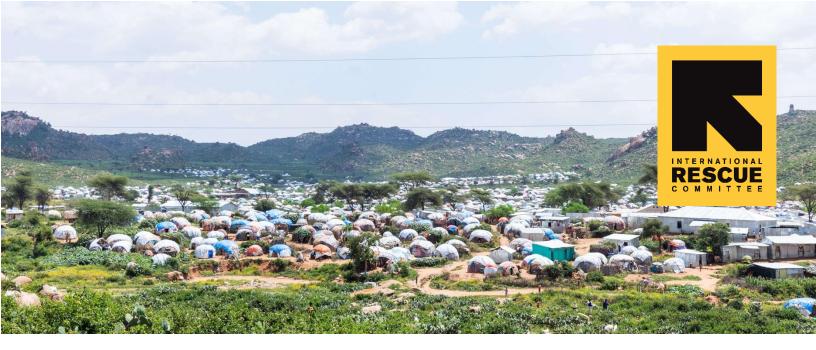


UK International Development White Paper Submission by the International Rescue Committee UK



Executive Summary

The UK and wider multilateral system must regain the trust of the Global South. Prosperity may have grown in recent decades in stable countries, but mounting crises in fragile and conflict-affected states (FCAS) threaten to undo the UK's contribution to development progress. By 2030, two thirds of those living in extreme poverty will live in FCAS. Conflict drives 80% of humanitarian need. Across many indicators, the UN's 2030 Sustainable Development Goals (SDGs) will be achieved - or missed - based on what happens next in fragile and conflict-affected states. This submission from the International Rescue Committee sets out why UK international development must focus first on those countries most left behind, and how it can do so.

Risks may be increasingly global, but resilience (or lack of it) is increasingly national. Polycrises - of climate breakdown, fragility, conflict, economic turmoil, debt and inflation - hit hardest in FCAS, but their effects do not respect borders. In many of the 20 countries on IRC's latest annual Watchlist, climate change, conflict and economic collapse combine and compound each other. Government-led public services are not always a realistic route to development: government often operates with constrained capacity, is party to conflicts, or cannot reach people outside its control. What worked in the past to lift people out of poverty in India, China and other stable settings will not work for these future epicentres of extreme poverty. With the gap continuing to grow between humanitarian need and the assistance available, a 'sticking plaster' approach in FCAS will not by itself turn the tide.

In its new White Paper, the UK should focus strategy squarely on fragile and conflict affected states and leverage its full range of development and diplomatic 'assets' - beyond humanitarian aid alone - to resolve and mitigate crisis.

In our submission, we set out eight ways the UK could do this:

- 1. Target at least 50% of UK ODA towards FCAS, where need and impact is greatest, and reduce the use of ODA by the Home Office for refugee costs within the UK;
- 2. Crowd urgently needed finance into FCAS: ensure climate finance reaches conflict-affected communities; use Britain's seat on the World Bank's Board to press for reform of its operating model; pledge additional resources during the IDA20 mid-term review; and increase the volume and proportion of British International Investment (BII) investments reaching FCAS;
- 3. Champion a feminist humanitarian approach: hardwire gender equality into humanitarian and food security strategies; partner with and fund the women-led organisations on the frontline of humanitarian response;
- 4. Prioritise partnerships with local organisations, using civil society as the default delivery channel in crisis settings where government capacity is constrained;
- 5. Take proven, cost-effective innovations to scale in FCAS: from a Simplified, Combined Protocol for tackling malnutrition through to anticipatory cash or the use of technology, Al and remote learning to improve education outcomes;
- 6. Support the UK's scientific community, universities and research and development institutions to unlock and test new innovations that help solve crises in FCAS:
- 7. Drive **reform in the humanitarian system**: build support for the reinvigorated UN Secretary General's High Level Task Force on Preventing Famine (HLTF) and establish a new Office for the Protection of Humanitarian Access (OPHA);
- 8. Champion FCAS' interests within COP processes and establish a UK climate innovation hub to better map risk, support early warning systems and identify alternative delivery channels.

To regain the Global South's trust, the UK and its allies must deal those countries worst hit by conflict and climate change back into the multilateral system. With a track record of humanitarian assistance, strong diplomatic and development assets, and the power to convene and mobilise around practical solutions, the UK is unusually well-positioned to lead such efforts. The White Paper is a chance to focus UK international development support sharply on the world's poorest people in FCAS. The Government should take it.

- How do partnerships need to change to restore the credibility of international development and the multilateral system and regain the trust of Global South?
- What role should the UK play in this and what specifically should we do differently?
- What should we do to ensure we are listening better to those most in need?

To regain the Global South's trust, the UK must help deal those countries worst hit by conflict, climate change and crisis back into the multilateral system, proving it can address the world's worst crises. With a track record of humanitarian assistance, strong diplomatic and development assets, and the power to convene and mobilise around practical solutions, the UK is unusually well-positioned to lead such efforts.

In crisis settings, governments often operate with constrained capacity, are party to conflicts, or cannot reach people outside its control. The UK could lead the way in working through civil society as the default delivery channel where government capacity is constrained. Making it the norm, not the exception, for funding to be directed through civil society rather than governments would constitute real "localisation".

Rebuilding trust cannot be achieved without shifting power to local organisations faster and forming effective, equitable and long-term partnerships. International Rescue Committee (IRC) research shows that when people impacted by crises have the power and resources to respond and drive lasting change, trust is built and impact scaled. Yet too often, commitment to local partnerships does not survive contact with donors' operational realities.

The UK could lead the way in promoting a comprehensive approach to 'accountability to affected populations' across its humanitarian as well as development programming. Given the UK's 2023 International Women and Girls Strategy, the UK should start by prioritising partnering – as equals - with local organisations led by, or focused on, women and other marginalised groups.

The UK could:

- Strengthen regular and structured engagement with local civil society at country level to ensure that UK priorities in each country context are grounded in the priorities of communities impacted by crises and the organisations that represent them;
- Work with local organisations and international implementing partners to identify and address specific UK policy, regulatory and process barriers that impede locally-led humanitarian response and development. For example: conduct a structured review of contracting and granting practices; carefully assess whether commercial contracts are appropriate; review compliance requirements to ensure they are fit for purpose and proportionate; mandate local partner Non-Project Atrributable Costs (NPAC); and improve transparency and reliability of procurement plans and funding opportunities.
- Pilot new models of priority setting and resource allocation, driven by the demands of communities and clients (beneficiaries);

- Increase multi-year flexible funding to enable INGOs to partner long-term with and fund local organisations;
- Drive reform in the humanitarian system, for example pressing UN OCHA's Country Based Pool Funds to hit localisation targets;
- Share risk with organisations the UK funds, minimising the transfer of financial and fiduciary risks to those organisations.

Beyond funding, humanitarian interventions must become better informed by and accountable to women and girls in crises, and local women-led organisations (WLOs) must be better included in program design and strategic decision making.

The priorities, preferences and feedback of people affected by crisis must shape the priorities and approaches not only of the UK Government, but also its funding recipients.

The UK could:

- Only set funding priorities after meaningful, inclusive engagement at country level to understand the priorities, preferences and feedback of those most in need.
- Work with all organisations funded through UK ODA to ensure project designs respond to the priorities and preferences of clients, including how they accommodate preferences of women and girls; people living with disabilities; older people, children and adolescents; and other potentially marginalised groups.
- Earmark specific budget in projects for effective feedback mechanisms throughout the lifetime of the project, including for specifically engaging potentially marginalised groups.
- Include clients in interpreting data and developing solutions that respond to their feedback.
- Make funding agreements more flexible to allow partners to easily adapt projects to feedback, without going through onerous contractual changes.

- What are the specific innovative proposals that can accelerate progress in international development?
- What initiatives, policies, partnerships, or technologies could result in accelerated progress?
- Are there big ideas on which the UK is particularly well placed to play a role?

Malnutrition

Despite having an evidence-based, effective way of treating malnourished children, 4 out of 5 acutely malnourished children cannot access Ready-to-Use Therapeutic Food (RUTF). The current global system for treating wasting - reliant on divided approaches between moderate and severe acute malnutrition - is unnecessarily complex, heavily reliant on distant health centres, underfinanced, siloed, and challenging to scale.

A simplified system, in the hands of parents and community health workers, who use a simple upper arm circumference tape to diagnose acute malnutrition, and administer one or two doses of Ready to Use Therapeutic Food (RUTF) per day depending on whether the case is severe or moderate, would be transformational, IRC's research shows more children can be reached for the same money; in Mali, a pilot among 27,500 children showed a 92% success rate, with a cost saving of 30%.

As the host of November's Global Food Security and Nutrition Event, the UK could catalyse adoption of simplified treatment protocols and bring RUTF access to scale in three critical areas:

- 1. Global Pooled Fund: The UK should ensure the creation of a transparent, locally-led and inclusive pooled funding mechanism for nutrition, with government and private investment to fund treatment at scale and cover RUTF costs.
- 2. Global Policy Change: The UK should support the operationalisation of new WHO guidelines, ensuring programming promotes scale, simplification, and efficiency, and bolsters the role of community health workers. The UK should advocate for clear criteria and evidence thresholds required by WHO for future reviews, which could accelerate endorsement of effective, cost-effective adaptations and shift policy at the country/national level.
- 3. New Product Formulas for RUTF: One of the biggest obstacles to malnutrition programmes is accessing sufficient quantities of RUTF at the right time. The product is often in short supply; there are long, unpredictable lead times from producer to health facility; and the product is expensive. One of the most impactful investments is developing and testing new alternative product formulas, for example non-dairy and/or peanut free that can be produced by local producers, to remove pricing barriers and increase geographic availability.

Education

There are 224m crisis-affected school-aged children around the world, including 72m who are out of school. Natural disasters disrupt the education of almost 40m children a year. New and innovative education approaches are needed to reach Out-of-School children with core foundational skills. The UK is well-placed to lead the design of new interventions in these three areas:

- 1. Remote education interventions that reach children who cannot access formal education. Sesame Workshop and IRC's Remote Early Learning Pilot in Lebanon, under the Ahlan Simsim program, was proven to deliver substantial impact on children's language, numeracy, and social-emotional development - on par with one year in-person preschool.
- 2. Emerging technologies, like AI, that address challenges in scale, speed and quality of education in crisis, conflict and development settings and accelerate progress towards delivering lifelong learning opportunities for all. The IRC successfully piloted the integration of an AI chatbot into its education programming in Colombia to support students with their learning. We are now looking to expand our use of AI to different circumstances and for a more sustainable use case.
- 3. Climate innovations: the IRC has piloted an education and climate response in Sierra Leone, using climate data to anticipate when schools need to close due to weather events, triggering anticipatory action activities and giving access to innovative finance (parametric insurance) to ensure education systems are better prepared and children remain safe, learning and return to school quickly in the aftermath of climate events.

- What new ideas for development cooperation would make the biggest impact in, or for, low income countries?
- What are the best ideas to accelerate progress for middle income countries which still have large numbers of poor people?

The IRC's experience in low income countries suggests that two particular shifts by the UK in how it approaches humanitarian and development assistance could produce big results for those most in need.

A feminist development approach

The UK should take a feminist development approach. To more effectively address the structural causes of gender inequality and its negative impact on poverty and climate resilience the UK should prioritise gender transformative strategies that drive progress towards gender equality by proactively enabling women's leadership and economic empowerment.

A key barrier to addressing the gendered impacts of humanitarian crisis is the lack of gendered disaggregation of data on needs and outcomes/impact. Development Initiatives' annual report showed that, in 2022, only a third of UN-coordinated appeals provided information on the proportions of women and children per crisis context. The UK should disaggregate its own data and hold its partners to account on disaggregating data on humanitarian needs and impact by gender and age, in humanitarian needs overviews as well as project planning, implementation and monitoring. As a leading development donor, the UK should also incentivize an increased focus on gender equality as a guiding principle for all humanitarian funding and the use of gender and power analysis, guided by the Inter Agency Standing Committee's (IASC) Gender Equality and the Empowerment of Women and Girls Policy and Accountability Framework.

In addition, strategies to prevent famine and build long-term food security in fragile and conflict-affected states must be guided by a feminist approach that centers on the resilience and leadership of women and girls. This requires transformations to take place at individual, household, community, and society levels that improve crisis-affected women's agency and access to key resources and opportunities – in line with IRC's model for women's economic empowerment in crisis contexts.

Champion reform of the humanitarian system

The UK has a strong track record of pressing for major reforms in the global humanitarian system that result in outsized impact, and must continue to do so.

Famine responses are not just underfunded; the system for anticipating, preventing and responding to famine is failing. Responsibility is diffused, the donor base is limited, early warnings fail to spark early action, and humanitarian and development actors too often act in silos. Amid a proliferation of different global initiatives on famine and food insecurity, UK support in 2023 for IRC's proposal to reinvigorate the UN Secretary General's High Level Task Force on Preventing Famine has proved critical in giving it new focus and a new mandate. The UK should now play a leading role galvanising urgent support: for national famine action plans in the

countries most at risk; from national and local authorities in developing those plans; from financial institutions to fund and finance those plans; through diplomacy to unlock barriers on the ground; and to turn delivery plans into action.

The UK could also play a leading role in advancing systematic efforts to protect humanitarian access. With humanitarian organisations and the UN often unable to speak out, the restriction of aid - often by UN member states – is happening in the dark. Establishing an independent watchdog organisation, such as an Office for the Protection of Humanitarian Access (OPHA) (p.23), could fill this gap.

- How can Official Development Assistance (ODA) be most effectively targeted and built upon?
- How can non-ODA financing be mobilised to ensure ambitious, innovative, and transformational international development?

The UK's foreign aid budget is spent most effectively overseas in countries impacted by conflict and crisis. where need and impact are greatest. In 2022, global donors' ODA actually fell by 4.0% compared to 2021, totalling around US\$160 billion, very close to 2020 ODA levels, if in-donor refugee costs and flows to Ukraine are discounted. The severe impact of UK aid cuts in recent years is still being felt: the UK should bring back its level of ODA to the 0.7% GNI target and dedicate 50% of these resources to FCAS. Doing so will require reducing the use of ODA by the Home Office for in-country refugee costs within the UK.

The increasingly protracted nature of challenges such as conflict and displacement require longer-term and flexible funding. This means interventions are more responsive and efficient, and can adapt to evolving contexts and needs. Multi-year, predictable and flexible funding can deliver better results to people in humanitarian crises. Among other benefits, evidence shows that multi-year funding can make programme delivery more effective, lead to notable efficiency gains and contribute to gender equality.

Therefore, in addition to ringfencing 50% of ODA for FCAS, the UK should require its UN partners to disburse multiyear awards commensurate with the multiyear financing they receive. As a start, the UK could champion a target amount of multiyear, flexible funding from donors to UN agencies that should be cascaded to partners. The UK should also require better reporting from UN agencies on the percentage of multi-year financing received from donors, the percentage of multiyear financing committed to implementing partners, and the average grant length to implementing partners.

In 2010, then Secretary of State Andrew Mitchell urged British International Investment (BII, then CDC) "to be more focused on the poorest countries than any other DFI, doing the hardest things in the hardest places". Harnessing the potential of UK ODA spent through BII to crowd finance into fragile and conflict-affected states. where risk is higher but need greater, has never been more urgent than it is today: the UK should ensure BII increases the volume and proportion of investments being made in FCAS.

The unprecedented scale of needs in FCAS requires synergies among different sources of finance, and the UK can leverage ODA to secure additional non-ODA financing. The World Bank's International Development Association (IDA) provides concessional financing in the form of grants and favourable loans to LICs and LDCs that have limited access to other sources of funding due to their lack of creditworthiness and high debt. The WB has expanded IDA's budget by leveraging donors' commitments to draw resources from the market: for every dollar donors provide, IDA leverages nearly four dollars in concessional finance. IDA's business model has allowed an increase in the overall amount available to recipient countries.

To ensure that IDA is fit for purpose and can address the escalating needs in conflict-affected LDCs, the UK should increase its commitments to IDA20 for the fiscal years 2024 and 2025. In the long-term, the UK should contribute with other shareholders to triple IDA financing by 2030, as urged by the Independent Experts Group's recommendation to the G20.

However, in countries affected by conflict and crisis, delivery mechanisms are key: where government is unable or unwilling to assist those most in need, mobilising additional financing cannot achieve its intended impact without identifying effective delivery channels.

How should scientific and technological expertise, private finance and the private sector, trade and investment, civil society networks and diplomacy be engaged to support global development action and accelerate progress towards the Sustainable Development Goals (SDGs)?

Investment in fragile markets

In countries affected by conflict and crisis, responding efficiently and comprehensively to people's core needs is beyond the capacity of any one sector. New partnerships are needed to help people prevent, prepare for, and respond over time to crises, by shrinking need, maximizing impact and, crucially, attracting new sources of investment capital. Humanitarian Blended Finance can expand assistance to many more of the most vulnerable people, and improve outcomes.

Private investors and development financiers have the capital but do not have the experience of humanitarian actors working in crisis-affected contexts. The UK should support and fund organisations with on-the-ground insight and expertise to work with the private financial sector to deliver advisory services to investors operating in fragile markets. Done right, this can reduce the risk of investments, mitigate potential harm and positively impact both financial returns and humanitarian outcomes.

Cost analysis, impact and Best Use of Resources

Demand for humanitarian assistance is at an all-time high, with existing financial resources inadequate to address all areas of need. Yet the majority of humanitarian agencies do not routinely use cost data to compare the efficiency or effectiveness of different interventions and delivery models. Networks of civil society humanitarian organisations, working together with unusual actors, should increase efforts to publish cost data. Doing so provides comparative data to other organisations; increases the knowledge base; provides actionable insights into the cost-effectiveness of programming; de-stigmatises the publication of finance data in the sector; and builds an evidence base around more realistic costs in humanitarian and development contexts.

The UK, through the former Department for International Development (DFID) and now FCDO, has long championed the importance of Value for Money and maximising impact per taxpayer pound. The UK could build on this to work with humanitarian and development organisations and others to prioritise cost-efficiency analyses and studies. For example, DFID previously supported the creation of IRC's pioneering 'Best Use of Resources' team in 2015. Support has helped the IRC to recently launch a costing website that includes a library of over 400 cost-efficiency analyses, 20 cost-effectiveness analyses, as well as publications, ingredients lists and analysis workbooks for cost-efficiency, cost-effectiveness and scenario models.

- How can progress on tackling ending poverty, economic growth, and the challenges of climate change be best brought together, in the context of Agenda 2030 (including building resilience, adaptation, and sustainable growth)?
- How can the opportunities be maximised? How can the limits and trade-offs be managed?

Climate change, extreme poverty, and conflict are converging and becoming increasingly concentrated in a handful of states. By 2030, the target date for the SDGs, more than two-thirds of the world's extreme poor will live in fragile and conflict-affected states. Communities in conflict-affected states stand on the frontlines of the climate crisis: they are exposed particularly frequently to climate impacts such as drought and flooding. 121 million people, equivalent to 41% of the global total affected by natural disasters in the last three years, were in just 15 conflict-affected countries. In climate vulnerable conflict-affected countries, 163 in 1,000 people have been affected by a natural disaster, compared to just 37 on average globally.

Yet these countries are left behind in global efforts on climate action and receive proportionately less funding. UNDP research shows that the more fragile a country is, the less climate finance it will receive. In 2020, climate financing per capita for conflict-affected countries was a third of what other countries received.

To make progress on the SDGs where it is most needed, climate action and finance must prioritise support for conflict-affected climate vulnerable countries. The UK can bring particular strengths to bear: as recent president of COP26, it can champion support for FCAS across UNFCCC workstreams and processes. With many tens of thousands of people working on climate change alone in the UK, and climate and environment issues galvanising the British public's support for ODA, the UK is well-positioned to lead and innovate in this space.

The Government could establish a UK climate innovation hub to crowd in expertise, funding and research in support of climate vulnerable conflict-affected countries. Specifically, the UK could:

- **Develop better tools for mapping risk** at national, subnational and community levels, identifying the types of sudden onset shocks and long-term climate trends impacting these communities and how these trends overlay against the local political economy, societal fractures, and conflict dynamics.
- Increase climate financing and channel a greater share towards adaptation efforts and conflictaffected communities. The UK should provide more grant-based, flexible and easy to access financing for climate-vulnerable, conflict-affected countries. Despite current fiscal constraints, this should be additional to ODA and not at the expense of other priorities.
- Work with climate finance contributors (such as the World Bank) to shift from a "government-first" to a "people-first" model of climate financing, by creating more opportunities to work with non-sovereign

delivery partners who often have the greatest access and capacity in conflict settings to communities in need.

- Test and scale solutions that protect people against cycles of under-development, violence, and displacement, exacerbated by the climate crisis. This includes investing in climate-resilient agriculture, seed security, and scaling up of community-based disaster-risk reduction such as early-warning systems. New research from a recent IRC anticipatory cash pilot study in Nigeria, for example, suggests there could be benefits to sending cash ahead of climate disasters (full report here).
- Integrate climate preparedness and response effectively across different thematic areas of FCDO's work (e.g. education, health, etc.) and think beyond sectors such as agriculture.

- What are the top priorities for strengthening multilateral effectiveness in international development?
- What are the issues and challenges most suited to bilateral cooperation (considering all levers)?

In a 2022 Chatham House speech, the IRC's President and CEO David Miliband argued of the UK that "since we are no longer in a position to be a super-power or super-connector, we can be a super-charger on key issues." Strengthening the effectiveness of the multilateral system to work better for fragile and conflict-affected states is one key area where the UK can play exactly this role.

Reform of the World Bank should be a top UK priority. Humanitarian aid may be irreplaceable in meeting immediate needs, but a complementary development approach is crucial in addressing medium- and long-term challenges. The World Bank has an impressive track record lifting people out of poverty and has stepped up its engagement in conflict settings with a Fragile, Conflict and Violence (FCV) Strategy and new financing via the International Development Association (IDA). The Bank tripled the share of IDA financing for fragile and conflict-affected countries between 2012 and 2022. Nevertheless, tackling extreme poverty in FCAS is still relatively new territory.

Nevertheless, the Bank has faced difficulties maximising the impact of its projects in conflict-affected Least Developed Countries (LDCs). The Bank's own criteria to determine funding allocations can disadvantage conflict-affected LDCs, while the Bank's model of government-first partnerships is limited by lack of state capacity, insecurity, and constraints on access in these settings. The Bank's low risk tolerance can prevent it from responding to violence and insecurity in conflict-affected LDCs. Such challenges can inhibit the Bank reaching the clients that its projects are intended to serve.

As a major World Bank shareholder and with a seat on the Board of Directors, the UK is well-positioned to push for reforms that maximise the International Development Association (IDA)'s impact in fragile and conflict affected states. In line with the recommendations of a new IRC briefing, the UK should push for reform of the Bank's operating model in FCAS and for an increase in IDA funding to deliver it. In the near term, the UK should:

- Scale commitments to IDA20, with a view to tripling IDA finance by 2030. IDA funding remains the largest single source of development finance for LDCs and accessible to Fragile, Conflict-Affected and Violent states (FCVs). With donor contributions to IDA declining but demand increasing, it is vital that IDA keeps pace. The G20 Independent Experts Group (IEG) has urged a tripling in levels of IDA by 2030. At the World Bank Annual Meetings and during the IDA20 mid-term review (December 2023), the UK should pledge additional resources and urge other shareholders to follow suit.
- Press the World Bank to endorse a "people-first model," by formally recognizing non-government partnerships as part of the World Bank's operating model in the Evolution Roadmap. There is a spectrum of partnerships to embrace beyond a government-only model: the Bank could encourage and incentivise governments to contract out to partners; support hybrid operating models; provide direct financing for nongovernments partnerships at scale; and expand the role of NGOs - and especially women-led organisations - in program design and evaluation.



CONTACT US

International Rescue Committee UK

100 Wood Street, Barbican, London EC2V 7AN

kirsty.ryan@rescue.org mark.nowottny@rescue.org

The International Rescue Committee (IRC) helps people whose lives have been shattered by conflict and disaster to survive, recover and rebuild.

Founded in 1933 at the call of Albert Einstein, we now work in over 40 crisis-affected countries as well as communities throughout Europe and the Americas.

Ingenuity, fortitude and optimism remain at the heart of who we are. We deliver lasting impact by providing health care, helping children learn, and empowering individuals and communities to become self-reliant, always with a focus on the unique needs of women

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