



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	£47m
Planned Budget for 2018/19	£59m

<p><b>Sector breakdown of 2017/18 bilateral plans</b></p> <table border="1"> <caption>Sector Breakdown Data</caption> <thead> <tr> <th>Sector</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Economic Development</td> <td>62%</td> </tr> <tr> <td>Climate and Environment</td> <td>13%</td> </tr> <tr> <td>Human Development</td> <td>10%</td> </tr> <tr> <td>Governance and Security</td> <td>8%</td> </tr> <tr> <td>Humanitarian</td> <td>5%</td> </tr> <tr> <td>Global Partnerships</td> <td>2%</td> </tr> </tbody> </table>	Sector	Percentage	Economic Development	62%	Climate and Environment	13%	Human Development	10%	Governance and Security	8%	Humanitarian	5%	Global Partnerships	2%	<p><b>Top 3 planned spending programmes in 2017/18 (as at June 2017)</b></p> <table border="1"> <tbody> <tr> <td>Climate Proofing Growth and Development in South Asia</td> <td>£6.4m</td> </tr> <tr> <td>Central Asia South Asia Electricity Transmission Project</td> <td>£5m</td> </tr> <tr> <td>Pacific Catastrophe Risk Assessment and Financing Initiative</td> <td>£4.5m</td> </tr> </tbody> </table>	Climate Proofing Growth and Development in South Asia	£6.4m	Central Asia South Asia Electricity Transmission Project	£5m	Pacific Catastrophe Risk Assessment and Financing Initiative	£4.5m
Sector	Percentage																				
Economic Development	62%																				
Climate and Environment	13%																				
Human Development	10%																				
Governance and Security	8%																				
Humanitarian	5%																				
Global Partnerships	2%																				
Climate Proofing Growth and Development in South Asia	£6.4m																				
Central Asia South Asia Electricity Transmission Project	£5m																				
Pacific Catastrophe Risk Assessment and Financing Initiative	£4.5m																				

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

UK regional support to Asia will contribute towards supplying clean energy to people in South and Central Asia (Global Goal 7). It will support inclusive growth by encouraging greater trade across borders and reducing the vulnerability of women and men to modern slavery, trafficking, exploitation and abuse (Global Goal 8). It will improve regional transport, energy and digital infrastructure (Global Goal 9). It will help 25 cities reduce the impacts of weather-related and extreme events on the urban poor, and will help communities to build more sustainable livelihoods and better manage scarce water resources (Global Goal 11).

- Headline deliverables**
- **Economic development:** By 2020, we will ensure that more people and small businesses from the poorest regions can access markets, trade, and invest across borders. We will improve up to 150 km of regional transport links, reduce transit times at selected borders by 20%, and reduce the costs of doing business across key borders by 30%.
  - **Modern slavery:** Our Work in Freedom programme has reached 170,000 women. It helps them make more informed migration decisions and reduces their risk of being trafficked. Our future work will scale this up significantly and will also address child labour in Asia.
  - **Climate change:** We will help governments design effective early warning systems to support poor and vulnerable people to adjust to the damaging effects of climate change. We will help them plan, budget, and secure finance to address the effects of a changing climate, including through disaster risk insurance. We will also work with countries to address water competition and scarcity.

**Why DFID is investing regionally in Asia**

Asia has seen significant economic growth, but the gains have not been spread evenly across countries. Many of the development, stability and growth challenges in Asia are cross-border in nature and need to be addressed as such. 330 million people still live in extreme poverty (below \$1.90 per day) in the Asia-Pacific region. Improved infrastructure, access to markets, the safe movement of people and management of shared water resource all require action at a regional level.

Our regional work in Asia will be supported by the UK's development partnership with China. The UK and

China work together on common development objectives such as helping poor countries address pandemics, recovery following natural disasters and building stronger economies in Africa.

### **How will the UK respond to opportunities and challenges?**

The Asia Regional programme is supporting a stable and more resilient region able to cope with economic and climatic shocks. We are working towards developing the region in a way such that all people, including poor and vulnerable groups, can share the benefits of growth and prosper.

Asia's rapidly growing middle class and youth population could help boost prosperity. Our programmes will help address the barriers that currently stand in the way of this, such as poor regional transport, poor energy connections and limited economic cooperation between countries.

Asia is also affected by conflict. The risks of radicalisation, instability and migration will increase if the benefits of growth are not shared, or if not enough jobs are created for Asia's growing young and urban population. These risks are increased by climate change, which leaves the poorest people most vulnerable to regional disasters. The UK will support regional approaches to climate change to protect economic growth and help the poorest better withstand disasters.

### **What is being achieved for the UK?**

DFID's work is helping create opportunities for the UK to develop a new type of partnership with Asia. By building resilience to climate change across Asia and reducing cross-border vulnerability to natural disasters and other emergencies, we are reducing the need for ongoing UK humanitarian assistance. Economic growth through trade, cross-border investment and job creation increases opportunities for the UK Government and our businesses.

### **Partners**

- We will deliver primarily through multilateral organisations, in particular the World Bank and Asian Development Bank because they have a strong track record of delivery and credibility with governments in the region. Our work aims to bring about significant additional investments from international financial institutions, other donors and the private sector.
- We will also work with other multilateral organisations (for example the International Labour Organisation), regional institutions (for example the UN Economic and Social Commission for Asia and the Pacific), regional civil society (for example the Asia Foundation) and British partners (for example the Met Office).