

DFID Management Response to the Independent Commission for Aid Impact recommendations on:

DFID's Oversight of the EU's Aid to Low-Income Countries, December 2012

ICAI Recommendation	Accept/ Reject	Action already taken	Action to be taken	Target date
<p>Recommendation 1:</p> <p>DFID should set out clearly what action is needed and how long it will take to deliver the same level of assurance on its contributions to the EU as it achieves elsewhere. This should include improvements to the performance management of EU aid and better access to EU information.</p>	Partially accept	<ul style="list-style-type: none"> DFID necessarily has to place reliance on the governance and range of oversight mechanisms in the EU, including the European Parliament and the European Court of Auditors, to provide assurance. We fully agree that the performance management framework at EuropeAid needs to be strengthened. This gap was identified by our Multilateral Aid Review and some progress has been made. The Commission's aid transparency commitment is also leading to significant improvement in access to information about EU programmes. The Secretary of State and Parliamentary Under-Secretary of State have raised this issue with EU Commissioners and we will continue to press for an agreed date by which an improved EU results framework should be operational. 	<ol style="list-style-type: none"> We will update our Multilateral Aid Review on the European Development Fund and European Commission Budget instruments which will reassess their value for money and compare performance against other multilateral organisations, including the World Bank. Request a clear timetable for implementation of an improved EU results framework from EuropeAid. 	<p>Nov 2013</p> <p>Mar 2013</p>
<p>Recommendation 2:</p> <p>DFID should give better guidance to DFID country offices on how they should contribute to EU country strategies and to existing coordination forums, so as to ensure a better combined impact from UK and EU funds and a greater focus on</p>	Accept	<ul style="list-style-type: none"> Guidance is already given to DFID's country offices on engagement with the EU in country, but we agree that this needs to be more systematic. Work has begun on a communication strategy with DFID country offices. This will need to take into account the capacities of country offices and the potential demands related to all DFID multilateral reform priorities and address the fact that DFID is not present in all countries where the 	<ol style="list-style-type: none"> Roll-out Europe Department communications strategy across DFID. Review and have implemented guidance on engaging with EU Delegations where no DFID country office is present, including through embassies where 	<p>May 2013</p> <p>Dec 2013</p>

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actual EU performance.		EU operates.	possible.	
<p>Recommendation 3:</p> <p>DFID should ensure that the EU secures on-going input from intended beneficiaries and effective intelligence on what is needed on the ground, in order to inform and challenge dialogue with recipient governments.</p>	Accept	<ul style="list-style-type: none"> We agree on the importance of good information from beneficiaries and strong social and political analysis for country programmes. We have been pressing for EU policy decisions to support this recommendation, in particular through the European Commission's October 2012 communication on 'Europe's engagement with Civil Society in external relations'. 	5. Press for guidance to be issued to EU Delegations on implementing the European Commission's communication on civil society organisations in country.	Dec 2013
<p>Recommendation 4:</p> <p>DFID should engage more actively on developing and driving through the EU's planned improvement of its risk management processes, given the potential this has for improving the impact of EU aid.</p>	Accept	<ul style="list-style-type: none"> This is a natural extension of the work DFID is doing to create a robust results framework and improve financial management systems. There has already been progress on this with the European Commission's new budget support guidelines now including an explicit risk management analysis. In addition we have pressed for more flexibility in regional programming guidelines about the choice of implementing partners. 	6. Push for the revised Development Cooperation Instrument and European Development Fund regulations, being negotiated as part of the Multi-annual Financial Framework, to enable greater responsiveness in the programming cycle.	Dec 2013