

The Department for International Development (DFID) leads the UK's global efforts to end extreme poverty, deliver the Global Goals for Sustainable Development (SDGs) and tackle a wide range of global development challenges. The UK's focus and international leadership on economic development is a vital part of Global Britain - harnessing the potential of new trade relationships, creating jobs and channelling investment to the world's poorest countries. Throughout history, sustained, job-creating growth has played the greatest role in lifting huge numbers of people out of grinding poverty. This is what developing countries want and is what the international system needs to help deliver. Whilst there is an urgent need for traditional aid in many parts of the world, ultimately economic development is how we will achieve the Global Goals and help countries move beyond the need for aid.

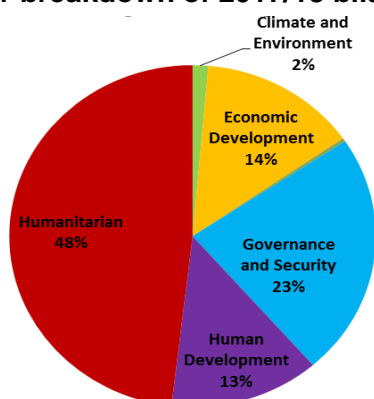
Planned Budget for 2017/18

£105m

Planned Budget for 2018/19

£118m

Sector breakdown of 2017/18 bilateral plans



Top 3 planned spending programmes in 2017/18 (as at June 2017)

Multi-year Humanitarian Programme 2013 to 2017	£77.8m
Somalia Health and Nutrition Programme	£19.3m
Somalia Stability Fund II	£9m

Contribution to the Global Goals and other government commitments (achieved as at March 2017)*

886 thousand people with sustainable access to clean water and/or sanitation

1.2 million children under 5, women and adolescent girls reached through nutrition related interventions

16 thousand additional women and girls using modern methods of family planning

440 thousand people reached with humanitarian assistance mainly provided through cash transfers

Headline deliverables

- Building stability and institutions:** The UK is supporting the establishment of a more stable and increasingly functional federal Somalia that is working towards: increased democracy, transparency and accountability to its citizens; better management of the economy, public finances and national resources and; improved security and increased access to justice for all citizens, including women and girls.
- Humanitarian, building resilience to crises and basic services:** The UK provides timely and effective emergency aid and is helping to prepare vulnerable communities to cope in difficult situations. UK support will reach over a million people with improved access to water and sanitation and over 2 million with nutrition interventions. We are working to extend and increase access to quality basic services for the poorest and most vulnerable and we will reach 3 million people with an essential package of health services. We will help girls and women to more actively participate in personal and political decision making and to promote measures that protect them from harm. We are also challenging United Nations (UN) agencies to reform and ensure they deliver effectively for the world's most vulnerable and are achieving value for money for the UK tax payer.
- Accelerating Somalia's economic recovery.** The UK is helping Somalia to create over 10,000 jobs and boost economic growth to finance its own development, with a particular focus on women and youth. We will help the government to put in place the regulations and policies needed to create a

* Results less than 1 million are rounded to the nearest thousand. Results over 1 million are rounded to the nearest hundred thousand.

better environment for development and growth. We will finance investments in infrastructure, including energy, and work directly to increase the productivity and competitiveness of important economic sectors including livestock, agriculture and fisheries.

Why DFID is investing in Somalia

Somalia is one of the world's poorest and most fragile states and one of the most challenging operating environments in which the UK works. Improving security is a priority, including managing the threat that terrorism poses to Somalia, the region and potentially further afield. It sits at the bottom of most development league tables, with widespread poverty and inequality, very low human development indicators, endemic violence and discrimination against women and girls, a persistent humanitarian crisis, a weak economy, and a tiny public purse. Four out of five Somalis live below the national poverty line, and nearly one in 10 of Somalia's 12 million people are internally displaced as a result of conflict and humanitarian crisis. State capability and financial governance are weak, and corruption is a concern. Environmental conditions in many parts of Somalia are extreme and the effects of climate shocks add significantly to the risks to lives and livelihoods. Somalia is on the road to recovery, but it will take determined efforts on the parts of Somalis themselves and the international community. The London Conference on Somalia, hosted by the UK in May 2017, helped set the direction that these efforts should take over the coming years.

How will the UK respond to opportunities and challenges?

The UK has played, and will continue to play, a leading role in mobilising and coordinating international support for Somalia's recovery. The UK plays a leading role in the structures set up to manage aid. We will continue to deliver a substantial multi-year humanitarian programme to ensure life-saving relief such as food, water and medicine is available where and when it is needed, as well as helping Somalis to resist future shocks. Our governance programme includes a strong focus on state building and stabilisation, putting in place the building blocks for stability and accountability that are central to increasing capacity to raise and transparently manage public finances, deliver services, and oversee a growing economy. Our economic development programmes will contribute to a better managed, more inclusive economy that generates revenue, and creates jobs and livelihood opportunities, particularly for young people. Our human development programmes are helping to rebuild human resources, focusing on increasing access to better quality basic services, particularly health services for women and children. Finally, our interventions include actions to challenge social norms and other barriers that prevent women and girls taking up both economic opportunities and public services, and to help women to play a more active and influential role in both political and public life.

What is being achieved for the UK?

The UK has played, and will continue to play, a leading role in tackling instability and supporting Somalia's recovery. Instability in Somalia is a challenge to the UK's national interest in addition to being a danger to Somalis and its neighbours. The significant UK investment in Somalia's development is countering this by helping reduce the threat posed by radicalisation, terrorism, piracy and unregulated migration, which is exacerbated by the large number of internally displaced people and large refugee populations in neighbouring states. Under the right conditions, and over time, our investments in Somalia should open up increased international trade and investment opportunities, building on Somalia's reasonably good prospects for economic growth.

Partners

- Aid coordination is very important in Somalia to ensure coherence and avoid overburdening or undermining already weak government systems. In addition to other development partners, DFID Somalia works closely with a number of other UK Government departments, particularly the Foreign and Commonwealth Office, to ensure joined up achievement of UK objectives in Somalia.
- DFID Somalia programmes are implemented through a mix of partners, ensuring value for money and that we manage risks. We work through multilateral organisations, including United Nations agencies and the World Bank, Non-Governmental Organisations and private sector contractors. Decisions are made based on comparative advantage. This allows us to ensure value for money through competition. It also helps us to manage risks effectively and to be flexible and adaptable and so able to respond to the changing realities on the ground.