign lending.** These clauses allow a country to pause debt repayments in the event of a severe climate shock or other natural disaster, or health emergency, creating much-needed fiscal space to respond to disasters. These clauses allow a country to pause debt repayments in the event of a severe climate shock or other natural disaster, or health emergency, creating much-needed fiscal space to respond to disasters.

- 7.52. Enhancing access to climate finance would help people adapt and be more resilient to climate risk in humanitarian settings. Preventative, early and anticipatory actions should be scaled up, mitigating climate and nature risks before they become crises and providing investment to increase resilience to climate risk.
- 7.53. Science and technology could better mitigate, prepare for, and respond to crises, leading to cheaper, faster and better response efforts. Effective crisis responses require insights from a wide range of science disciplines, such as using satellite imagery with statistical modelling to help predict cholera risks. The international community should leverage these advancements to enhance decision-making and help scale up the safe and responsible use of technology in crises.

Case study 35: Using AI to make water safe for refugees



Through the UK's Humanitarian Innovation Platform, researchers worked with Médecins Sans Frontières to develop a new approach to making water safe to drink for refugees. Waterborne disease is often the largest cause of illness and death in refugee camps, but standardised approaches to chlorination can fail to ensure that water is safe to drink. Large datasets and AI were used to give accurate chlorination instructions, and gave 97.3% of households protection from waterborne diseases

compared to 50% of households using standard methods.

This UK financed, Al enabled approach, has benefited at least 465,000 people in Bangladesh, Central African Republic, Jordan, Nigeria, Rwanda, Somalia, South Sudan, Syria, Tanzania and Uganda. It is being scaled up globally for water safety monitoring and programming in humanitarian settings.

An engineer checks water safety in Jamam refugee camp, South Sudan.

Photo credit: Syed Imran Ali

The UK's commitments

International action

7.54. We will play our part in energising the ongoing reform of the international humanitarian system, including the UN agencies and the Red Cross Movement through our core multi-year funding, so that the system prioritises scarce humanitarian assistance reaching those in the most severe need, works effectively with development and peacebuilding partners to anticipate and prevent humanitarian crises, and protects and delivers for people in need.

- 7.55. We will work with allies and partners to improve humanitarian access in support of frontline humanitarian agencies and crisis-affected populations through our political and diplomatic influence.
- 7.56. We will implement and scale the new "Global Shield against Climate Risks" to expand the coverage of disaster risk financing for vulnerable populations. We will support the evolution of the regional risk pools to provide disaster risk finance at scale.
- 7.57. We will champion the use of climate resilient debt clauses by all official, private and multilateral creditors to ensure that vulnerable countries are more fiscally resilient to natural disasters and pandemics.
- 7.58. We will champion increased access to climate finance for premiums and capital for the regional risk pools, to cover more people against climate risk.

National action

- 7.59. We will make budgetary provision to spend £1 billion on humanitarian need in financial year 2024-2025.
- 7.60. Alongside our humanitarian spend we will scope a separate fund of up to 15% of our humanitarian provision to allow us to build in resilience and adaptation alongside delivery of humanitarian relief. This will reduce the impact of future disasters, helping people directly affected to prepare and adapt.
- 7.61. **We will promote locally-led and inclusive solutions**, and push for a humanitarian system that is principled, needs based, more accountable, and anticipatory.
- 7.62. We will make greater use of pre-arranged finance, such as insurance and other support for early and anticipatory action. This will help reduce the impact of climate change on the poorest and most vulnerable.
- 7.63. We will establish a UK Humanitarian Crisis Response Fund to enable rapid responses to humanitarian emergencies as part of a cross-UK Government effort, including through specialist technical expertise, search and rescue, and emergency medical teams.
- 7.64. We will provide countries with independent advice to identify the main risks they are facing and access the right solutions and finance to respond. We will do this through support to the Global Shield, and the Centre for Disaster Protection, solely funded by the UK and the go-to resource for information on disaster risk financing.
- 7.65. We will partner with the City of London insurance market to develop and underwrite pre-arranged deals for finance to manage disaster risks. We will ensure that UK brokers are involved in deals that build confidence, trust and drive value for money, enabling more public private partnerships.
- 7.66. We will bring forward legislation when parliamentary time allows to introduce a tailored humanitarian 'exception' across the UK's financial sanctions.

Ending hunger and malnutrition, and building resilient food systems

- 7.67. The world is facing a food security and hunger crisis. Low- and middle-income countries are worst affected.¹¹⁹ The crisis is driven by conflict, climate change, the economic impact of the pandemic and global food market volatility. It is made worse by low growth in agriculture and partial integration into the global market in some countries, which constrains availability and access to food for many. Malnutrition affects one in three people worldwide. Food-related conflict and instability, including land disputes, has increased significantly over the last decade, with a further sharp rise in 2022 as many countries faced rapid food price increases.¹²⁰ More than 40% of the world's population cannot afford a healthy diet.¹²¹
- 7.68. Our vision for 2030 is for a food-secure future (SDG 2). Building on the UK-hosted Global Food Security Summit, we want to see a world where chronic and acute food insecurity and malnutrition, and associated disease and deaths, are significantly reduced, and preferably, eliminated. The frequency and impact of food security crises and famine will reduce, with action to tackle the instability and conflicts that often drive them. Healthy and nutritious diets will be available and affordable for all, including women and girls, who often fare the worst. Food and agriculture systems will be resilient and growing populations will be well nourished. Agriculture will be a pathway out of poverty adapting to climate change, supporting sustainable land use, and respecting nature.¹²²

Food security and nutrition

- 7.69. The international system must respond better and earlier to food security crises. Those involved in humanitarian, development, peacebuilding and climate action will need to strengthen how they work together.
- 7.70. Improved anticipatory approaches would mean that assistance can be delivered ahead of crises. This will ensure resilience to shocks through basic services, and ensure social protection systems are ready to be scaled up before food insecurity crises worsen.
- 7.71. In parallel, efforts are needed to prevent, prepare for and (re)build resilience to food insecurity. Prevention of food insecurity would be increased by strengthening evidence, data gathering and analysis on food security and nutrition, and promoting the use of Al to increase scale, speed, frequency and confidence level of analysis.
- 7.72. All available levers should be used to prevent food security being used as a weapon of war. This means engaging international institutions and using political influence to reduce market volatility, and deal with conflicts that drive food crises.
- 7.73. Open and transparent markets should be championed to support stable food trade, not least from Ukraine, to minimise the impact of global supply shocks caused by war, climate change and climate related shocks, all of which affect the availability and affordability of food for the most vulnerable.
- 7.74. A new Global Compact on Nutrition, and a greater focus on accountability, would contribute to a step change in global efforts. A global consensus would make nutrition an integral part of investments in poverty reduction, economic growth, health, food security, climate and nature ensuring greater coherence and maximising impact. Building on the

Access to Nutrition Initiative, an enhanced global partnership would drive accountability on nutrition across the food industry. Through the UK-hosted Global Food Security Summit, the UK will work with international partners to help deliver accountability for food security and nutrition programmes and investments.

7.75. Innovation in financing, prevention and treatment would support increased action to prevent death and disability from 'child wasting,' the most lethal form of malnutrition. The UK will work with the UN and other partners to build on the early successes of the Child Nutrition Fund.

Case study 36: Nutrition in Bangladesh

In September 2020, the UK launched a five-year partnership with UNICEF, working in nine countries including Bangladesh, on the prevention and treatment of child wasting, the deadliest form of malnutrition. The partnership is trialling new formulations of ready-to-use therapeutic foods (RUTF), to make these lifesaving products more affordable for countries with limited health budgets.

Rabiya and her twins, born in the Rohingya refugee camps of Cox's Bazar, Bangladesh in October 2022, are among those who have benefited. A few months after their birth, Rabiya noticed that her babies were smaller than other babies and were often falling ill. She took the babies to a nearby nutrition facility where health workers assessed them and found they were severely and acutely malnourished. The nutrition workers counselled Rabiya on best feeding practices and, with Rabiya's consent, the twins were enrolled in an effectiveness trial for a new RUTF to supplement breastfeeding, as part of the UK and Bangladesh UNICEF partnership work.

The twins showed a positive appetite from their first taste. After five follow-up visits and further counselling, the twins showed signs of improved health, with their weight increasing. "She used to get fevers and chills before," says Rabiya, "That does not happen anymore. And he has grown a lot bigger. I know they are growing healthier."



An infant and young child feeding counsellor helps deliver RUTF to twin babies, being fed therapeutic food at a UNICEF-supported nutrition facility in the Rohingya refugee camps.

Photo credit: @UNICEF Bangladesh/2023/Lateef

Food systems transformation

- 7.76. Agriculture sector growth can be one of the most effective ways of reducing poverty in low-income countries. While long-term growth will depend on industrialisation or growth in other sectors, increased agricultural productivity centred on the smallholder farming sector, and backed by secure land tenure, creates jobs, improves local food security and spreads growth more evenly. Agriculture transformations that are climate resilient, that facilitate nutritious diets, and contribute to sustainable land and water use provide a vital safety net to the rural poor. Sustainable and climate resilient aquaculture and fisheries are also vital for food security and poverty alleviation in ocean dependent countries.
- 7.77. It will be vital to invest in new technologies and innovation for agriculture and food systems 'Agriculture 4.0'¹²³ to increase sustainable, climate resilient food production. Science and technology that low- and middle-income countries can access, will drive the transition to low emission, climate resilient and sustainable agriculture. The UK supports this agenda through initiatives like the CGIAR (formerly the Consultative Group for International Agricultural Research)¹²⁴ and the UK-led Gilbert Initiative,¹²⁵ with UK science and innovation developing new crops and ensuring climate resilient food systems, including through applications where the UK has a comparative advantage, such as Al and genomics.¹²⁶
- 7.78. Demand driven research,¹²⁷ focused on the needs of the lowest income rural communities, will help encourage the adoption of new technology at scale. This could include climate-adapted crops, low emission innovations in livestock, digital climate advisory services and alternative fertilisers. The UK is launching a new UK CGIAR science collaboration centre to strengthen science partnerships, and impact through climate resilient and nutritious crops, and more sustainable and resilient agricultural practices. UK consumers and farmers benefit from CGIAR research, through sustained improvements in global and UK crop yields, which reduce food prices.¹²⁸
- 7.79. Development investment including climate finance and private investment should be increased and provided in a way that works for SMEs and smallholder farmers. Investment should meet climate and environment sustainability criteria and be better focused on national and regional investment priorities. UK Government support for AgDevCo has helped it become a leading agribusiness impact investor in Africa, generating direct benefits for more than 1 million smallholder farmers, enabling further growth of nutritious food across the region and increasing women's economic participation. Strategic and sustainable, agriculture-related infrastructure, such as cold chain, on-farm storage solutions, and food safety testing equipment, will reduce loss and waste and help develop value chains and regional food markets.

Case study 37: Strengthening food systems in Africa

The UK has partnered with AGRA help stimulate food trade within Africa. Africa will need to feed 2.2 billion people by 2050. Meeting this extra demand will require food systems to be more productive, climate resilient, and market oriented. We are working with African companies to increase continental food trade and integrate smallholder farmers as suppliers. In the last four years, we have helped more than 100 companies to increase exports, benefiting nearly 700,000 farmers. This includes improved storage solutions, data infrastructure and business environment. We work with governments to improve the predictability of policies that affect food trade. Dialogue and lesson learning are important for the transformation agenda. One example is the annual Africa Food Systems Forum which AGRA convenes. The 2023 forum in Tanzania highlighted the importance of political commitment, regional market integration and policy coherence to transform food systems.



Women process rice in Kano State, Nigeria.

Photo credit – GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit)/CARI (Central Agricultural Research Unit)

7.80. Strengthened co-ordination and locally-led action are needed to transform the food system, benefiting people, planet and prosperity. An example is the post-Malabo/Comprehensive Africa Agricultural Development Programme (CAADP) process in Africa. This is a continental initiative to help eliminate hunger and reduce poverty through agriculture-led development. Closer alignment is needed between international partners, including between the Rome-based UN Agencies (Food and Agriculture Organisation, International Fund for Agricultural Development, World Food Programme), and collaboration on food and agriculture with the World Bank Group, other international finance institutions and UN agencies. 131

The UK's commitments

International action

- 7.81. We will mobilise the international system to anticipate and prevent food security crises, including through use of AI, strengthening resilience to shocks, and galvanising action to achieve zero hunger and end malnutrition, building on the UK-hosted Global Food Security Summit.
- 7.82. We will inspire agricultural and food system transformation, including by mobilising investment in climate and nature smart agriculture, supporting strong land governance, and backing initiatives such as the AU's Post-Malabo/CAADP process to end hunger and deliver growth.
- 7.83. **We will champion a new Global Compact on Nutrition**, mainstreaming nutrition in our food and agriculture programmes, encouraging food industry accountability, and scaling up work on child malnutrition.

National action

7.84. We will invest in agricultural technology and innovation to address the global challenges of food security, climate change and nature, in particular by delivering new international science partnerships.



Chapter 8: Harnessing innovation and digital transformation

8.1. Research, innovation and new technologies are a key part of reducing poverty and enabling the green energy transition. Mobile telephones and expanding internet access are responsible for rapid gains in all aspects of development. Digital innovation has spurred financial inclusion, ¹³² increasing access to financial services and empowering women. New vaccines and medicines, and innovations in education, agriculture and social protection, have saved lives and spurred faster progress. Low-cost solar power now means that thousands of children have light to do their homework, and businesses have power to increase their productivity.

Collaboration and research

8.2. At the midpoint of the SDGs, to accelerate progress to 2030, we need a collective global mobilisation of scientific expertise, research and innovation. This includes enabling countries to leapfrog carbon-intensive phases of industrial development; using innovation and technology to tackle poverty, create jobs and sustainable economic growth. It means addressing biodiversity loss and harnessing nature-based solutions, and being better prepared for and more resilient to the impacts of climate change, including to avert future humanitarian crises. It means driving breakthroughs in and ensuring access to affordable life-saving health technologies; having healthy and educated populations and delivering 'One Health' approaches. It requires empowering women and other marginalised groups.

Solutions

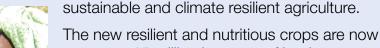
- 8.3. Science and research partnerships that are led, by and with, low- and middle-income countries, and that focus on mutually agreed priorities, can deliver significant impact.

 134 Long-term, predictable commitment, secure funding and less bureaucratic open competition would increase the ability of researchers to generate locally relevant high-quality evidence and insights, to inform evidence-based national policy and investments.
- 8.4. Research partnerships that bring together multiple countries and both university and private sector expertise, produce game-changing technologies, innovations and evidence, benefiting hundreds of millions of people in lower-income countries. The UK's International Science Partnerships Fund is an example of how we can foster prosperity by solving shared global research and innovation challenges. Genuine partnerships are essential to achieve the ambitions set out in the UK's Science and Technology Framework and the International Technology Strategy.
- 8.5. Using this approach, innovative clean energy solutions are a clear priority for research and would be game-changing. For example, creating the market conditions and battery technologies to reduce the use of polluting diesel generators across Africa would have environmental and health benefits.

- 8.6. Engineering biology, combined with digital and machine learning, could transform agriculture, food, and health.¹³⁵ This includes improving crop resilience and yields, reducing the environmental impact of agriculture, identifying new human vaccines, diagnostics and treatments, and protecting livestock from disease. Partners include the UK-based Centre for Veterinary Vaccine Innovation and Manufacturing,¹³⁶ Liverpool's Innovative Vector Control Consortium (IVCC) and the global Coalition for Epidemic Preparedness Innovations (CEPI).
- 8.7. There is an opportunity to respond more effectively to conflict and humanitarian crises by harnessing the power of Al, big data, advances in satellite technology, and mobile access. This includes providing civilians with advanced warning of drone attacks and preparing for predicted droughts or floods, saving both lives and money.
- 8.8. The UK is working to expand access to the peaceful uses of nuclear technology, and support to the International Atomic Energy Agency, to develop and deliver new technologies and approaches towards overcoming development challenges including on food and water security, health and environment.

Case study 38: Breeding and scaling climate resilient crops

Over the past 10 years, with UK support, the international organisation CGIAR has bred and distributed better varieties of sorghum and millet, using the priceless crop diversity conserved in the CGIAR gene banks. These varieties are faster growing, more productive, and have greater resistance to drought, heat and diseases. They are also highly nutritious, with higher levels of protein than conventional cereal crops. These crops have a critical role to play in the switch to farming that is more resilient and sustainable, and can improve incomes and nutrition. If used in conjunction with farming practices to manage soil health and water resources sustainably, these crops will play a critical role in the switch to





grown on 15 million hectares of land, an area the size of England and Wales combined. They have helped 19 million people, 50% of whom are women, become more food secure. They have also helped 38 million people (48% women) meet their dietary protein requirements through the supply of additional nutrients.

Peninah Mwangangi is a leading light in the Kyanika Women's Group in Kitui, eastern Kenya, and plays a leading role in conserving local landraces of a variety of crops. Here she shows some sorghum that the group is conserving.

Photo credit: Bioversity International CGIAR

8.9. Research to identify what does and does not work in development is critical to shaping effective policy. There is strong evidence on what works to halve domestic violence. Such 'what works' evidence forms the backbone of an effective UK international development approach, as well as that of our development partners.

The UK's commitments

National action

- 8.10. We will strengthen our bilateral science and technology partnerships with lowand middle-income countries. We will expand our investments and UK private sector support to southern-led, equitable research and innovation initiatives, tapping into the energy and ambition of early career scientists and researchers.
- 8.11. We will commit to and press for open access to scientific outputs, to ensure that scientists and policymakers everywhere can access and contribute to the latest science and evidence, given the importance of knowledge and evidence for accelerated progress.
- 8.12. We will support major international research collaborations, and work in partnership with likeminded research funders that seek to harness new solutions and cutting-edge technologies to solve the global challenges of securing food, nutrition and health security for all in the face of a changing climate.
- 8.13. We will implement the flagship R&D programme launched at the UK's AI summit, aimed at building countries' capacity to develop and apply AI responsibly, in support of development progress, with partnerships initially focused across Africa.
- 8.14. We will, in partnership with global and national meteorological offices, leverage the science expertise and leadership in UK institutions such as the Met Office, to better predict the changing climate, and use information to support millions of poor farmers and communities in 30 countries.
- 8.15. We will use the Ayrton innovation portfolio to reduce the cost, improve the performance, and integrate into markets new clean energy technologies, working with more than 700 partners worldwide.
- 8.16. We will test and use the opportunities provided by satellite data and advanced analytical techniques. These include the use of AI to allow rapid identification of conflict flashpoints, respond more pre-emptively to extreme weather events, and enable faster responses to humanitarian emergencies.
- 8.17. We will fund research that generates evidence on what works to tackle important but under-researched development challenges. These include how to deliver effective support during humanitarian crises, tackle illicit finance and reduce corruption, empower women and reduce violence, and how to scale up promising programmes.

Digital, artificial intelligence and data enabling development

- 8.18. Digital transformation has enabled many technological innovations, resulting in a significant impact on development. Mobile telephones, internet access, and solar power have driven rapid gains in all aspects of development.
- 8.19. Our vision is for inclusive, responsible, and sustainable digital transformation in low- and middle-income countries. Digital inclusion means ensuring that no-one is left behind in our increasingly digital world. But the existing digital divide means that 2.6 billion people remain offline. The benefits of digital transformation should be more evenly distributed, including equitable and sustainable access to affordable connectivity, digital skills, and locally-relevant digital content and services.
- 8.20. A safe, secure, and resilient digital environment is a global priority, as is supporting all countries to manage down the risks of an increasingly connected digital world and build trust in digital technologies. This will require a global effort to address online safety, and to build capacity for cybersecurity and cyber resilience, including combating disinformation and threats to privacy and freedom of expression.
- 8.21. **Progress requires international collaboration and investment in digital development interventions.** Digital technology is helping to close the global digital divide in low- and middle-income countries, including through digital payments, digital identification and enabling change in health, agriculture, education, trade and supply chains, and humanitarian response. We will work through the UN Secretary-General's High-Level Panel on Digital Co-operation, the UN Tech Envoy Office and the UN Global Digital Compact. The UK is well placed to play its part, building on our approach to 'Doing development in a digital world'.¹³⁸
- 8.22. Solving the problem of 'last-mile connectivity'¹³⁹ will require an international approach including the private sector and civil society, to reach the 2.6 billion people who remain offline. The UN Global Digital Compact process, which supports inclusive connectivity¹⁴⁰ and the International Telecommunication Union's global Partner2Connect initiative¹⁴¹ will be important parts of this, as will strategic initiatives like the UK's multi-country Digital Access Programme (DAP), partnerships with industry associations, and an enabling environment for private sector investment in sustainable and scalable connectivity models around the world.
- 8.23. This necessitates working collectively with global partners and the technology sector to promote digital democracy and encourage the promotion of inclusion, and the protection of human rights and fundamental freedoms, for example, through multi-stakeholder spaces that support digital democracy, such as the Freedom Online Coalition.
- 8.24. Tackling technology-facilitated gender based violence including through the 'Global Partnership for Action on Gender-Based Online Harassment and Abuse' should be a central part of our collective effort to achieve gender equality and empower all women and girls (SDG 5). The online safety and digital responsibility agenda is supported by the UN and other international partners and is a crucial matter for the global tech industry. This includes preventing illegal harmful content and behaviour on digital

platforms, for a safer digital participation of women and girls, and for all users, around the world. UK support for the Safe Online Fund seeks to make the internet safer for children, part of our global response to tackling child sexual exploitation and abuse.

- 8.25. Both the opportunities and the risks created by AI are amplified in low- and middle-income country contexts. Multi-stakeholder approaches and international partnership efforts are needed to leverage AI solutions that safely and inclusively accelerate progress towards the SDGs. This includes investing in understanding the specific benefits and risks of AI for marginalised groups, including women and girls and people living with disabilities.
- 8.26. The transformation of the delivery of public services through digital technologies, known as Digital Public Infrastructure (DPI),¹⁴³ is a rapidly growing area of international interest. DPI is likely to have considerable impact on the delivery of the SDGs. We will work together with international and country-led partners to maximise the development benefits of DPI and contribute to global DPI consensus and support.
- 8.27. **Fit-for-purpose, trustworthy and inclusive digital data should be championed.** Countries require strong national data systems, and improved capacity, to make the best decisions for their development, and to enable action and measurable progress towards 2030 goals. This will fuel progress and improve outcomes for the poorest, while tackling poverty and combating climate change and nature loss.
- 8.28. The cybersecurity capacity of governments, businesses and users in lowand middle-income countries is critical. The UK promotes investment in critical digital infrastructure, supports the use of verification mechanisms in the cyber industry, linking cyber hygiene with broader digital development, and advocating for development banks to incentivise partner countries' own investment in cybersecurity capacity.

Case study 39: Al for development in Syria

By 2018, air strikes were the largest single cause of civilian casualties in Syria since 2013,



with an estimated 80,000 killed and 375,000 injured. Sentry is a UK-supported early warning system that uses AI to identify and predict threats, saving lives by sending an early warning notification to civilians 7-10 minutes ahead of an incoming air strike. Using acoustic sensors and real-time reporters, the Sentry system provides timely and accurate situation awareness for civilians and local responders in North West Syria. Currently, the system provides warning to approximately 1.8 million civilians in northwest Syria through Sentry's broadcast, siren and social media channels.

A first responder explains the Sentry early warning information to a child in Daraa, Syria. Photo credit Sentry System

The UK's commitments

International action

- 8.29. **We will promote digital democracy**, including through supporting an open, free, global, interoperable and secure internet, and by contributing to the Freedom Online Coalition.
- 8.30. **We will unlock the data dividend for development**, by investing in international and data partnerships to improve the availability and use of data to achieve the SDGs.
- 8.31. We will work with the international community to understand their priorities and scale up support for building effective national data partnerships, matching supply and demand to unlock further investment in data and statistics.
- 8.32. We will work with the World Bank to ensure that more support is provided to governments to improve the quantity and quality of data to support the delivery of the SDGs.

National action

- 8.33. We will deliver the UK's Digital Development Strategy 2024-2030 supporting inclusive, responsible and sustainable digital transformation in low- and middle-income countries.
- 8.34. We will promote digital inclusion through a policy initiative on last-mile connectivity; and by building on our Digital Access Programme, with a focus on women and girls and marginalised groups.
- 8.35. **We will promote safe and secure digital transformation**, including through support to DPI, cybersecurity capacity-building and online safety.
- 8.36. **We will promote responsible and inclusive AI**, including through the Global Partnership on AI (GPAI) and a new flagship programme on AI for Development.
- 8.37. We will deliver technical assistance and build strategic partnerships with **National Statistical Offices**, tackling country priorities for capacity building and innovation.
- 8.38. We will support delivery of the Cape Town Global Action Plan for Sustainable Development Data.
- 8.39. We will deliver the objectives of the UK 'Statistics for the Global Good' strategy¹⁴⁴, leveraging the expertise of the UK statistics system for global action.



Chapter 9: Civil society and UK expertise

Harnessing the best of UK capability

9.1. The UK aims to be a partner of choice for development at global, national and local levels, convening and influencing, forging agreement on development action, applying technical or local contextual knowledge. This means harnessing the best British institutions, and the expertise of people across the government, civil society, universities, and the private sector, to deliver our development objectives. This chapter sets out their contribution and how the UK Government will partner with them.

UK civil society

9.2. The UK's civil society sector is one of the world's most established and vibrant. Our culture of pluralism and openness creates space for such civic action, backed by the generosity of the British people. There are 7,012 international development charities registered in the UK, ranging from 'kitchen table' charities to some of the most globally recognisable international development organisations. These charities are estimated to have raised £5.9 billion in the financial year 2020 to 2021 alone. Over 400 of these charities are connected through British Overseas NGOs for Development, or Bond, a network which brings together civil society organisations with a focus on international development, and demonstrates the power of UK civil society working together to tackle global poverty.

Case Study 40: Malaria No More

Malaria No More UK is a civil society advocacy group who have helped keep the cause of ending malaria on the UK and international agenda. Despite huge gains over the last two decades, malaria still kills a child every minute of every day. Through a combination of influencing, partnerships and campaigning, Malaria No More have kept up the pressure for action. 2017's *Malaria Must Die* campaign, launched by David Beckham, reached a billion people and paved the way for the 2018 London Malaria Summit and a commitment from Commonwealth leaders to halve malaria across the Commonwealth. Recent work has seen 23 African countries launch the 'Zero Malaria starts with me' campaign, mobilising and empowering communities to lead the fight to end malaria.

9.3. Civil society is a vital policy and programme partner for the UK and is central to achieving the SDGs. International and local civil society organisations are contributing as delivery partners, thought leaders, and independent actors in their own right.

- 9.4. **UK** civil society is an example of the benefits of an open and democratic society where people enjoy political and civic rights and freedoms. We build on this example by working to improving the enabling environment for civil society abroad so that citizens in lowand middle-income countries can engage in public benefit causes that make their lives, and the lives of others in their communities, better.
- 9.5. We will reinvigorate our approach to partnering with civil society. This will include: a new match funding offer that builds on previous and existing programmes, such as UK Aid Direct and UK Aid Match; tailored, long-term financing and capacity-strengthening support to a diverse range of CSOs in the UK and in partner countries; and support for CSOs and human rights defenders in crisis.
- 9.6. We will leverage the best of UK expertise and the UK public's generosity and support the transition to more local leadership to promote sustainable and equitable partnerships in our policy and programme work. We will operate on the principle that we double the support that these organisations have raised themselves, in appropriate areas.

British people, institutions and UK development

- 9.7. The UK has global reach through institutions that have expertise in all aspects of international development. British universities, the NHS and the UK Health Security Agency, professional and standards-setting bodies share their expertise around the world. British sports, including cricket and the Premier League, strengthen the UK's global links and promote development as part of their international work.
- 9.8. Our creative industries, and our cultural institutions and exchanges build extensive people-to-people links. Cultural and sports diplomacy provide a vital platform for engagement when other diplomatic avenues are closed. These institutions play a powerful and compelling part in UK development and our partnerships around the world. For example, the Department for Culture, Media and Sport's Cultural Protection Fund, run in partnership with the British Council, harnesses UK expertise to protect tangible and intangible heritage of vulnerable nations from the impact of conflict, crisis and climate change. Premier Skills, a partnership between the Premier League and the British Council, has provided marginalised and at-risk young people in 29 countries with the opportunities to develop skills and become better integrated into their local communities.
- 9.9. We will explore opportunities to complement the efforts of diaspora communities who are active in international development. The UK's population includes around 9.5 million people who were born outside the UK. There are around five million UK citizens living outside the country. Diaspora communities in the UK contribute significantly to the UK's economy, culture, and connections around the world. But diaspora communities also power international development through, for example, sending remittances back to their families in lower income countries; transferring knowledge and skills; scholarships and education projects; entrepreneurship and investment in business and development, creating employment opportunities; philanthropy; civic engagement; and building cultural understanding. This is a huge asset for UK international development.

Case study 41: UK scholarships

Each year the UK funds around 700 Commonwealth scholarships to individuals from 55 Commonwealth countries, and 1,500 Chevening scholarships to people with outstanding leadership skills from more than 160 countries and territories. Its 55,000 strong alumni network includes 20 former or current heads of state. Scholarships provide access a world class British education; exposing scholars to our values of democracy, openness, and equality; building a strong foundation of shared understanding between the UK and other nations; enabling international future leaders to reach their potential; and delivering solutions to global development challenges.

So far, 20 Chevening scholars have become heads of state, including four presidents: Guðni Thorlacius Jóhannesson, President of Iceland; Mokgweetsi Masisi President of Botswana; Nikenike Vurobaravu, President of Vanuatu; and Jakov Milatović, President of Montenegro.

Kyrgyz Chevening Scholar Aikanysh Saparalieva used the skills she learned at the University of Warwick to expand the international business Glovo – an on-demand delivery platform connecting SMEs, couriers and consumers – to the Kyrgyz city of Bishkek. The company has invested millions of Euros into the Kyrgyz economy, generated more than £350,000 in tax revenue so far in 2023, and around £18.5 million additional revenue for Kyrgyz SMEs. Aikanysh has also co-founded and leads the first-ever Kyrgyz e-Commerce Association, contributing to the development of new laws and policies that will encourage



more private sector investment into the country.

Dr Shadrach Dare, a Commonwealth Scholar, co-founded an NGO, the Dr Nana Gruer Health Initiative, with his PhD supervisor. Together, they have successfully improved the health outcomes of communities in the Upper East Region of Ghana through training provision for community health staff, community health infrastructure, medical equipment, and providing motorcycles as a means of transport for healthcare staff to deliver home services.

Photo credit: Professor Laurence Gruer

- 9.10. **UK media organisations have recognised global reach.** Both the BBC World Service and BBC Media Action promote international media freedom. The BBC World Service is the world's largest international news provider broadcasting news, documentaries and discussions in 42 languages. It remains the most trusted broadcaster globally and is instrumental in helping to promote the UK and its values around the world through high-quality, accurate and impartial reporting. The BBC's international charity, BBC Media Action, promotes freedom of expression and a free press, counters misinformation, and challenges prejudice. Last year, BBC Media Action reached 130 million people. In Ukraine, UK funding to BBC Media Action has provided independent media with training, equipment and other types of support to enable them to keep reporting throughout the conflict.
- 9.11. Westminster Foundation for Democracy (WFD) partners around the world to promote democracy. As the UK's leading democracy support organisation, WFD works with political parties, parliaments, CSOs and election bodies to create fairer, more inclusive, and accountable democratic systems around the world. Subject to the Public Body Review, we will increase grant in aid to WFD to expand their work to support fairer, more inclusive, and accountable democratic systems around the world.

Case study 42: British Council and international development



For almost 90 years, the British Council has supported peace and prosperity by building long-term, trusted partnerships that support mutual interests between the UK and countries worldwide. Across arts and culture, education and the English language, it builds trust in the UK and delivers quality development outcomes by supporting institutional capacity-building and skills development for

individuals. This enables young people to effect change in their own lives, which is critical to long-term change. The British Council works with partners at all levels to design and implement evidence-led, site-specific programmes, and works in more than 100 countries, including in fragile and conflict-affected contexts.

British Council's work is framed by the Sustainable Development Goals, with gender equality and women and girls' empowerment embedded across its programmes. It supports access to high-quality English language provision, removing barriers to learning and supporting English language teaching in fragile contexts. This includes training more than 2,000 Ukrainian English teachers to create a trauma-sensitive learning environment, and empowering 18,000 girls through English and digital skills in South Asia. Through partnerships in formal and non-formal education, engaging with 8.6 million people in the financial year 2022 to 2023, it builds the capacity of inclusive education systems and teaching, enables international research partnerships, helps meet increasing demand for transnational education, and supports young people in challenging environments to develop skills and act positively on global issues, including climate change and social cohesion. The British Council's English and Digital for Girls' Education (EDGE) programme develops confidence and proficiency in English, digital literacy, awareness of rights, and social skills.

It works with the arts and cultural sectors to support sustainable development, including supporting inclusive growth by strengthening creative economies. In partnership with DCMS, it delivers the Cultural Protection Fund, protecting cultural heritage at risk due to conflict or climate change. So far, it has trained more than 20,000 individuals and built the skills of local experts to preserve and protect their own cultural assets.

Girls in Pakistan improve their English and digital skills through the EDGE project.

Photo credit: British Council

Delivering through the UK Government

Investing in UK Government development capability

- 9.12. We will harness the full weight of the UK Government global diplomatic network to help shape and drive global development policy. We are increasing the number of UK development diplomats. We are working to raise the development and diplomatic confidence of all staff through targeted training programmes run by the FCDO's newly established Development Faculty. We will ensure that development resources and capabilities are shared efficiently across UK Government to achieve consistent high quality of development assistance. We are providing mandatory pre-posting training for Heads of Mission with development programme budgets above £1 million per year on programme and portfolio oversight to strengthen our effectiveness and impact.
- 9.13. **Our development expertise is the cornerstone of our new approach.** This includes our ability to lead the UK's development agenda, design, deliver and account for our ODA programming and the technical expertise we exchange with our partners. Our international development advisers are experts across many sectors. They bring experience and understanding of data and evidence to inform policy, strategy, and programmes, at global, regional, national and local levels. Our technical expertise will keep evolving to ensure that it is relevant for the development challenges of the future.
- 9.14. Our country-based staff (those employed directly by our overseas network) are essential to deliver development impact, applying their knowledge of who to work with and how. Their understanding of the local context ensures effective and sustainable delivery outcomes. We prioritise supporting their learning and development and strengthening their career pathways in development. Many country-based staff go on to leading roles in their countries' governments and civil society, so this investment also plays a role in strengthening the technical expertise in our partner countries for the future.

UK centres of expertise

9.15. The UK will harness specialist expertise from across the UK Government and beyond to work on global issues including green growth, public finance, trade, illicit finance, financial services, education, infrastructure and cities, democratic governance, climate and nature, security and rule of law, and technology. UK Centres of Expertise draw together and deploy resources from multiple sources, creating a hub of knowledge, learning and practice across a range of specific policy areas. They provide a one-stop-shop for the UK's overseas network and the countries they work with to access technical expertise and other development instruments to inform bespoke solutions to complex development problems.

Case study 43: UK Centres of Expertise

UK's longstanding support for development has come from multiple sources of expertise from the private sector, civil society organisations, think tanks and academia. It has included government entities such as the National Audit Office (NAO) and HMRC that have shared their expertise internationally with positive results. Such support has been deployed by central UK teams and by UK Government posts in partner countries. We are now seeking to harness these productive offers and build on them by coordinating more effectively, streamlining our internal structures and ensuring that support provided from the UK is clear and simple for UK Posts to navigate.

To enhance the coherence and effectiveness of our approach, we are developing UK Centres of Expertise to better curate and tailor the vast range of world leading expertise that the UK can make available in the following areas: green growth, infrastructure, trade, public finance, illicit finance, cities and infrastructure, financial services, technology, education, health and democratic governance. To date, our expertise has provided technical advice to businesses and investors, helping them to secure investments and expand business operations. This has delivered over £200 million of investment into manufacturing in Ethiopia, Senegal, Kenya, Rwanda and Nigeria, and supported more than 100,000 jobs.

UK expertise has advised on hundreds of economic policies to support improved taxation and public finance regimes, energy and other infrastructure systems among other economic reforms. We have also supported the incomes and resilience of hundreds of thousands of smallholder farmers. In time, they will work with and build lasting relationships with organisations and stakeholders across the developing world to become a central part of the UK patient development approach.



The UK's expertise advises businesses, like C&D products (Rwanda) Company Limited, a PPE producer in Rwanda employing more than 1,000 workers, on how to attract finance. As a result of our support C&D products (Rwanda) Company Limitedsecured \$2.5 million investment capital to diversify and scale its products.

UK higher education, research, science and technology

- 9.16. The UK's approach to open science improves global access to knowledge and evidence for all. The UK has pioneered open and accessible science and technology through our world-class education, science and research institutions. Through our direct research, international education and student links, and scholarships, our education, science and research institutions are part of how the UK builds its partners' expertise. Both of the first two malaria vaccines to be recommended by the WHO drew on the UK's science and health expertise, helping to save thousands of lives. The first, Mosquirix, was developed by GSK, a British company, and the second, R21, at the Jenner Institute, Oxford University.
- 9.17. The UK gathers and assesses evidence to understand what works. This includes studying how diplomatic influence can support development outcomes. We will increase our work with like-minded partners (US, Germany, UN) through the Multi-Donor Learning Partnership for Development Impact Group to improve knowledge management.
- 9.18. Learning from our partners and scientific community, we will:
- expand our investment in locally-led research and innovation partnerships. We
 will tap into the energy and drive of early career scientists and innovators across
 Africa and Asia, to develop, evaluate, test and scale locally-led solutions to pressing
 challenges. These include effective adaptation to climate change, accelerated clean energy
 access, effective models to protect nature and address pollution, and the creation of new
 employment opportunities for urban and rural youth
- support major, international research and technology collaborations and partnerships, that will develop and scale up new initiatives, evidence and cuttingedge technologies that work for people, prosperity and the planet, drawing on the power of data and digital, Al, clean energy innovation, bioengineering and other advances
- strengthen our bilateral science and technology partnerships around the world, drawing on world leading science capabilities within government and across the UK. We will collaborate and pool resources to accelerate research and innovation, and to ensure that findings translate into impacts at scale. Underpinning these commitments, we will press for open access to scientific outputs, to ensure that, in the face of immense pressures and challenges, scientists everywhere can access and contribute to the latest science and evidence

Building UKDev

- 9.19. The UK Government's legitimacy to spend taxpayers' money on international development ultimately comes from the support of the British people. We will ensure that we are accountable for what we spend and engage with the public to explain what we are doing and why. We will draw on the numerous examples and experiences that make up the story of great British international development, and use facts, data and evidence as well as human stories to explain its impact.
- 9.20. We will work with the UK development sector and engage directly with the UK public to explain the importance of development work. In doing so, we aim to increase

public awareness of and support for development as we implement the contents of this White Paper. We are proud of our work to bring greater prosperity to both the UK and the world through development.

- 9.21. We will establish a new international volunteering programme. This will be an opportunity for young people to engage internationally, complement existing, locally-led activities and support our development work across the world.
- 9.22. British institutions and the British people are integral to the impact of UK International Development (UKDev). Their role is recognised and valued by our partners around the world. The UK's contribution to global development has always been more than our ODA programming. Only with the support of British people and institutions, and by working with partners around the world, will we end extreme poverty, tackle climate change and biodiversity loss, and achieve the SDGs.

Box 8: UK International Development brand (UKDev)



Partnership

Progress

Prosperity

The new UK International Development Brand (UKDev) was launched in early 2023 by the Minister of State for Development Andrew Mitchell. The UKDev brand demonstrates the UK's commitment to working through a diverse range of partnerships to advance development progress and build widely shared prosperity.

The UKDev brand will show the world how the UK is working in partnership with countries, not only via investment in development programmes through ODA, but also through the full range of UK development partnerships and expertise.

Abbreviations

Abbreviation	Term
Al	Artificial Intelligence
AMR	Antimicrobial Resistance
ASEAN	Association of Southeast Asian Nations
AU	African Union
BII	British International Investment
CAADP	Comprehensive African Agricultural Development Programme
CAF	Capital Adequacy Framework
CbCR	Country by Country Reporting
CEPI	The Coalition for Epidemic Preparedness Innovations
CGIAR	Consultative Group for International Agricultural Research
COP	Conference of the Parties
CSOs	Civil Society Organisations
DFIs	Development Finance Institutions
DPI	Digital Public Infrastructure
DSF	Debt Sustainability Framework
ECA	Export Credit Agencies
ECW	Education Cannot Wait
FATF	Financial Action Taskforce
FCAS	Fragile and Conflict Affected States
FCDO	Foreign, Commonwealth and Development Office
FDI	Foreign Direct Investment
FGM	Female Genital Mutilation
FoRB	Freedom of Freedom of Religion or Belief
FSD Africa	Financial Sector Deepening Africa
GAMRIF	Global Anti-Microbial Resistance Innovation Fund
GAVI	Gavi, the Vaccine Alliance
GDP	Gross Domestic Product
GNI	Gross National Income
GWh	Gigawatt Hour
HIV	Human Immunodeficiency Virus
HMRC	His Majesty's Revenue and Customs
IBRD	International Bank for Reconstruction and Development
IDA	International Development Association
IFIs	International Financial Institutions

IMF	International Monetary Fund
INGOs	International Non-governmental Organisations
IOM	International Organisation for Migration
JETPs	Just Energy Transition Partnerships
LDCs	Least Developed Countries
LGBT	Lesbian, Gay, Bisexual, and Transgender
LMICs	Lower Middle-Income Countries
MDBs	Multilateral Development Banks
MOBILIST	Mobilising Institutional Capital Through Listed Product Structures Programme
MVPs	Majority Voting Provisions
NCA	National Crime Agency
NDC	Nationally Determined Contributions
NGO	Non-governmental organisation
OCHA	Office for the Coordination of Humanitarian Affairs
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
OTs	Overseas Territories
PGII	Partnership for Global Infrastructure and Investment
PIDG	The Private Infrastructure Development Group
PSVI	Preventing Sexual Violence in Conflict Initiative
R&D	Research and Development
SDGs	Sustainable Development Goals
SEAH	Sexual Exploitation, Abuse and Harassment
SIDS	Small Island Developing States
SMEs	Small and Medium Sized Enterprises
TCX	Currency Exchange Fund
UKDev	UK International Development
UKEF	UK Export Finance
UN	United Nations
UNFPA	United Nations Population Fund
UNICEF	United Nations International Children's Emergency Fund
USAID	United States Agency for International Development
WHO	World Health Organisation
WRO	Women's Rights Organisations
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- ¹⁴⁷ Sectoral expertise includes climate and environment, conflict, economics, education, evaluation, food and agriculture, governance, health, humanitarian, infrastructure, private sector, social development and statistics.

Contributors

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