Department for International Development

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Department for International Development

Annual Report and Accounts 2014–15

HC 223

Department for International Development
Annual Report and Accounts 2014–15

Annual Report presented to Parliament pursuant to Section 1 of the International Development (Reporting and Transparency) Act 2006

Accounts presented to the House of Commons pursuant to Section 6(4) of the Government Resources and Accounts Act 2000

Accounts presented to the House of Lords by Command of Her Majesty

Ordered by the House of Commons to be printed on 16 July 2015

HC 223

OGL

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This publication is available at www.gov.uk/government/publications

Any enquiries regarding this publication should be sent to us at enquiry@dfid.gov.uk

Print ISBN 9781474119290

Web ISBN 9781474119306

ID SGD008149 07/15

Printed on paper containing 75% recycled fibre content minimum

Printed in the UK by the Williams Lea Group on behalf of the Controller of Her Majesty's Stationery Office

Contents

Headline results

By 2014–15, DFID had achieved the following results towards its commitments for 2011–15 as set out in the DFID Results Framework. Some highlights of DFID achievements across different sectors are summarised below. Further information on results is set out in Chapter 4 ‘Focusing on results’.

- **Wealth creation** – provided 68.9 million people, including 35.9 million women, with access to financial services to help them work their way out of poverty *(exceeding DFID’s commitment of 50 million)*
- **Poverty, vulnerability, nutrition and hunger** – reached 28.5 million children under 5 and pregnant women through DFID’s nutrition-relevant programmes, of whom 11.6 million were women or girls *(exceeding DFID’s commitment of 20 million)*
- **Education** – supported 11.0 million children, of whom 5.3 million were girls, in primary and lower secondary education *(meeting DFID’s commitment of 11 million)*
- **Health** – ensured that 5.1 million births took place safely with the help of nurses, midwives or doctors *(exceeding DFID’s commitment of 2 million)*
- **Water, sanitation and hygiene** – supported 62.9 million people, of whom 22.2 million were women, to access clean water, better sanitation or improved hygiene conditions through DFID’s WASH programmes *(exceeding DFID’s commitment of 60 million)*
- **Humanitarian assistance** – reached over 13 million people with emergency food assistance, including 5.5 million women or girls, through DFID support
- **Governance and security** – supported freer and fairer elections in 13 countries in which 162.1 million people voted *(meeting DFID’s commitment of 13 countries)*
- **Climate change** – supported 14.6 million people to cope with the effects of climate change

Some highlights of results delivered through the multilateral organisations that DFID supports are shown below. Further information on DFID’s work with multilaterals is included in Chapter 5 ‘Delivering through multilateral organisations’.

- In 2014 the Global Fund to Fight AIDS, Tuberculosis and Malaria distributed 87 million insecticide-treated bednets
- Between April 2014 and March 2015, the International Development Association provided 27.8 million people with access to improved water sources
- In 2014 the Asian Development Bank trained 476,000 teachers

Foreword by the Secretary of State

In 2014–15 Britain continued to lead the world on international development. Our development programmes and humanitarian responses have no equal for their breadth, speed, innovation and effectiveness. We are achieving incredible results for the poorest people on the planet, helping people to lift themselves out of poverty and end dependency on aid. Ultimately our goal is to create a more levelled-up world where, whoever you are and no matter where you are born, you have a chance to succeed.

The work of the Department for International Development is just as vital for protecting and promoting British interests on the global stage. It has never been clearer that our national security and long-term economic prosperity depend on greater prosperity and security in the wider world. Improving the lives of the world's poorest people is ultimately the best long-term solution for dealing with the root causes of problems that affect us here, such as disease, migration, terrorism and climate change. On prosperity, driving jobs and growth overseas is critical for supporting the markets of the future for British business overseas. By supporting rights for girls and women and good governance in all countries, we are standing up for the values we believe in. Our investment in international development is helping Britain to stand tall in the world.

We continue to achieve against our commitments. By the end of 2014–15 we had:

- helped 68.9 million people, including 35.9 million women, to gain access to financial services to help them work their way out of poverty
- supported 11.0 million children in primary and lower secondary education, of whom 5.3 million were girls
- supported 5.1 million births with skilled birth attendants
- immunised 43.8 million additional children against preventable diseases through support to Gavi, the Vaccine Alliance
- supported 62.9 million people, of whom 22.2 million were women, to access clean water, better sanitation or improved hygiene conditions.

In the past year the world has faced humanitarian emergencies in unprecedented numbers, scale and complexity. DFID support has been first on the ground when disaster strikes or conflict erupts. As conflict continued to rage in Syria, in 2014–15 we provided food for up to three quarters of a million people every month, water for up to 1.3 million people every month and shelter and basic household items for over 3 million people. In addition we have set up an emergency humanitarian programme in Iraq, providing shelter, water and sanitation to the most needy.

Britain has also led the international response to the ebola outbreak in Sierra Leone. Our investment built emergency treatment centres, supported more than half of all treatment and isolation beds for ebola patients, funded burial teams, trained healthcare workers, and provided testing laboratories to rapidly diagnose ebola and minimise spread. In all humanitarian emergencies we go beyond the provision of immediate, life-saving relief and focus on medium and long-term solutions. This means supporting refugees to rebuild their lives, helping the communities that offer to help them cope, helping countries that are vulnerable to disaster to build resilience, and improving fragile health systems in countries so they are able to tackle disease outbreaks.

I am proud that we have made Britain a world leader in campaigning for girls' and women's rights. We cannot have successful development when half the population is left behind. Leaving no girl behind means that DFID has prioritised critical issues that have been insufficiently acknowledged and tackled in the past, such as child marriage and female genital mutilation (FGM). In July 2014, the UK and Unicef co-hosted the first Girl Summit in London, to galvanise action to end these harmful practices within a generation. This inspirational event brought together governments, activists, NGOs, businesses and young people. Our Girl Summit Charter has so far been agreed by more than 490 signatories, including 43 governments. A number of governments also made important commitments. DFID is investing £36 million to address child marriage in 12 countries. This follows the launch of our flagship £35 million FGM programme, the biggest of its kind in the world, supporting the African-led movement to end FGM in 17 countries.

DFID continues to scale up and broaden our work on inclusive growth and jobs. Economic development is unequivocally the only way we can end poverty and aid dependency for good. We are making it easier for job-creating entrepreneurs and small businesses in developing countries to grow their businesses by providing training and loans. Our contribution to the Global SME Finance initiative has supported 25 financial institutions to provide nearly £4 billion of commercial lending to over 100,000 SMEs so that they can expand and create more jobs. We continue to work with businesses to drive sustainable development that gives people the chance of a livelihood to support them and their families. DFID is collaborating with the Nike Foundation and USAID on an innovative programme, SPRING, which will finance and support aspiring entrepreneurs in developing countries with bright ideas to improve the prospects of marginalised girls.

For the first time we are bringing a truly cross-government approach to our disaster relief work. In Sierra Leone we worked closely with the Ministry of Defence and Public Health England to tackle ebola. Beyond crisis-working, we are doing more work with HM Treasury to help developing countries to improve their tax systems, and we are expanding our work with Scotland Yard to improve law enforcement and tackle corruption.

The actions we take on the world stage affect lives here in Britain and overseas. Over the next year we have a unique opportunity to set the global development agenda for years to come. The new Sustainable Development Goals, that will hopefully see the world eradicate extreme poverty by 2030, will be set at the United Nations General Assembly in September 2015. The supporting Financing for Development Conference takes place in Addis Ababa in July 2015, the Climate Change Conference takes place in Paris in November 2015 and the World Trade Organization Conference takes place in Nairobi in December 2015. The power of our international development work is that we can help to shape global events like these, instead of being shaped by them. If we seize the opportunities ahead Britain will play a key role in shaping a safer, healthier and more prosperous world for not just the poorest on the planet but for us all.

Rt Hon Justine Greening
Secretary of State for International Development
July 2015

Lead Non-Executive Director's Introduction to the Annual Report

The past year has seen continuity in the direction and operations of the Departmental Board, although there have been changes in membership, with two new Ministers and a Director General joining. The non-executive board members, unchanged over the past year, are: Richard Keys, who also chairs the Audit and Risk Assurance Committee and sits on the Investment Committee; Tim Robinson, who chairs the Digital Advisory Panel; Eric Salama, who sits on the Audit and Risk Assurance Committee in addition to the Board; and myself.

2014–15 was a critical year for delivery for DFID. The Department again met the Government's commitment to spend 0.7% of gross national income (GNI) on international development, a commitment which is now enshrined in law. Alongside this, it has already delivered or is on track to deliver all 15 of the results commitments made in 2011, as well as all its commitments planned for this year in its Structural Reform Plan. At the same time, the Department also demonstrated impressive agility in responding to unprecedented crises, most particularly the ebola outbreak in Sierra Leone. The cross-government effort there, led by DFID, is widely recognised as an outstanding success, with a significant reduction in the number of reported ebola cases since the peak of the outbreak in November 2014.

In addition, the Department has maintained the quality of its programme portfolio, ensuring good value for money for the UK taxpayer. Key to all this is further embedding of programme management reforms. DFID's new programme management operating framework, Smart Rules, was launched in July 2014. Containing fewer, more tightly controlled rules, matched with investment in capability and greater clarity on accountability, the reforms are designed to support more effective programme leadership and high quality implementation. Every DFID programme now has a Senior Responsible Owner, and goes through a performance review every year of its life. Overall, this is a significant cultural change process for the Department, and during the course of the year the Board saw evidence of its impact in terms of behaviour around risk and lesson learning.

The Board met 6 times during the year, covering a wide range of strategic, operational and financial issues, including programme and financial management, commercial capability, talent management, and updates on the Digital Panel and progress against two of the Secretary of State's priorities: economic development, and women and girls, including follow-up to the highly successful Girl Summit in July 2014.

DFID had a successful review of its Departmental Improvement Plan in July 2014, with strong involvement from the Board. This demonstrated good performance against the priorities identified in 2013, particularly on building commercial and financial capacity. The refreshed plan underlines the Department's continued emphasis on programme management, as well as identifying an increased focus on using improved management information to enhance workforce planning, and on a systematic strengthening of organisational learning. There has been good progress on these over the past year, with a Learning Group established to identify the changes that will be required to ensure that DFID is a learning organisation. The Board will continue to track these issues closely over the coming year.

A review of Board effectiveness was undertaken in early 2015. It concluded that the quality of management information provided to the Board had improved during the year, and that the Board's sub-committees were becoming increasingly effective, enabling non-executives to contribute to the work of the Audit and Risk Assurance and Investment Committees in particular. We will look to build on this progress during 2015–16.

Vivienne C

Vivienne Cox
Lead Non-Executive Director for the Department for International Development
July 2015

CHAPTER 1

Overview, resources and achievements

About DFID

1.1 The Department for International Development (DFID) leads the UK government's effort to promote sustainable development and to end poverty. DFID operates under the International Development Act 2002 which established the legal basis for UK development assistance. This means that the Secretary of State for International Development can provide development assistance that is likely to contribute to poverty reduction. DFID's other major areas of responsibility are to respond to humanitarian disasters, deliver on obligations to the Overseas Territories and influence the global development system.

1.2 The International Development (Reporting and Transparency) Act 2006 requires DFID to report annually to Parliament on development policies and programmes and the provision of development assistance to partner countries and the way it is used. This report discharges DFID's responsibilities under the Act for 2014–15.

1.3 DFID has headquarters in London and East Kilbride and also operates through our network of overseas staff. DFID had over 2,970 staff in 2014–15, most of whom are based in developing countries. In 2014–15, DFID had bilateral country programmes targeted in 28 priority countries. DFID also had regional programmes in Africa, Asia, the Middle East and North Africa, and the Caribbean, and development relationships with the Overseas Territories. Additionally, resources were delivered to a broader set of countries through a range of partners including multilateral institutions, civil society organisations and the private sector.

Figure 1.1: High-level structure of DFID

Secretary of State
Rt Hon Justine Greening

Minister of State
Rt Hon Desmond Swayne

Minister of State
Rt Hon Grant Shapps

Parliamentary Under Secretary of State
Baroness Verma

Permanent Secretary
Mark Lowcock

DG Finance and Corporate Performance
Richard Calvert
Leads: DFID's finance and corporate performance, group operations, human resources, internal audit and communications.

DG Policy and Global Programmes
Nick Dyer
Leads: DFID's policies, its relationship with multilateral agencies and DFID donor relations and global initiatives.

DG Economic Development
David Kennedy
Leads: Economic Development, growth and resilience, multilateral effectiveness, the private sector and trade for development.

DG Country Programmes
Joy Hutcheon
Leads: DFID's programmes in Africa, Asia the Caribbean and Overseas Territories

Director Middle East Humanitarian and Conflict
Lindy Cameron
Leads: Middle East, Humanitarian, Conflict and Stabilisation.

More information on DFID's governance structure can be found in Chapter 6.

Total DFID expenditure in 2014–15

1.4 DFID's total expenditure was £9.8 billion, a slight reduction from £10.1 billion in 2013–14. This comprised £9.4 billion direct programme expenditure, £248 million total operating costs (including depreciation costs) and £109 million annually managed expenditure. This has been achieved within a lower total operating costs-to-total-budget ratio of 2.4% (previously around 3%).

1.5 A total of £3.13 billion was spent by our 28 priority countries. A detailed breakdown of DFID's programme expenditure by programme area is shown in Annex A and expenditure in DFID's 28 priority countries is shown in Table 1.1.

1.6 A total of £4.0 billion was core contributions to multilateral organisations such as the World Bank Group. Additional information on DFID's multilateral programmes is set out in Chapter 5. The remaining programme spend focused on regional and other country programmes, as well as research and programmes to deliver policy priorities.

Total UK Official Development Assistance (ODA) in 2014

1.7 ODA is the internationally agreed standard definition of aid, as laid out in the Statistical Reporting Directives of the Development Assistance Committee of the Organisation for Economic Co-operation and Development (OECD). ODA is reported by calendar year using cash accounting. In total, including spending by other UK government departments, provisional UK ODA in 2014 was £11.8 billion or 0.71% of UK gross national income (GNI). DFID accounted for £10.1 billion, or 86% of UK ODA. Final UK ODA figures for 2014 will be published in October 2015. All of the ODA data is produced in publications that are accredited as 'National Statistics', the highest grading of official statistics, by the UK Statistics Authority. The Provisional UK Official Development Assistance as a proportion of Gross National Income, 2014 publication can be found on the GOV.UK website.[1]

1.8 In 2013, the UK was the first G7 country to meet the United Nations (UN) target of spending 0.7% of GNI on ODA. The UK has met the target for 2014 based on provisional data; final data will be published in October 2015. Following its successful passage through Parliament, the International Development (Official Development Assistance Target) Act 2015 enshrined in law the UK commitment to spend 0.7% of GNI on ODA annually.

1 www.gov.uk/government/uploads/system/uploads/attachment_data/file/420707/Statistical-Release-Provisional-GNI-2014.pdf

Table 1.1: Expenditure in DFID's country programmes 2014–15

Country programme	Expenditure £ million
DFID Ethiopia	336
DFID Sierra Leone	284
DFID Pakistan	249
DFID Nigeria	239
DFID Bangladesh	181
DFID Afghanistan	180
DFID India	159
DFID South Sudan	158
DFID DRC	149
DFID Tanzania	137
DFID Somalia	105
DFID Uganda	100
DFID Kenya	96
DFID Nepal	85
DFID Occupied Palestinian Territories	83
DFID Zimbabwe	69
DFID Mozambique	69
DFID Rwanda	68
DFID Yemen	66
DFID Burma	66
DFID Malawi	62
DFID Zambia	60
DFID Ghana	53
DFID Sudan	40
DFID Southern Africa	23
DFID Tajikistan	9
DFID Kyrgyzstan	3
DFID Liberia	2

Policy priorities 2014–15

1.9 In 2014–15, DFID supported efforts to meet the Millennium Development Goals (MDGs) in low-income countries, including fragile and conflict-affected states. DFID has worked in particular to supply and protect basic services in health and education; to stimulate economic growth and create jobs; to improve the lives of girls and women through its programmes and its global influence; to encourage partner governments to have more open systems of accountability, open economies and open societies; to deliver essential humanitarian assistance to vulnerable people affected by conflict and disaster; and has worked internationally to address global problems such as climate change.

Improving the lives of girls and women

1.10 Empowering girls and women to have voice, choice and control over their lives remained a top priority for DFID. This included supporting a change in attitudes and behaviours that discriminate against girls and women.

1.11 Since April 2014, DFID, in pursuit of MDG 3[2] and in accordance with the International Development (Gender Equality) Act 2014, has made it compulsory for all business cases and humanitarian

2 MDG 3: Promote gender equality and empower women.

submissions (which do not have an associated business case) to provide evidence of the due regard given to gender equality. The Gender Act provisions have also been incorporated into DFID's programme management rules. Guidance, training and support have been provided to staff, including a helpdesk and help from DFID's network of social development advisers. Compliance with the Act has been further strengthened through revisions to guidance and support to country offices – as recommended by a recent internal audit review.

1.12 DFID worked with other UK government departments and partners to mobilise domestic and international efforts to improve the lives of girls and women. On 22 July 2014, the Prime Minister, Secretary of State for International Development and Home Secretary hosted the first global Girl Summit to end female genital mutilation (FGM) and child, early and forced marriage (CEFM) within a generation. Unicef co-hosted the event. The Summit secured over 490 signatories, including 43 governments, for the Girl Summit Charter, and over 180 commitments from governments and civil society to end both practices. DFID developed the Accelerate Action to End Child Marriage programme, which will tackle child marriage in 12 countries, and a new cross-Whitehall unit tackling FGM was established.

1.13 DFID worked closely with the Foreign and Commonwealth Office (FCO) on the Global Summit to End Sexual Violence in Conflict. At the summit, practical steps to tackle impunity for rape as a weapon of war were agreed. DFID has scaled up work on preventing and responding to violence against women and girls (VAWG). Since 2012, we have increased our programming to end VAWG by almost two-thirds (63%) and now have targeted programmes in 29 countries (up from 20).

1.14 DFID worked with the Government Equalities Office (GEO) and FCO in international negotiations at the United Nations 59th Commission on the Status of Women (CSW) in March 2015. CSW opened with a political declaration re-affirming global commitment to the Beijing Platform for Action (BPfA). A working methods resolution to modify how CSW operates was also agreed.

Improving access to basic services

1.15 DFID provides people with access to education, health services, nutrition support, and water and sanitation facilities to help them lead healthy and productive lives.

1.16 By 2014–15, DFID had supported 11 million children in education. In addition, the Girls' Education Challenge will support 1 million marginalised girls through improvements to learning provision. By March 2015, the programme had trained over 42,000 teachers, constructed/renovated over 1,700 classrooms, distributed over 5,100,000 student kits/textbooks and helped over 3,600 disabled girls to enrol in school. We continue to deliver on our commitments to children with disabilities by ensuring that all directly funded school construction is fully accessible.

1.17 Through support to the Global Partnership for Education (GPE), during 2014 the UK contributed to training over 98,000 teachers, rehabilitating or constructing over 7,000 classrooms, and procuring over 36 million learning materials. GPE is supporting over 4.5 million children in primary education annually, including 2.2 million girls. Joining the partnership is associated with a 12% increase in primary completion rate for developing countries and a 10% increase in domestic financing.

1.18 The UK was the driving force behind the conception and delivery of the first ever Global Nutrition Report. DFID launched a new partnership with the Bill and Melinda Gates Foundation to commission research on agriculture for nutrition. DFID has launched new nutrition programmes, including a programme with government and business to produce high-quality, low-cost complementary foods for children aged 6–24 months in Africa.

1.19 DFID has supported 62.9 million people with access to water, sanitation and/or hygiene services since 2010, including 15.9 million people in 2014–15. DFID also supports international monitoring of progress in access to improved water and sanitation.

1.20 DFID supports the provision of good-quality health services for all. DFID also supported 30 countries to strengthen their systems for financing health and deciding how to allocate resources. The Health Partnership Scheme partners UK institutions with low-income countries, and in 2014–15 the scheme provided health workers with 16,000 training course places and other educational opportunities in 23 countries.

1.21 DFID contributed to agreements to lower prices for contraceptives, medicines, vaccines and diagnostics. It received a Chartered Institute of Procurement and Supply award for the price reductions secured for malaria bednets, providing significant savings for DFID, other donors and developing countries. DFID-funded research into the prevention of severe gastroenteritis in infants has resulted in an effective new oral vaccine for rotavirus (called RotaVac). DFID provides funding to the United Nations Population Fund Global Programme to Enhance Reproductive Health Commodity Security, which has procured modern contraceptives which could prevent 9.5 million unintended pregnancies.

1.22 Through support to the Global Fund to Fight AIDS, TB and Malaria, in 2014 the UK contributed to supporting 1.3 million people to start treatment for HIV; detection and treatment of 1.1 million new smear-positive TB cases; and distribution of 87 million insecticide-treated mosquito nets. The Global Fund's programmes provide extensive support to girls and women, who are often disproportionately affected by these diseases.

1.23 Through support to the Global Polio Eradication Initiative (GPEI), the UK is contributing to global polio eradication efforts, including the vaccination of 250 million children against polio annually. Through support to Gavi, the Vaccine Alliance, DFID is projected to have averted 270,000 deaths from preventable diseases in 2014. In 2014, at least 10 countries supported by Gavi introduced human papilloma virus (HPV) vaccines to help to protect women against cervical cancer.

1.24 In 2014–15 DFID helped to control a number of neglected tropical diseases (NTDs) in some of the most affected countries, including the distribution of: 4.3 million treatments in northern Nigeria to tackle five neglected diseases; around 44 million treatments in Africa to control schistosomiasis; and treatments for about 40 million people to prevent lymphatic filariasis.

1.25 The World Health Organization (WHO), the Department of Health (DH), DFID and the FCO have put the urgent need to tackle anti-microbial resistance (AMR) on the international agenda. The World Health Assembly in May 2014 adopted by consensus a UK–Swedish-led resolution calling for a Global Action Plan against AMR, which WHO has now developed. The UK Government announced funding of £195 million to the Fleming Fund in the 2015 Budget. The fund, named after the originator of penicillin, is a concept initiated by the Chief Medical Officer (CMO) within DH. It aims to fill a hole in the surveillance of antibiotic resistance and for infectious diseases, which was identified as being significant in the ebola outbreak.

1.26 DFID's reproductive, maternal and newborn health programmes resulted in 1 million births being attended by a skilled birth attendant and 3 million additional women using modern methods of family planning. DFID has also contributed to the development of the Every Newborn Action Plan which was adopted by the World Health Assembly in May 2014.

Economic development

1.27 Economic development is critical for eradicating poverty. No country has been able to eradicate poverty without economic growth, and no country will graduate from aid without it. An extra 600 million jobs will be needed globally over the next decade to keep up with the growth in young people in developing countries entering the job market. It is also in the UK's interest for DFID to help tackle this problem.

1.28 DFID's Economic Development Strategic Framework[3] outlines how DFID plans to work with governments, multilateral institutions, civil society and the private sector to achieve global prosperity and eliminate extreme poverty by 2030. Growth needs to enrich the many not the few, and not exclude any segments of society. DFID has worked towards inclusive growth, which ensures that 'no one is left behind', and helps to ensure a self-financed, timely and secure exit from poverty for all.

1.29 DFID worked with the Department for Business, Innovation and Skills (BIS), the FCO and UK Trade and Investment (UKTI) to remove barriers to trade, investment and business operations, and to stimulate markets to create jobs and mutual growth. The joint BIS/DFID/FCO Trade Policy Unit (TPU) played a critical role in securing job-creating market access to the EU for Pakistan; and concluding

3 www.gov.uk/government/publications/economic-development-for-shared-prosperity-and-poverty-reduction-a-strategic-framework

three development-focused regional EU trade negotiations with Africa, benefiting 27 African countries and promoting the World Trade Organization's Trade Facilitation Agreement, set to bring $10 billion of benefit to Africa.

1.30 DFID worked with industry and the professions, including those in extractives, retail, financial services, infrastructure/construction and accountancy. Through the IFUSE programme, DFID has shared UK skills in a range of areas relevant to the responsible development of natural resources, including working with experts from the British Geological Survey. DFID partnered with the London Stock Exchange to train capital markets professionals and policymakers in East Africa, and signed letters of intent with Marks & Spencer and Unilever which will enable us to work with business to meet new development goals. Promoting and developing foreign markets is beneficial both for our partner countries and for the UK. Increased open trade benefits both developing countries, giving them access to richer countries' markets, and the UK through increased exports.

1.31 DFID developed risk-sharing mechanisms to unlock loans for small and medium-sized enterprises (SMEs) through the International Finance Corporation's Global Finance Initiative. As of June 2014, the initiative had unblocked nearly £2.7 billion of commercial lending to over 86,000 SMEs in 11 countries. DFID also used CDC (the UK's Development Finance Institution (DFI), wholly owned by the UK government) and the Private Infrastructure Development Group (PIDG – a multilateral organisation with a portfolio of facilities that catalyse private investment in infrastructure in developing countries) to stimulate private investment that benefits poor people.

1.32 DFID supported partner countries to become better places in which to do business, promoting open economies that encourage private investment and export growth: free and fair markets; clear and consistently applied laws and regulations; secure property rights; and functioning commercial courts. The Bangladesh Investment Climate Fund (BICF) supported improvement to the business environment by reducing time and costs to businesses through simplifying government processes. Areas of work include business registration, taxation reform and commercial justice. The BICF is expected to contribute to a saving of $189 million in reduced compliance costs for businesses.

1.33 By 2014–15, DFID also supported 68.9 million people with access to financial services, including support to over 12 million people as a result of programming in DFID Kenya alone.

Responding to humanitarian crises

1.34 Rising urbanisation, population growth, conflict and climate change have all increased the incidence of humanitarian emergencies as well as intensifying the vulnerability of those affected. This has been exemplified all too vividly in recent responses in Nepal, Iraq and the Philippines. DFID plays a leading role in both humanitarian policy and emergency response and works closely with NGOs, UN agencies and the private sector to better understand and address the needs of those affected by natural disasters or conflicts.

1.35 The UK has been leading the international response to the ebola crisis in Sierra Leone and has committed £427 million to tackling the outbreak. DFID has led the UK government response, working closely with the FCO, Ministry of Defence, DH and Public Health England, as well as a breadth of international and NGO partners to help the Government of Sierra Leone tackle what proved to be an unprecedented outbreak. Our response has included the building of six emergency treatment centres, supported additional treatment and isolation beds, the provision and training of hundreds of front line staff, three testing laboratories, 150 vehicles, 1,800 tonnes of aid, and helping to create an overall command and control structure to effectively tackle the outbreak. Much progress has been made and there has been a significant reduction in the number of weekly confirmed cases in Sierra Leone, from a peak of over 500 in November 2014. This is testament to cross-government efforts. The UK is committed to helping the Government of Sierra Leone reach and maintain zero cases as soon as possible, and will remain a major donor as the country begins to recover. We will support the building back of better services and help the government make the reforms needed for strong sustainable development. We will also ensure that UK investment is not lost so that the country is able to respond effectively to any subsequent outbreak of ebola or other disease.

1.36 DFID spent £303 million in response to the Syria and Iraq crisis. Over 16 million Syrians and 5 million Iraqis continue to need aid. The refugee influx is also putting huge strains on Syria's neighbours. The scale of the crisis means that DFID works with over 30 partners in Syria, Iraq, Lebanon, Jordan and Turkey to save lives, reduce suffering, and where appropriate invest in local services to support stability and social cohesion. DFID works closely within a cross-government effort to promote a negotiated political transition, lower the risks of regional conflict and instability, and reduce extremist threats to the UK. The UK successfully lobbied for two UN Security Council Resolutions enabling the UN and other agencies to deliver aid across borders to the most hard-to-reach people inside Syria.

1.37 The UK responded quickly to the humanitarian crisis in South Sudan which has displaced over 2 million people since December 2013. The UK was the second biggest bilateral provider of humanitarian assistance in 2014–15, disbursing over £111 million to the International Committee of the Red Cross, NGOs and UN agencies. DFID continues to raise awareness, and to press the government and opposition to respect a ceasefire and allow access for humanitarian aid.

1.38 The UK provided £19.1 million to support people in Gaza following the Israeli Operation 'Protective Edge'. £3 million was provided to the International Committee of the Red Cross, £6 million to the United Nations Relief and Works Agency and £3 million to the World Food Programme. The UK provided £7.1 million for emergency response work led primarily by NGOs via the Rapid Response Facility and the Disasters and Emergencies Committee.

1.39 In the Central African Republic (CAR), the UK provided urgent healthcare, protection and livelihoods assistance to 1,73 million people. The UK also supported food and health assistance, protection and shelter for 350,000 CAR refugees. In 2014, the UK disbursed almost £26 million to assist CAR and CAR refugees.

1.40 The UK's humanitarian responses in Iraq and to Cyclone Pam in Vanuatu were co-ordinated by DFID and supported by the Ministry of Defence, Cabinet Office and the FCO. The 2014 OECD Development Assistance Committee (DAC) peer report on the UK noted that "Different UK departments work hard to identify synergies with respect to humanitarian issues; there are useful cross-government mechanisms to facilitate this work. Civil–military co-ordination appears to function well under civilian command, especially in rapid response to disasters."

1.41 This year DFID extended its innovative preparedness partnership programme with the World Food Programme and Unicef, providing increased pre-positioned stocks in countries most at risk of natural disasters. The programme ensures that strategic financing delivered through these agencies is available in high-risk contexts (29 countries). Evidence to date has shown that this approach saves taxpayers' money and increases the speed of response. The 2014 OECD DAC peer report noted that "The UK provides high quality funding to partners; often multi-annual and predictable, always fast and flexible". DFID continued to develop its crisis response capabilities in line with best practice, working alongside the international community to deliver swift, effective emergency responses.

1.42 Spending on humanitarian programmes accounted for approximately 12% of DFID's 2014–15 expenditure.

Open societies, open economies and peace

1.43 DFID works to promote open societies, open economies and peace, by enabling states to function for their citizens, and helping citizens to lead their own development. Our work helps to establish more peaceful, inclusive states, and the pre-conditions for states to make a sustainable, self-financed exit from poverty. Our work in this area also benefits the UK by supporting international stability, security and prosperity.

1.44 By 2014–15, DFID programming had supported over 100 million people to have choice and control over their own development and to hold decision-makers to account. For example, in Nigeria, the DFID-funded radio drama 'Story Story', which works to improve people's knowledge of the democratic process and promote political accountability, regularly reaches over 10 million people. DFID's programmes also supported millions of women and men to vote in 13 countries. In 2015, the government launched the new Rule of Law Expertise (UK) Programme to support development initiatives with UK pro-bono and UK government legal and judicial expertise.

1.45 By 2014–15, DFID had helped over 5.8 million men and women to improve their land and other property rights. DFID has been increasing its work on land bilaterally, multilaterally and through policy engagement, and continued to lead several of the G7 land country partnerships launched under the UK Presidency in 2013.

1.46 By 2014–15, DFID had improved access to security and justice services for over 10 million women and girls. Beneficiaries in Bangladesh, Ethiopia, DRC, Jamaica, Sierra Leone and Sudan have greater access to courts and police services; targeted victim support services; and community legal services. For example, in Bangladesh over 4 million women and girls have better access to legal services, resulting in more secure land tenure and better working conditions.

1.47 DFID has continued to champion the Golden Thread in the Sustainable Development Goals, and has had success in helping to ensure that it is reflected in the recommendations of the Open Working Group. In particular, Goal 16 covers ensuring equal access to justice, promoting the rule of law, reducing violence and organised crime, building effective accountable and transparent institutions, and reducing bribery and corruption.

1.48 Through UK government partners, DFID has supported partner countries to grow their economies in more transparent and competitive ways, by sharing knowledge on good practice in audit processes (with the National Audit Office and the UK chartered accountancy institutes) and regulatory compliance (with the Better Regulation Delivery Office).

Combating climate change

1.49 Taking action on climate change remains a top priority for DFID. We cannot have food security, water security, energy security, or any form of national security without climate security. DFID works to support patterns of economic development that help to reduce poverty, preserve the natural environment, tackle climate change and sustain development:

- growth that uses the natural resource base in a sustainable way, building up rather than depleting assets for the future;
- low carbon growth, which exploits the economic benefits of clean energy technologies, avoids locking countries and cities into high carbon futures, helps poor people to access energy and reduces the risks of harmful climate change; and
- development paths that build resilience of people (especially women and girls), businesses and economies to climate change.

1.50 DFID manages, together with the Department of Energy and Climate Change (DECC) and the Department for Environment, Food and Rural Affairs (Defra), the UK's £3.87 billion International Climate Fund (ICF) which supports programmes that help people in developing countries to adapt to the impacts of climate change, promote low carbon growth and protect forests. For example, DFID is supporting the Building Resilience and Adapting to Climate Extremes and Disasters (BRACED) programme, which aims to build the resilience of over 5 million people to extreme weather events and has a strong focus on girls and women.

1.51 DFID continues to work with DECC and other government departments towards securing a global, legally binding agreement that limits global average temperature increase to no more than 2°C above pre-industrial levels. Through the negotiations on the climate agreement and the post-2015 development framework, the UK government is seeking a coherent policy framework which supports effective action to tackle climate change and address poverty reduction.

1.52 DFID continues to play a leading role in shaping the global climate finance architecture, in particular through membership of the board of the Green Climate Fund, and continued engagement with the Climate Investment Funds and Global Environment Facility.

1.53 DFID aims to integrate climate and environment considerations into UK development assistance. Every DFID department has undertaken a strategic review to identify how investments and operations can best address climate and environment issues. DFID's organisational response to climate change and resource scarcity has been taken forward through a strategy led by its Executive Management Committee.

CHAPTER 2

Policy coherence for development

2.1 In 2000 ODA was the largest resource flow to 59 developing countries. By 2012 ODA was the largest flow to only 33[1] countries because many are increasingly using a mix of finance flows – remittances, tax, trade, private investment, etc. – to finance their development. In response, the UK is looking 'beyond aid' and working to improve the coherence of policies that affect developing countries and promote global public goods.

2.2 The UK's approach to DFID's policy priorities, the post-2015 development framework and Financing for Development, the G7 agenda on tax, trade and transparency, and the Global Partnership for Effective Development Cooperation all demonstrate how the UK is shifting focus and working with other government departments to deliver coherent policy and action on the ground.

2.3 Important mechanisms such as the National Security Council (NSC), of which the Secretary of State for International Development is an active member, and other Cabinet sub-committees enable a strategic and comprehensive approach to UK policy making.

2.4 This has proved an effective approach – the UK is the only G7 country to appear in the top five in the Centre for Global Development's 2015 Commitment to Development Index (ranked 4th out of 27 countries).

1 *Improving ODA allocation for a post-2015 world* (Independent study by Development Initiatives).

DFID is working to improve the coherence of policies that affect developing countries

Remittances	DFID worked in a cross-government partnership (HM Treasury, HM Revenue and Customs, the Financial Conduct Authority, FCO, Cabinet Office and the Home Office) with the private sector, and internationally with the G20 and international regulators, to facilitate sustainable, market-led solutions for secure, transparent and accessible remittance channels to developing countries.
Migration	DFID led the UK delegation to the Global Forum on Migration and Development (GFMD) in Stockholm in May 2014, alongside FCO and Home Office colleagues. There continues to be regular dialogue and close co-operation between DFID, the FCO and the Home Office on migration issues, most recently regarding growing concerns about the volume of irregular migration in the Mediterranean.
Anti-corruption	DFID was a key player in a new Cabinet Office International Corruption Unit, which will co-ordinate the implementation of the UK Action Plan on Corruption and enable stronger policy co-ordination on UK efforts internationally. Globally, DFID continues to help developing countries improve their technical capacity to tackle cross-border illicit financial flows, in partnership with key bodies such as the International Centre for Asset Recovery (ICAR), the World Bank and the International Monetary Fund. Of the current cases which ICAR is working on, they have identified potential recoverable assets estimated in excess of $1.5 billion: this will be on the basis of a DFID contribution of about £1 million per annum to ICAR's annual budget.of £2.5m
Asset recovery	Since 2006, DFID has supported dedicated units in the Metropolitan Police Service and the City of London Police, along with the Crown Prosecution Service and the National Crime Agency, to address the problem of stolen funds from developing countries being laundered through the UK, and the problem of bribery by companies in developing countries. Total funding of around £8 million has restrained, recovered or returned approximately £120 million of stolen assets from developing countries, and there have been numerous successful prosecutions. In February 2015, DFID announced a further uplift for this work, of £21 million between 2015 and 2020.
International tax	DFID continued to play a leading role in the G20 tax and development agenda, which aims to ensure that developing countries benefit from international efforts to tackle tax evasion and corporate tax avoidance. DFID worked closely with HM Treasury on this agenda, including in the preparation of a roadmap which will help developing countries to participate in the new international standard of automatic exchange of tax information.
Tax capacity building	Through the DFID-funded HMRC tax capacity building unit, UK tax officials provide direct support and technical assistance to their peers in developing countries as part of DFID's programmes to build capacity in a number of priority countries on a range of tax policy and administration issues. To date, the unit has provided support in Tanzania, Ghana, Rwanda, Ethiopia, Pakistan, Malawi and Ukraine. The addition of a further three HMRC tax experts dedicated to technical assistance work on the international tax agenda with developing countries was announced in the Autumn Statement.
Beneficial ownership	Complementing the work on anti-corruption and tax, DFID is engaged in the UK's efforts to improve company transparency. The UK has led the way in improving access to information on the people who really own and control UK companies – the beneficial owners. Companies are often used to facilitate corruption, money laundering and tax evasion, so knowing who is behind companies helps to combat these crimes. Legislation requiring UK companies to identify their beneficial owners and for this information to be held in a publicly accessible register at Companies House was passed on 26 March 2015 through the Small Business, Enterprise and Employment Act 2015. The UK intends to consult on secondary legislation in the summer before laying it in the autumn.

Climate- smart agriculture	DFID has worked closely with the DECC and DEFRA in developing and supporting a UK position on the establishment of the New Alliance on Climate Smart Agriculture, and in developing the EU position on agriculture in the United Nations Framework Convention on Climate Change (UNFCCC) negotiations.
Agriculture and trade	DFID collaborated closely with Defra on EU and international agriculture policy issues that impact on developing countries – for example, ensuring that changes to the EU's Common Agriculture Policy take into account the needs of developing countries, and that when new trade agreements are negotiated these include generous market access for agriculture products from the developing world.
Arms	DFID, alongside the Ministry of Defence (MOD) and the FCO, continued to provide policy advice to the Export Control Organisation in the Department for Business, Innovation and Skills (BIS), relevant to the consideration of export licence applications against consolidated EU and national arms export licensing criteria. DFID advised on whether proposed transfers would seriously undermine the economy or seriously hamper the sustainable development of the recipient country.
Education	The Higher Education Taskforce brought together a number of interested partners –universities, further education colleges, the British Council, representative bodies, education and skills agencies, and businesses working in higher education – to share expertise and fresh perspectives in order to develop strong policy and programming. The new Partnerships for Higher Education programme will be the first demonstration of DFID's new work in this area.
Land	DFID's new 'Land: Enhancing Governance for Economic Development' (LEGEND) programme ensures that secure land tenure enables inclusive economic development. As inaugural chair, DFID improved global co-ordination through a new land donor group and co-produced a global land programme database. DFID is working internally and with external partners such as the World Bank, the International Finance Corporation (IFC) and the FCO to ensure solid standards for land investments and to strengthen coherence through better global data, evidence, guidance, and action on land-related programmes.
Health	As well as working with the NHS in the UK response to ebola, the UK facilitated specialist volunteers to work overseas through mechanisms such as the Health Partnership Scheme; NICE International; and the Making it Happen programme, which uses specialised UK volunteers to develop local master trainers in basic emergency obstetric and neonatal care. A new volunteering framework, providing guidance on how UK health institutions can effectively contribute to improving health in low and middle income countries, was launched in the NHS in July 2014, after input from DFID and the Department of Health.
Debt	As the end stages of the Heavily Indebted Poor Countries (HIPC) initiative approach, DFID continued to engage in international efforts to support the remaining eligible countries to receive debt relief and, for those that have received debt relief, to support them to maintain the gains by promoting their access to important debt finance from a wide range of sources while ensuring debt sustainability in the long term. To encourage prospects of growth, DFID will continue to work closely with HM Treasury to ensure that long-term debt sustainability remains a priority through the Financing for Development discussions and the Sustainable Development Goals.

CHAPTER 3

Development effectiveness

3.1 The UK is proud to be the first G7 country to meet its commitment to spending 0.7% of gross national income on development assistance. At the same time, DFID is aware of the responsibility of spending UK taxpayers' funds wisely. It matters, not just that development assistance is delivered, but that it is delivered effectively to achieve the maximum impact in different contexts. DFID works hard to be a fit-for-purpose, valued development partner in an increasingly complex world, and to encourage the international development community to co-operate effectively.

Smarter working within DFID

3.2 In 2014–15, DFID continued to focus on value for money and on enhanced performance. In July 2014 DFID launched a new streamlined operating framework for its programmes known as the Smart Rules. The Smart Rules are based on a clear set of rules, principles, responsibilities and accountabilities. For example, every programme now has a nominated staff member – known as a Senior Responsible Owner – who is accountable for its performance and ensuring that it is rigorously monitored. Performance of every programme, irrespective of value, is reviewed in each year of its life to assess whether it is on track to deliver the benefits at the costs expected in the business case. Programmes that fail to deliver expected results or show significant improvements will be closed. Hundreds of DFID staff received tailored training and support last year to improve their programme design and delivery skills and give them the tools and confidence to adapt programmes to changing circumstances and create new solutions to tackling poverty reduction.

3.3 DFID is also developing its approach to risk and assurance, enhancing its risk framework so it contains more detail on key risks, how DFID is mitigating them, who is managing them and how they have changed. This work will provide clarity about DFID's corporate appetite for risk and how that appetite is communicated to portfolio and programme levels, in all spending departments including those working in fragile environments.

Promoting development effectiveness internationally

3.4 DFID is at the forefront of the post-2015 development agenda, advocating a framework that focuses on finishing the work of the Millennium Development Goals, ending extreme poverty and leaving no one behind. The Prime Minister has been vocal in his support throughout the process, following his role as co-chair of the United Nations Secretary-General's High Level Panel on the Post-2015 Agenda by hosting a side event at the 2014 United Nations General Assembly where he called for a people-centred and inspiring sustainable development agenda.

3.5 DFID has been working within the international development system to ensure that the new Sustainable Development Goals (SDGs) will be supported by a clear means of implementation that will improve the quality and effectiveness of all development finance and development co-operation. In the past year, DFID has:

- worked with the OECD and the donor community to modernise the **Official Development Assistance** (ODA) concept, to ensure that this is focused on improving poor people's lives
- shaped a credible **international financing framework beyond aid** that it is more focused on eradicating extreme poverty, and expands accountability and transparency beyond ODA to all development actors
- strengthened support for the **four principles of development effectiveness** of country ownership, results, inclusivity and transparency.

The Global Partnership for Effective Development Co-operation helps nations, business and organisations work better together to end poverty, sustain political dialogue and support practical action around issues relating to the quality and effectiveness of development co-operation.

3.6 From 2012–14 DFID's Secretary of State co-chaired the Global Partnership for Effective Development Cooperation (GPEDC) alongside ministers from Nigeria and Indonesia, culminating in the inaugural High Level Meeting (HLM) of the Partnership in Mexico City in April 2014. The meeting was a success and demonstrated that the GPEDC is an international forum that listens and acts on the voice of developing countries and non-governmental stakeholders; is focused on delivering initiatives to achieve real changes on the ground; and is capable of helping to implement a post-2015 framework.

3.7 DFID contributed to this success by supporting:

- a range of case studies, research and videos that meant that the HLM was credible and well informed in terms of the current state of play on development effectiveness
- engagement and input from developing countries, and other development actors such as civil society, the private sector and youth
- sustained and careful outreach to key stakeholders and global regional platforms to demonstrate that the GPEDC gives a voice to developing countries and has real potential to play a helpful role in raising awareness of and implementing the post-2015 framework.

3.8 After the HLM, the UK handed the co-chair to the Netherlands Minister for Foreign Trade and Development Cooperation, who will lead the next stage of the GPEDC along with ministers from Mexico and Malawi.

3.9 DFID continued to support low-income countries to engage in the GPEDC by supporting regional workshops in Africa and Asia/Pacific, and will support the new co-chairs and the GPEDC Steering Committee to further identify the ways in which the GPEDC can play a helpful role in the post-2015 agenda.

The New Deal seeks to ensure the international community, governments and civil society work more effectively together to address the specific development challenges faced by countries experiencing conflict and fragility

3.10 DFID has supported progress as the donor lead or co-lead for implementation in Afghanistan, Sierra Leone, South Sudan and Somalia, and through central funding, including support to the G7+, the grouping of states affected by conflict and fragility.

Development effectiveness principles

DFID continues to promote the four principles of development effectiveness agreed by the Global Partnership for Effective Development Co-operation:

- Country ownership
- Transparency and accountability
- Inclusive partnerships
- Focus on results

Country ownership

3.11 For the results of the UK's development assistance to be sustainable and have a lasting impact, the ownership of development priorities by countries themselves is essential. This means developing countries exercising political leadership to drive and demonstrate commitment to their own development. It also means donors – as far as possible – following country-led processes and using country systems to strengthen national ownership and make governments more accountable domestically for the use of public resources, including development assistance.

3.12 DFID seeks to provide support in ways that support and strengthen local responsibility and leadership, including through specific instruments and the New Deal for fragile and conflict-affected states.

3.13 DFID carefully selects which instruments will be most effective to meet the specific needs and context in each of our partner countries, aligned as far as possible with partner countries' own plans and priorities for poverty reduction, and taking into account evidence and analysis of what instruments offer the best value for money for achieving the specific results being targeted.

3.14 In 2014–15, DFID spent around 42% of its development budget in the form of core contributions to multilateral organisations. Bilateral expenditure, accounting for the remainder of the budget, is spent through country programmes managed by DFID's country offices and through programmes managed centrally by DFID that often target a range of countries.

3.15 In some countries, DFID provided development assistance direct to ministries of finance or other line ministries, either earmarking funding to certain sectors or more tightly to specific parts of the budget. A proportion of this was in the form of budget support – which accounted for around 8% of DFID's total bilateral spend and which is mostly earmarked to sectors in the form of sector budget support, (e.g. healthcare, education). DFID also used other forms of financial assistance which worked to encourage and strengthen government systems to support development and build capacity sustainably (e.g. the Afghanistan Reconstruction Trust Fund).

Transparency and accountability

3.16 DFID is transparent and open about what it does, what is working well and what needs to improve. It continues to support developing countries to tackle corruption and empower citizens and civil society to hold governments and development partners to account.

DFID is a world leader on transparency

3.17 In 2014–15, DFID continued to be recognised as a global leader in transparency, moving from third (2013) to second in the global Publish What You Fund Aid Transparency Index 2014. DFID continued to support its partners and other agencies to be more transparent, for example through membership of the International Aid Transparency Initiative (IATI) Steering Committee, and as Chair of the IATI Technical Advisory Group.

3.18 DFID continued to make progress on the aid transparency challenge to make UK ODA spending more traceable from source to beneficiary. Some key achievements in 2014–15 include:

- geocoding – mapping over 3,400 specific locations of DFID's projects to view online

- working with civil society to publish more and better quality data – agreed a minimum publishing standard for all DFID partners and support to help them to achieve this level
- continuing to roll out transparency to private sector suppliers – all new suppliers working with DFID are now obliged to publish to IATI and to require their immediate sub-contractors to do the same. By end-2015, suppliers representing 80% of procurement spend will have been trained and be publishing to IATI
- working with other government departments to share best practice and technical advice. All ODA-spending Whitehall departments have now published data to IATI.

External scrutiny

3.19 External scrutiny on the value for money and impact of DFID's spend, in particular from the National Audit Office (NAO), the Independent Commission for Aid Impact (ICAI) and the House of Commons International Development Committee (IDC), continued to help to make DFID's development spend more effective and accountable.

3.20 The NAO audited DFID's financial statements and conducted a value for money study on DFID. This year the NAO produced a value for money study on DFID's oversight of the Private Infrastructure Development Group and DFID is now implementing the subsequent recommendations from the Public Accounts Committee on this issue.

3.21 ICAI scrutinised development assistance spending across all UK government departments providing Official Development Assistance (ODA), and has so far produced 41 reports covering a broad range of development programmes and activities. ICAI's work is overseen by the IDC, who hold regular hearings to discuss their reports.

3.22 The IDC continued to monitor the policy, administration and spending of the Department, carrying out inquiries which were country-based and thematic. In 2014–15 the Committee published 15 reports on the Department's work, including on UK Support for Humanitarian Relief in the Middle East, Strengthening Health Systems in Developing Countries, DFID's bilateral programme in Nepal and Parliamentary Strengthening. The IDC Sub-Committee also held a number of evidence sessions in order to examine individual ICAI reports and the Department's response.

Tackling corruption

3.23 DFID has a zero tolerance approach to fraud and corruption and actively investigated all suspicions and allegations of fraud, corruption and abuse of DFID resources in 2014–15. DFID took a robust approach once fraud was identified (with effective incident investigation and strengthening of controls to prevent recurrence) and has a good record on recovery of lost funds. The Counter Corruption Counter Fraud (Cx3) Committee, chaired at Director-General level, ensured that DFID was co-ordinated in safeguarding UK funds against corruption and fraud and in tackling corruption as it affects developing countries.

3.24 DFID continued to implement the recommendations of the 2011 ICAI report to improve systems to safeguard aid funds from the risk of misuse. Further policy and guidance materials have been developed to support staff in their activities and to minimise the opportunity for aid funds and resources to be diverted to support terrorist organisations. DFID has been working across government and with NGOs to ensure a consistent and co-ordinated approach to this agenda. The Department responded in November 2014 to the second ICAI report which assessed DFID's corruption policy work, and gave evidence to the IDC's hearing on the report in December 2014.

Inclusive partnerships

3.25 DFID worked in partnership with foreign donors, the private sector, foundations, civil society organisations (CSOs), parliamentarians and other types of development actors that can help deliver its objectives.

Working with beneficiaries

3.26 DFID is committed to engaging beneficiaries in shaping the way programmes are designed, implemented, monitored and evaluated. Beneficiary feedback mechanisms can offer valuable insights into the quality and effectiveness of DFID-funded programmes and can help teams and partners to design better programmes, address challenges, adapt approaches, manage risk and learn from experience. In 2014–15 key activities included:

- launching internal learning resources for teams seeking guidance and evidence on beneficiary feedback
- piloting initiatives in seven countries to test different approaches to beneficiary feedback, as applied to reproductive health programmes
- launching guidance on ensuring meaningful engagement with communities within evaluations
- launching a monitoring policy mandating beneficiary feedback in Afghanistan
- working to strengthen accountability to affected populations in humanitarian sector programmes
- engagement and lesson sharing with the World Bank and their commitment to 100% Beneficiary Feedback.

Working with civil society

3.27 Working with CSOs is an integral part of DFID's overall approach to reducing poverty. Around one fifth of DFID's bilateral programme is normally implemented by CSOs, which include NGOs, community-based organisations, media organisations, faith groups and diaspora organisations.

3.28 In 2014–15 DFID's central Civil Society Department in the UK provided funding to:

- 152 CSOs through the Global Poverty Action Fund (GPAF) to deliver the Millennium Development Goals, benefiting over 11 million people in 33 countries
- disabled people's organisations in 20 countries through the Disability Rights Fund, to campaign for the rights of disabled people
- 41 CSOs through Programme Partnership Arrangements, providing flexible strategic funding to enable them to enhance results, improve accountability and encourage innovation.

3.29 In September 2014 DFID announced UK Aid Direct as the second phase of GPAF. UK Aid Direct became the principal central funding mechanism for small and medium-sized CSOs. Its budget of £150 million will be allocated in funding rounds over five years.

3.30 In addition to centrally funded CSO programmes, DFID supported CSOs in almost all of its bilateral programme countries – from a very small proportion to around half the value of a country programme. Delivery through civil society is particularly high in fragile states. CSOs also play a critical role in DFID's humanitarian work.

Working with the private sector

3.31 The private sector plays an ever-increasing role in achieving our poverty reduction objectives. DFID is working to make sure that more businesses, domestic and international, large and small, including UK businesses, join the development effort.

3.32 The development financing landscape is changing: private finance flows are larger than all public finance combined and public resources will be insufficient to meet the sustainable development goals. Leveraging private finance and working with the growing number of companies promoting responsible business practices is essential to achieving our poverty reduction objectives.

3.33 DFID does this in a variety of ways, for example:

- A new programme – Responsible, Accountable and Transparent Enterprise (RATE) – has been created to strengthen standards and company reporting on social and environmental results, as well as to encourage businesses to innovate in relation to how they assess the human rights risks their activities potentially pose to poor people.

- The Business Innovation Facility in Burma supported pilot training in two garment factories (Shwe Mingalar and A1 Garments) in 2014. The training focused on encouraging the factories to adopt productivity improvements and better human resource management practices. Early results were positive, including:
  - productivity increases of 10% and 17% respectively
  - significant reductions in absenteeism
  - significant increases in quality control – A1 Garments reported a reduction in 'rejected' products from 100–200 per day to just 4–5 per day and Shwe Mingalar from 118 to 23.
- In August 2014, DFID's Impact Investment Fund managed by CDC made its second investment of $15 million into a West African agriculture focused investment fund, Injaro Agricultural Capital Holdings Ltd. Injaro's mission is to make sustainable investments in small and medium sized-enterprises operating along the agricultural value chain in West Africa in order to alleviate poverty and improve food security.
- In 2014 DFID worked with the private sector to design and implement a programme which will build the skills of local people in East Africa, allowing them to access jobs connected to the new oil and gas investments in the region. International oil companies have committed time and finance to support this initiative.
- In the margins of the Global Alliance for Clean Cookstoves summit, DFID and Marks and Spencer (M&S) signed a letter formalising our intent to partner on shared development priorities in Africa and Asia.
- Through the Trade in Global Value Chains Initiative, DFID is supporting projects with private sector and NGO partners, including UK companies such as Sainsbury's, M&S, Tesco and the Waitrose Foundation to achieve better employment opportunities, working conditions and social outcomes for workers and smallholder farmers.

3.34 DFID also used private suppliers to deliver its programmes. UK companies competed for UK development assistance contracts alongside non-UK competitors in a fair, open and transparent process. One hundred per cent of DFID assistance was untied, and has been so since 2001. British companies have continued to be very successful, winning over 90% of contracts awarded by DFID and also competing successfully for contracts from other international development agencies. To improve value for money from private suppliers DFID has:

- Worked closely with Cabinet Office on targeted actions as part of the government initiative to increase small business opportunities to win government contracts. DFID procurement spend through small and medium-sized enterprises (SMEs) averages 30%, above the government aspiration of 25% by 2015.
- Hosted an annual Supplier Conference to communicate clear value for money and performance messages to the full range of development suppliers (including SMEs and NGOs).
- Strengthened supplier performance management through our Key Supplier Management programme. DFID works closely with its top 11 private sector suppliers to focus on value for money. The success of the Key Supplier Management programme has led to a similar approach being adopted for NGOs with which DFID works.
- Made significant efforts to engage with potential delivery partners from all sectors earlier in the procurement process to better understand the different options available prior to going to market. DFID has also developed a Supplier Engagement Strategy through which it has proactively engaged across all delivery channels (including SMEs and CSOs) to stimulate interest in DFID activities, leading to an increased supply market and more competition to deliver programmes.
- Continued ongoing activities to raise commercial awareness across DFID – all of DFID's Senior Civil Servants are now required to complete Commercial Awareness Training. Some 200 other Senior Responsible Officers (SROs) within DFID have also taken part in Commercial Awareness Training. DFID is also working with front line staff to improve commercial practice, in addition to appointing commercial advisers in key strategic spending departments to provide commercial expertise on the ground.

3.35 Alongside the activities being carried out with private sector suppliers, DFID is also driving commercial reform with our multilateral partners, providing best practice advice and exploring areas for procurement collaboration. It was through such initiatives that DFID was awarded the 'Best Contribution to the Procurement Profession' award in 2014 by the Chartered Institute of Procurement and Supply (CIPS). DFID is also working closely with the World Bank to aid their procurement reforms, sharing learning and experience beyond traditional private sector suppliers.

Working with emerging powers

3.36 In 2014–15, DFID continued work to strengthen the UK's development partnerships with emerging powers. 2015 is a crucial year for the international development framework, with negotiations on Financing for Development, the Sustainable Development Goals and climate change, and these partnerships are particularly important in creating dialogue and building consensus.

3.37 DFID continues to work with Brazil, China, India and South Africa to positively shape the global environment for poverty reduction. This year, a constructive and deepening relationship with Mexico has led to the secondment of a DFID member of staff to AMEXCID – Mexico's agency for international development co-operation.

3.38 This work is underpinned by joint programmes of co-operation through the Global Development Partnership Programme (GDPP). GDPP results this year include:

- the launch of a new partnership with China's Development Research Centre to improve the development impact of UK and Chinese activities in poor developing countries
- partnerships with South African institutions to strengthen regional capacity in relation to customs reform, financial governance and accountability, and on the response to ebola
- expanded work with Brazil on sustainable agriculture, food security, nutrition and social protection in Africa, which has not only shared Brazilian expertise with a number of African countries, but also strengthened the UK's alliance with Brazil on Nutrition for Growth and on global poverty reduction
- the launch of 'Supporting India's Trade Preferences for Africa' (SITA Africa) – a programme to assist East African countries to increase their exports to India, while adding value to them and generating benefits for their poor. This will leverage considerable funding from India's EximBank for these countries.

DFID research and evidence

3.39 DFID's research invests in delivering global public goods and better development interventions that make a real difference to poor people in developing countries and support the transition away from aid. DFID research focuses on three strategic objectives:

- New products and technologies – for example, in 2014, in response to the ebola crisis, DFID-funded research trialled a new rapid, point-of-care diagnostic test for the ebola virus at the ebola treatment centre in Conakry, Guinea, and supported an early stage ebola vaccine trial in the UK and Mali.
- Better and more cost-effective ways of delivering development – for example, in 2014 DFID-funded research launched a 'Gender, Violence and WASH' toolkit, which brings together evidence and tools to make water, sanitation and hygiene programmes safer and more effective, particularly for women and girls.
- Improved understanding of key development questions – for example, in 2014 DFID- funded research published new evidence on the spread of artemisinin resistant malaria in South East Asia.

CHAPTER 4

Focusing on results

4.1 DFID has a strong focus on results across all of its work and takes action to identify ways to improve implementation and ensure it delivers real and lasting results on the ground.

Box 4.1: Headline results achievements

By 2014–15, DFID had achieved the following results towards its commitments for 2011–15 as set out in the DFID Results Framework.[1]

Note: Where commitments were made for indicators, these are set out in brackets. For some indicators, the commitments have not yet been met as there are time lags associated with obtaining confirmation of results figures in many countries, and some results delivered during 2014–15 have yet to be confirmed and/or become fully available.

Wealth creation

- Supported 68.9 million people, including 35.9 million women, to gain access to financial services to help them work their way out of poverty.
  (exceeding DFID's commitment of 50 million)
- Helped 5.8 million people, including 2.5 million women, to improve their land and property rights.
  (on track to meet DFID's commitment of 6 million)

Poverty, vulnerability, nutrition and hunger

- Supported 9.3 million people, including 4.9 million women, with cash transfer programmes.
  (exceeding DFID's commitment of 6 million)
- Reached 28.5 million children under 5 and pregnant women through DFID's nutrition-relevant programmes, of whom 11.6 million were women or girls.
  (exceeding DFID's commitment of 20 million)
- Provided food security to 3.5 million people, including 1.8 million women.
  (exceeding DFID's commitment of 3 million)

Education

- Supported 11.0 million children in primary and lower secondary education, of whom 5.3 million were girls.
  (meeting DFID's commitment of 11 million)
- Supported 1.8 million children to complete primary school, including 900,000 girls.
- Through multilateral channels, DFID supported the training of 177,000 teachers.
  (on track to meet DFID's commitment of 190,000)

Health

- Helped to save the lives of 44,000 women in pregnancy and childbirth.
  (on track to meet DFID's commitment of 50,000)
- Helped to save the lives of 97,000 newborn babies.
  (on track to meet DFID's commitment of 250,000)
- Enabled 9.3 million additional women to use modern methods of family planning.
  (on track to meet DFID's commitment of 10 million)
- Supported 5.1 million births with skilled birth attendants.
  (exceeding DFID's commitment of 2 million)

1 www.gov.uk/government/publications/dfid-s-results-framework

Box 4.1: Headline results achievements

Health (continued)

- Helped support efforts to tackle malaria mortality – DFID is a major funder of the Global Fund to Fight AIDS, TB and Malaria which has massively scaled-up the availability of malaria treatment and diagnosis in many poor, high burden countries. The World Health Organisation (WHO) estimate that in 2013, there were 26 malaria attributable deaths per 100,000 at risk worldwide, down from 33 in 2009 (a 21% reduction). The bulk of these deaths occurred in Africa. In Africa there were an estimated 75 malaria attributable deaths per 100,000 at risk in 2013 down from 98 in 2009 (a 23% reduction). In addition, DFID has distributed 47.4 million long-lasting insecticide-treated bed nets.
(contributing towards DFID's commitment to help halve the number of deaths from malaria in at least 10 high burden countries)
- Immunised 43.8 million additional children against preventable diseases through support to Gavi, the Vaccine Alliance, based on data to the end of 2013 *(on track to meet DFID's commitment of 55 million)*.

Water, sanitation and hygiene (WASH)

- Supported 62.9 million people, of whom 22.2 million were women, to access clean water, better sanitation or improved hygiene conditions through DFID's WASH programmes.
(exceeding DFID's commitment of 60 million)

Humanitarian assistance

- Reached over 13 million people with emergency food assistance, including 5.5 million women and girls, through DFID support.

Governance and security

- Supported freer and fairer elections in 13 countries in which 162.1 million people voted.
(meeting DFID's commitment of 13 countries)
- Supported 101.6 million people, including 39.7 million women, to have choice and control over their own development and to hold decision makers to account.
(exceeding DFID's commitment of 40 million)
- Improved access to security and justice services for 10.4 million women and girls.
(exceeding DFID's commitment of 10 million)

Climate change

- Supported 14.6 million people to cope with the effects of climate change.
- Improved access to clean energy for 4.9 million people.
- Prevented the deforestation or degradation of approximately 8,000 hectares.

DFID's Results Framework

4.2 Given the diversity of need and context in DFID's partner countries, DFID carefully selects the instruments for how it delivers its development co-operation. The starting point is, as far as possible, to align with partner countries' plans and priorities for poverty reduction. DFID then takes into account evidence and analysis of what instruments offer the best value for money for achieving the specific results that are being targeted.

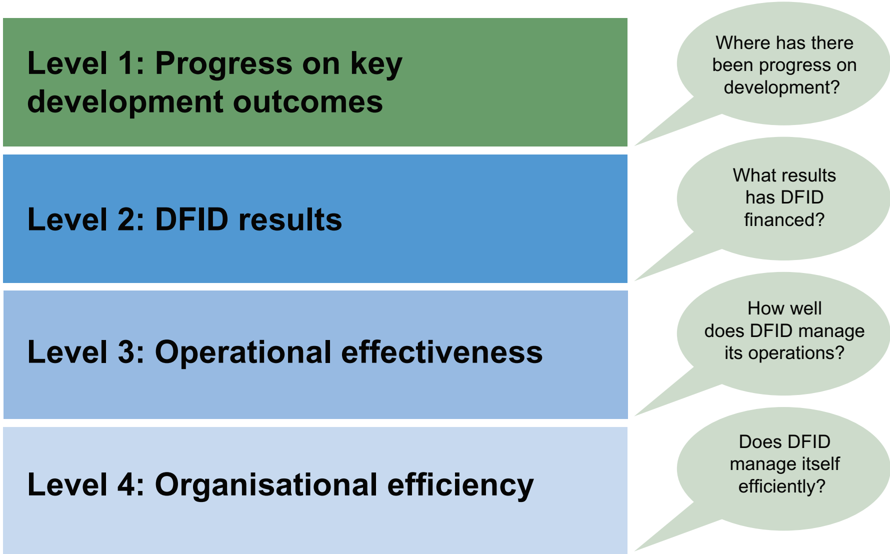
4.3 The DFID Results Framework (DRF) is a tool DFID uses to monitor and manage the progress of results, and to report publicly on the results commitments it set out in 2011 in 'UK aid: Changing lives, delivering results'.[2]

2 www.gov.uk/government/publications/uk-aid-changing-lives-delivering-results

4.4 The DRF is organised into 4 levels, setting out the development outcomes to which DFID is seeking to contribute (level 1), the actual results DFID will deliver (level 2), and the metrics used to measure its organisational effectiveness (level 3) and efficiency (level 4).

4.5 The indicators included in the framework were country-driven and developed from a bottom-up approach to reflect the results delivered in DFID's priority countries which can be aggregated across countries.

Figure 4.1: DFID Results Framework



Further information on the Results Framework can be found at:
www.gov.uk/government/publications/dfid-s-results-framework Country results

4.6 As the DFID Results Framework cannot capture everything that DFID delivers, each DFID country office and central spending department publishes an Operational Plan setting out the contribution that they make to the corporate results as well as the wider results they deliver through country, regional and central programmes. The Operational Plans can be accessed on the GOV.UK website.[3] Also, more details of the projects operating in each country DFID works in can be found on the UK Development Tracker.[4]

4.7 The Operational Plans demonstrate a strong focus on results, aligning with the priorities and policies of partner countries as far as possible, and provide transparency and accountability to beneficiaries and citizens.

3 www.gov.uk/government/collections/dfid-operational-plans-and-summaries-2014

4 http://devtracker.dfid.gov.uk/

Level 1: Progress on key development outcomes

4.8 This level monitors progress against the Millennium Development Goal (MDG) indicators, representing the development outcomes to which DFID is seeking to contribute towards through its development programmes.

4.9 Monitoring progress towards the MDGs provides an important measure of global, regional and country progress, and helps the international community understand what results are being achieved through all development resources. It's important to note that progress towards the MDGs cannot be attributed to DFID alone, but results from the collective action of developing countries and the diverse range of development partners.

4.10 Progress is monitored annually through the collaborative efforts of agencies and organisations within the United Nations (UN) and the international statistical system. DFID has helped support international statistical capacity building initiatives to increase the availability of MDG data as summarised in Box 4.2 below.

Box 4.2: DFID support for international statistical capacity building initiatives

DFID is one of the largest donors investing in building the capacity of national statistical systems. DFID supports key international statistical capacity programmes aiming to increase the effectiveness of the global statistical system. Underpinning all of this is a strong focus on National Strategies for the Development of Statistics (NSDSs), reflecting the international consensus on their potential to enable developing countries to sustainably build statistical systems that produce the data necessary to design, implement and monitor development policies.

DFID has contributed to the following results:

- In the World Bank's Statistical Capacity indicator series, the average score for International Development Agency (IDA) countries increased from 59 in 2004 to 64 in 2014.
- More data is now available to monitor the MDGs. In 2014, 129 countries had trend data for key MDG indicators, up from 4 countries in 2003.
- A total of 107 developing countries have planned, designed or implemented an NSDS.
- Household survey micro-data was made more open in over 85 low income countries.
- Some 11 developing countries disseminated MDG data, and national and international MDG data have been visualised together for the first time.

4.11 DFID assesses both global and country progress towards achievement of the MDGs. Figure 4.2 provides an overview of global progress as at June 2014. The latest available data for most indicators is from the years 2012 to 2014; for a few indicators, the data goes back to 2010.

Overview of country progress towards the MDGs

4.12 A summary of country progress outlining the effectiveness of DFID's bilateral programmes in contributing towards the MDGs is provided below. This is primarily based on official data from the UN Statistical Division (UNSD) and the World Bank.

4.13 As in previous reports, one indicator per MDG is used to illustrate a country's progress as outlined in Table 4.1 below. Data for all MDG indicators can be accessed on the UNSD website.[5]

5 http://mdgs.un.org/unsd/mdg/Default.aspx

Figure 4.2: Overview of global progress towards the MDGs[6]

	Africa		Asia				Oceania	Latin America and Caribbean	Caucasus and Central Asia
	Northern	Sub-Saharan	Eastern	South-Eastern	Southern	Western			
Goal 1: Eradicate extreme poverty and hunger									
Reduce extreme poverty by half	low poverty (Green)	very high poverty (Amber)	moderate poverty (Green)	moderate poverty (Green)	very high poverty (Green)	low poverty (Amber)	very high poverty (Amber)	low poverty (Green)	low poverty (Green)
Productive and decent employment	large deficit in decent work (Amber)	very large deficit in decent work (Amber)	moderate deficit in decent work (Green)	large deficit in decent work (Green)	very large deficit in decent work (Green)	large deficit in decent work (green)	very large deficit in decent work (Amber)	moderate deficit in decent work (Amber)	moderate deficit in decent work (Green)
Reduce hunger by half	low hunger (Green)	high hunger (Amber)	moderate hunger (Green)	moderate hunger (Green)	high hunger (Amber)	moderate hunger (Red)	moderate hunger (Amber)	moderate hunger (Green)	moderate hunger (Green)
Goal 2: Achieve universal primary education									
Universal primary schooling	high enrolment (Green)	moderate enrolment (Amber)	high enrolment (Amber)	high enrolment (Amber)	high enrolment (Green)	high enrolment (Amber)	moderate enrolment (Green)	high enrolment (Amber)	high enrolment (Amber)
Goal 3: Promote gender equality and empower women									
Equal girls' enrolment in primary school	close to parity (Green)	close to parity (Amber)	parity (Green)	parity (Green)	parity (Green)	close to parity (Amber)	close to parity (Amber)	parity (Green)	parity (Green)
Women's share of paid employment	low share (Amber)	medium share (Amber)	high share (Green)	medium share (Amber)	low share (Amber)	low share (Amber)	medium share (Amber)	high share (Green)	high share (Green)
Women's equal representation in national parliaments	moderate representation (Amber)	moderate representation (Amber)	moderate representation (Amber)	low representation (Amber)	low representation (Amber)	low representation (Amber)	very low representation (Amber)	moderate representation (Amber)	low representation (Amber)
Goal 4: Reduce child mortality									
Reduce mortality of under 5-year-olds by two-thirds	low mortality (Green)	high mortality (Amber)	low mortality (Green)	low mortality (Green)	moderate mortality (Amber)	low mortality (Green)	moderate mortality (Amber)	low mortality (Green)	low mortality (Green)
Goal 5: Improve maternal health									
Reduce maternal mortality by three-quarters	low mortality (Amber)	very high mortality (Amber)	low mortality (Green)	moderate mortality (Amber)	moderate mortality (Amber)	low mortality (Amber)	moderate mortality (Amber)	low mortality (Amber)	low mortality (Green)
Access to reproductive health	moderate access (Amber)	low access (Amber)	high access (Green)	moderate access (Amber)	moderate access (Amber)	moderate access (Amber)	low access (Amber)	high access (Amber)	moderate access (Amber)
Goal 6: Combat HIV/AIDS, malaria and other diseases									
Halt and begin to reverse the spread of HIV/AIDS	low incidence (Red)	high incidence (Green)	low incidence (Amber)	low incidence (Amber)	low incidence (Green)	low incidence (Red)	low incidence (Green)	low incidence (Green)	low incidence (Amber)
Halt and reverse spread of tuberculosis	low mortality (Amber)	moderate mortality (Amber)	low mortality (Green)	moderate mortality (Green)	moderate mortality (Green)	low mortality (Green)	high mortality (Amber)	low mortality (Green)	low mortality (green)
Goal 7: Ensure environmental sustainability									
Halve proportion of population without improved drinking water	high coverage (Green)	low coverage (Amber)	high coverage (Green)	moderate coverage (Green)	high coverage (Green)	high coverage (Amber)	low coverage (Amber)	high coverage (Green)	moderate coverage (Red)
Halve proportion of population without sanitation	high coverage (Green)	very low coverage (Amber)	low coverage (Green)	low coverage (Green)	very low coverage (Amber)	moderate coverage (Green)	very low coverage (red)	moderate coverage (Green)	high coverage (Green)
Improve the lives of slum-dwellers	moderate proportion of slum-dwellers (Green)	very high proportion of slum-dwellers (Amber)	moderate proportion of slum-dwellers (Green)	high proportion of slum-dwellers (Green)	high proportion of slum-dwellers (Green)	moderate proportion of slum-dwellers (Red)	moderate proportion of slum-dwellers (Grey)	moderate proportion of slum-dwellers (Amber)	(Grey)
Goal 8: Develop a global partnership for development									
Internet users	high usage (Green)	moderate usage (Amber)	high usage (Green)	high usage (Green)	moderate usage (Amber)	high usage (Green)	moderate usage (Amber)	high usage (Green)	high usage (Green)

Key to colour coding in table:

Green = target already met or expected to be met by 2015
Amber = progress insufficient to reach the target if prevailing trends exist
Red = no progress or deterioration
Grey = missing or insufficient data

Note that the descriptive text (for example, very high poverty) relates to the current status while the red/amber/green status relates to the relative progress that has been made.

6 Millenium Development Goals: 2014 Global Progress Chart, United Nations.

Table 4.1: MDG indicators used to provide a summary of country progress

Goal	Indicator
MDG 1: Eradicate extreme poverty and hunger	Poverty headcount ratio at $1.25 a day (PPP) (% of population)
MDG 2: Achieve universal primary education	Total net enrolment ratio in primary education, both sexes
MDG 3: Promote gender equality and empower women	Gender Parity Index in primary level enrolment
MDG 4: Reduce child mortality	Children under-5 mortality rate per 1,000 live births
MDG 5: Improve maternal health	Maternal mortality ratio per 100,000 live births
MDG 6: Combat HIV/AIDS, malaria and other diseases	People living with HIV, 15–49 years old, percentage
MDG 7: Ensure environmental sustainability	Proportion of the population without access to improved drinking water sources

4.14 The following colour coding is used to assess progress against the specific MDG indicators.

Green	Target already met or expected to be met by 2015
Amber	Progress insufficient to reach the target if prevailing trends persist
Red	Very slow progress, no progress at all, or deterioration
Grey	Missing or insufficient data

4.15 The boxes below summarise how DFID's bilateral programmes in its 28 priority countries, associated regional programmes and work in the Overseas Territories help contribute towards the MDGs. Although progress towards these outcomes cannot be attributed to DFID alone, progress or otherwise helps guide the strategic direction of DFID's programming and provides an understanding of whether the specific results DFID is delivering are contributing to progress on development.

Afghanistan	**MDG 1**	**MDG 2**	**MDG 3**	**MDG 4**	**MDG 5**	**MDG 6**	**MDG 7**

Afghanistan has until 2020 to achieve the MDGs after a late start following the fall of the Taliban in 2001. Data shows that just over a third of the population in 2011–12 still remains below the national poverty line. Progress has been significant in access to water and sanitation with 45% of the population now having access to improved drinking water compared with 27% in 2007–08. There have also been improvements in primary education attendance with an increase from a third in 2005 to over half of the school-age population attending school in 2011–12, yet this still falls short of the MDG target of achieving universal primary education. The increase in attendance at school has led to improvements in literacy rates for 15–24-year-olds up to 47% in 2011–12 from 31% in 2005. The UK contributes to the World Bank led Afghanistan Reconstruction Trust Fund which has provided support to several water/sanitation and education programmes. Afghanistan suffers from a data deficit following the Taliban era, with few baselines available for the MDGs in the 1990s, and still many data gaps – such as HIV, mortality and general population statistics. The UK continues to support development of improved data through support to the Central Statistical Office and several of its key surveys.

Bangladesh	MDG 1	MDG 2	MDG 3	MDG 4	MDG 5	MDG 6	MDG 7
	Bangladesh is on track to halve income poverty by 2015, yet large inequalities remain. DFID is targeting the extreme poor, particularly women, by giving assets (for example, livestock) and providing training to help them set up viable businesses. High levels of under-nutrition among women and children persist. DFID is targeting them with nutritional support. Urban poverty and vulnerability are also a key focus, where the challenge is expected to grow. Enrolment in primary education is high, particularly among girls, but dropout rates are high too. DFID is improving the quality of teaching in schools and focusing on those who remain excluded. Despite good progress on fertility and maternal health, over 7,000 pregnant women die each year and there is still unmet need for family planning. DFID focuses on making sure more women can give birth safely and fewer babies die, as well as ensuring that family planning is available for all who need it, using the private sector to help. Bangladesh is on track to reduce the proportion of people without access to improved drinking water. DFID work has contributed to this reduction, particularly in urban slums.						

Burma	MDG 1	MDG 2	MDG 3	MDG 4	MDG 5	MDG 6	MDG 7
	Burma is one of the poorest countries in Asia. A quarter of the population do not have enough money to meet their basic food and living needs and the country is still off track to reach many of the MDGs. Its record on health is among the worst in Asia, and it suffers among the highest rates of malaria, malnutrition (especially among children) and tuberculosis in the world. Although the country still faces many challenges, including ethnic tensions and conflict, the remarkable processes of political and economic reform initiated in late 2010 have given the UK a great opportunity to help transform the lives of vulnerable people in Burma. DFID is working with new partners in new areas, including economic development, democratic governance and peace building, to achieve greater impact with British aid. Over 1 million people have been supported to produce or have access to more and better food. Some 158,000 women have been given access to affordable credit to strengthen and diversify their livelihoods, send their children to school and meet their medical needs. It is globally critical that the spread of drug-resistant malaria from South East Asia is contained – with DFID support, 550,000 people in Burma have received appropriate treatment for the disease. Over the last 4 years, DFID has helped more than 200,000 children to start and complete primary education where the MDG target to achieve equal enrolment of girls and boys has been met, and provided humanitarian aid to 446,000 people in conflict-affected communities.						

Democratic Republic of Congo (DRC)	MDG 1	MDG 2	MDG 3	MDG 4	MDG 5	MDG 6	MDG 7
	DRC is likely to meet MDG 6 (a decrease in people living with HIV, 15–49-years-old) by 2015. DRC is unlikely to meet any of the other MDGs by 2015. DFID's programmes support progress across all MDG areas in DRC, focusing on the delivery of inclusive, quality and sustainable services. DFID's largest investment between 2011 and 2015 in terms of sectors is health, which will help support the reduction of child mortality, as well as improvements in maternal health and combating malaria. DFID has also increased investment in improving access to water and sanitation (by an additional £63 million from 2011 to 2015), helping to deliver improvements across a number of MDG areas. A new joint programme in education with USAID has launched to improve MDG 2 and MDG 3 in primary education and gender equity in education. New programmes continue to be designed in the political governance sectors.						

Ethiopia	MDG 1	MDG 2	MDG 3	MDG 4	MDG 5	MDG 6	MDG 7

Ethiopia is delivering notable progress towards the MDGs, driven by the Government of Ethiopia's strong commitment to poverty reduction that is reflected in high levels of public investment in social sectors, and underpinned by economic growth per annum of around 10%. Ethiopia is on track to meet MDG 1, with the proportion of the population living on less than $1.25 a day (2005 Purchasing Power Parity) falling to less than 37% in 2011, from over 63% in 1995. With help from DFID and others, Ethiopia achieved the MDG 4 target of reducing child mortality 3 years ahead of the target date. As a result, nearly 239,000 fewer children are dying in Ethiopia today compared with 1990. Significant progress is also being made towards achieving universal primary education (MDG 2), with over 18 million children now attending primary school, up from 6.4 million in 2000 (and 3.8 million in 1996). Similarly, 55 million (57%) of the country's population now have access to drinking water from an improved water supply, up from 6.9 million people in 1990 (MDG 7). These are impressive achievements from a particularly low base, although some major challenges remain. For example, some 33 million people remain in extreme poverty, and maternal mortality (MDG 5), although falling, remains stubbornly high at 420 deaths per 100,000 against a target of 350. DFID will continue to deliver specific health, education and water programmes in Ethiopia and is evolving its support towards economic development to help generate jobs, income and growth that will facilitate self-sufficiency and ultimately end poverty.

Ghana	MDG 1	MDG 2	MDG 3	MDG 4	MDG 5	MDG 6	MDG 7

Ghana has halved income poverty, from 52% in 1991–92 to 24% in 2012–13. However, large inequalities remain. DFID is supporting the Government of Ghana's cash transfer programme for the poorest and most vulnerable, reaching more than 170,000 people in 2014 (nearly 100,000 of whom were women and girls). DFID is also working to improve incomes and create employment opportunities through supporting entrepreneurs to develop their businesses and, in the poorer north, improving the way markets work for poor people as well as by working on select agricultural value chains. Since 2011–12, DFID has helped over 14,000 (2,500 women) producers to access business services. Enrolment in primary education has improved over the last 2 years after a period of stagnation. DFID has been supporting children's enrolment in school including through helping children not in school to return to mainstream education (55,000 in 2014–15) and providing incentive packages for girls to stay in secondary education (30,000 in 2014–15), as well as working to improve the quality of teaching. DFID is supporting the Government of Ghana scheme for universal anti-malarial bed net coverage which will help reduce the number of deaths due to malaria. DFID is working to address the unmet need for family planning through the purchase of commodities and delivery of family planning services, with a particular focus on adolescent girls. In 2014–15, DFID supported over 180,000 women users of family planning.

India	MDG 1	MDG 2	MDG 3	MDG 4	MDG 5	MDG 6	MDG 7
	Poverty is falling rapidly and India has now met the target to halve the proportion of people living under $1.25 per day. India's MDG targets for education enrolment, ratio of girls to boys at primary level and improved access to drinking water sources have also been achieved. Between 2011–12 and 2014–15, DFID's programme in India has helped enrol over 840,000 children, including 400,000 girls, in primary school and provided over 2.5 million people with improved access to drinking water. However, India is off track to meet targets of reducing under-5 mortality rates and the maternal mortality ratio. Through its health and nutrition programme, between 2011–12 and 2014–15, DFID has helped in the safe delivery of more than 350,000 babies and reached 3.7 million pregnant women and under-5 children with nutrition programmes, contributing to the MDG targets of improving maternal and under-5 mortality rates.						

Kenya	MDG 1	MDG 2	MDG 3	MDG 4	MDG 5	MDG 6	MDG 7
	Kenya's progress towards achieving the MDGs is mixed. There has been positive progress in the net enrolment rate and gender parity in primary education. However, the national figures mask a large level of regional disparity. The UK's education portfolio has focused on getting the hardest to reach pupils into primary education in Northern Kenya as well as in low cost private schools in slum areas. The MDGs for under-5 mortality and maternal mortality are off track, although new data from the 2014 Demographic and Health Survey (DHS) shows impressive progress in the last 5 years. The under-5 mortality rate is now 52 deaths per 1,000 live births; down from 74 in the 2008–09 DHS. There are also positive signs that the maternal mortality rate (not currently available) will reduce, because the number of births with a skilled attendant has increased from 42% to 63%, and more births are being delivered in a health facility. The UK's programmes in health have contributed to these gains by helping women to access health services, particularly maternal health, and providing modern family planning. The poverty MDG (the proportion of people living below $1.25 a day) is lagging. The UK is supporting market development and financial inclusion, which are key ingredients of growth, and enabling more people to move out of poverty, including women and girls. The poorest Kenyans live in climate-vulnerable arid and semi-arid areas, where a blend of DFID assistance (including cash transfers, climate change adaptation and drought management) will strengthen household resilience to shocks and stresses.						

Kyrgyz Republic	MDG 1	MDG 2	MDG 3	MDG 4	MDG 5	MDG 6	MDG 7
	The Kyrgyz Republic has made significant progress in achieving its MDG targets, with MDG 1, MDG 2, MDG 3, MDG 5 and MDG 7 already achieved. The targets related to MDG 4 (children under-5 mortality rate per 1,000 live births) are also likely to be achieved by 2015. Indicator MDG 6, the percentage of people aged 15 to 49 living with HIV, is currently assessed as having made insufficient progress over the period. The DFID Central Asia programme has directly contributed to progress on MDG 1, MDG 4 and MDG 7. Over the current Operational Plan period, the DFID Central Asia office has been promoting economic growth, stability and development, through support to governance and service delivery. The office has been investing in public finance management, civil society and in strengthening the Kyrgyz Republic's fledgling parliamentary democracy. Technical advice has been provided to encourage private sector growth through improved and simplified business and tax regulation. Further programmes have contributed to reduced infant mortality, increased access to potable water and improved water-related hygiene practice.						

Liberia	MDG 1	MDG 2	MDG 3	MDG 4	MDG 5	MDG 6	MDG 7
	Liberia's progress towards the education, health, and water, sanitation and hygiene (WASH) MDGs prior to the ebola crisis was variable, with some improvements in health and WASH. There has been little progress in education, however, although gender parity in enrolment increased. The ebola crisis, which began in Liberia in March 2014, has had a devastating impact on the country and has set back progress towards several MDG targets in 2014–15. Although little data is yet available, the impact is expected to be most acute in education, as schools were closed for 6 months, and in health. DFID's current programme of support is focused on reforming the health sector and rehabilitating infrastructure, which are essential if Liberia is to continue attracting international private sector investors, further stimulate the post-ebola economy and restore livelihoods.						

Malawi	MDG 1	MDG 2	MDG 3	MDG 4	MDG 5	MDG 6	MDG 7
	While Malawi has made some progress towards the MDGs, it is also faced with challenges in meeting some targets. DFID has made a significant contribution to water and sanitation targets with 750,000 people being supported with improved access to clean drinking water and improved sanitation facilities by December 2015. DFID continues to be a major supporter of gender equity and empowerment of women in Malawi and its education work is helping to improve gender parity in the last years of primary and secondary school. Poverty and hunger continue to be a major challenge, especially in rural areas where the majority of the population resides. DFID's work in agriculture and private sector development is aimed at addressing rural poverty and helping to both improve rural incomes and reduce the vulnerability of farmers to external shocks. While progress has been made on child mortality and HIV/AIDS, DFID's health work continues to contribute towards improvements in off-track health indicators. This includes a key priority in improving women's access to quality family planning and reproductive health services.						

Mozambique	MDG 1	MDG 2	MDG 3	MDG 4	MDG 5	MDG 6	MDG 7
	Mozambique has benefited from 2 decades of strong economic growth; however, 6 out of 10 Mozambicans live in extreme poverty on less than $1.25 a day and women and girls are disproportionately poor. DFID is contributing to Mozambique's efforts to reduce poverty and promote inclusive economic development with support for agricultural development, women's economic empowerment, provision of cash transfers for the most vulnerable and projects to increase access to finance and land. Enrolment rates in primary education have increased rapidly but the quality of teaching and learning remains very low so DFID is focusing on evidence and advocacy to improve learning outcomes. Maternal and under-5 mortality have decreased but remain comparatively high internationally. DFID support is being provided to the health sector to address all MDG areas but with an emphasis on maternal and infant health and family planning. There has been slow progress in increasing access to water and sanitation. Only 11% of rural households have adequate sanitation and DFID support is targeted on increasing access in those areas where need is greatest.						

Nepal	MDG 1	MDG 2	MDG 3	MDG 4	MDG 5	MDG 6	MDG 7

Nepal has made significant progress in achieving its MDGs, particularly given the difficult context – including the recent conflict, political instability and preoccupation with the major national political agenda. The majority of health-related MDGs have already been achieved, including the targets for under-5 and maternal mortality; the one exception is the indicator in MDG 6 for the percentage of people living with HIV which is currently assessed as off track. The targets related to poverty, primary education and access to improved drinking water sources are also likely to be achieved by 2015. Over the current Operational Plan period, DFID Nepal has been actively engaged in all of the above MDG areas, including sector budget support programmes in health and education and multiple programmes with water, sanitation and hygiene (WASH) objectives, with all programmes having the primary objective of poverty reduction. DFID Nepal's portfolio has therefore positively and directly contributed to the significant MDG progress realised over this period.

Nigeria	MDG 1	MDG 2	MDG 3	MDG 4	MDG 5	MDG 6	MDG 7

Progress is off track on all MDGs in Nigeria with very slow rates of improvement. Massive inequality and a vast, fast-growing population mean that effective management of growth plays a significant part in Nigeria's development and DFID has a strong growth portfolio focusing on power, job creation and agriculture. DFID Nigeria is also focusing strongly on human development: health, education, and water and sanitation. These efforts are particularly in northern Nigeria where the indicators are lagging the most. DFID has significantly overachieved its Operational Plan target to raise the incomes of Nigerians by 15%. In health, Nigeria is overachieving on DFID's targets for births attended by skilled health workers, and for children and pregnant mothers reached by DFID's nutrition programmes. Nigeria is on track to meet targets for providing improved sanitation facilities.

Occupied Palestinian Territories	MDG 1	MDG 2	MDG 3	MDG 4	MDG 5	MDG 6	MDG 7

The OPTs have made positive headway against some MDGs. The targets for net enrolment and gender equality in primary education, and for maternal mortality have been met. Significant progress towards the under-5 mortality goal has also been made, despite being off track to meet the 2015 target. Less promising, nearly 1 in 5 Palestinians does not have access to an improved drinking water source with no sign of improvement over recent years. The continuing occupation of the Palestinian territories makes it difficult to make faster progress; for example, the blockade of Gaza has sharply reduced access to the water supply for 1.7 million Palestinians. It is also likely that the 2014 Gaza Crisis has either halted or reversed progress against the MDGs, although it is difficult to say with any certainty what impact the crisis has had until more recent data becomes available. DFID is contributing to the achievement of the MDGs through its support to the Palestinian Authority (PA) and the UN Relief and Works Agency (UNRWA). Through financial assistance, DFID is enabling the PA to deliver important education and health services to the population. DFID funding to UNRWA is providing basic services and humanitarian supplies to up to 5 million Palestinian refugees in the OPTs, Syria, Jordan and Lebanon. The UK is also helping Palestinian communities challenge eviction and demolition orders which threaten livelihoods.

<table>
<tr><td rowspan="3">Pakistan</td><th>MDG 1</th><th>MDG 2</th><th>MDG 3</th><th>MDG 4</th><th>MDG 5</th><th>MDG 6</th><th>MDG 7</th></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td colspan="7">Pakistan’s progress against MDG indicators has been slow. While Pakistan has met the target on the incidence of HIV, it is off track on all other MDGs, including education, health and poverty indicators. UK support is focused on improving the quality of and access to education and has benefited over 6 million primary school children since 2011. Official poverty statistics for Pakistan are currently under review. Unofficial estimates for the consumption-based national poverty line, however, range from 23% to 37%. UK support to Pakistan’s national social protection programme has helped at least 3 million people meet their basic needs for food, health and education by 2015. Since 2011, UK support has helped at least a million births to be delivered by trained medical staff. UK funding has helped more than 300,000 women access the use of modern methods of family planning. UK support has contributed to improving livelihoods of more than 80,000 people, 40% of whom are women, by equipping them with marketable skills. Since 2011, over 3.5 million people have benefited from improved access to water, sanitation and hygiene due to UK support.</td></tr>
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<tr><td rowspan="3">Rwanda</td><th>MDG 1</th><th>MDG 2</th><th>MDG 3</th><th>MDG 4</th><th>MDG 5</th><th>MDG 6</th><th>MDG 7</th></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td colspan="7">Rwanda has achieved significant progress since the devastating genocide of 1994. Three of the seven MDGs have already been met, including ensuring primary education for all, equal access to primary school for boys and girls, and cutting the maternal mortality ratio by two-thirds. Rwanda is fully on track to meet the child mortality MDG and to halt the spread of HIV/AIDS. However, while there have been improvements, Rwanda is not on track to meet the MDGs related to poverty and access to safe water and improved sanitation. DFID’s programme has directly contributed to progress towards the MDGs. In education, DFID increased access and equality within the school system through direct support to the education sector and a range of specific programmes which focus on increased access for girls and disabled children. DFID’s programmes to enhance social protection, improve access to finance, increase agricultural productivity, and to help families and businesses cope with the effects of climate change, have significantly contributed to improved economic growth and poverty reduction (in particular the reduction of extreme poverty).</td></tr>
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<table>
<tr><th rowspan="3">Sierra Leone</th><th>MDG 1</th><th>MDG 2</th><th>MDG 3</th><th>MDG 4</th><th>MDG 5</th><th>MDG 6</th><th>MDG 7</th></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td colspan="7">Sierra Leone's progress towards the education, health, water, sanitation and hygiene (WASH) MDGs prior to the ebola crisis was variable, but slow overall. In education, DFID increased primary school access and participation, and helped to raise education quality in primary and junior secondary schools. In health, DFID was working to strengthen health systems, improving reproductive, maternal and newborn health, and was achieving slow but steady progress in reducing long term maternal mortality. In water and sanitation, DFID was strengthening delivery of and access to improved water sources, sanitation and hygiene education, including WASH facilities in schools and primary healthcare units, supporting an improvement in the access to safe drinking water. The ebola crisis, which began in Sierra Leone in May 2014, has had a devastating impact on the country and has set back progress towards several MDG targets in 2014–15. Although little data is yet available, the impact is expected to be most acute in education, as schools were closed for almost a full academic year, and in health. It is estimated that visits to health facilities declined by one-third in the last 7 months of 2014 compared with the same period in 2013, and the number of children fully immunised in September 2014 was 75% less than the same month in the previous year. Latest IMF forecasts suggest that the economy has contracted by more than 20%. DFID is playing a leading role in Sierra Leone's recovery from ebola by supporting the safe reopening of schools and health facilities to help mitigate the damage caused by the virus. It is important to enable faster progress towards human development targets in the future, given these immense challenges.</td></tr>
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<table>
<tr><th rowspan="3">Somalia</th><th>MDG 1</th><th>MDG 2</th><th>MDG 3</th><th>MDG 4</th><th>MDG 5</th><th>MDG 6</th><th>MDG 7</th></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td colspan="7">There is cross-UK government consensus that state-building is the right overarching approach for UK support in the Somalia context. As such, DFID Somalia does not contribute directly to all of the MDGs but takes as a framework for engagement the New Deal Peacebuilding and Statebuilding Goals. During 2014, DFID increased its investment in and medium-term planning for economic development work (relevant to MDG 1) with a view to strengthening economic governance, supporting better trunk and market infrastructure, improving access to finance and business opportunities and stimulating better employment and livelihoods prospects. This work also includes supporting the development of the telecommunications sector in Somalia, relevant to MDG 8. The support, provided through DFID's multi-year humanitarian programme, delivered emergency food assistance to 790,000 internally displaced people, and over 220,000 under-5 children and pregnant and breastfeeding women among this group benefited from nutrition-specific programmes (MDG 1). The Girls Education Challenge Fund continued to invest and track progress in girls' education (MDG 2 and MDG 3). DFID is also supporting low cost, low carbon energy (MDG 7) to tackle one of the constraints to growth and access to essential services. DFID continues to support access to quality health services (MDG 4 and MDG 5), with over 460,000 benefiting during 2014–15, including over 18,000 women who gave birth with the help of a skilled birth attendant. DFID's investments through the Somaliland Development Fund have also begun to address the extensive need for improved water sources (MDG 7). DFID continues to support the development of evidence and statistics to better guide and monitor progress in Somalia, with the completion of the Population Estimation Survey for Somalia being the major achievement in 2014–15.</td></tr>
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South Africa	MDG 1	MDG 2	MDG 3	MDG 4	MDG 5	MDG 6	MDG 7
	DFID's direct bilateral aid programme ends in 2015. After this date its engagement will be based on working with South Africa to engage on the global development stage. DFID's programme to date has helped translate the country's own resources into better lives for poor people. The UK's support contributed to maternal and child mortality reduction through support to the Maternal, Newborn, Child and Women's Strategy, focusing on 25 districts with the worst outcomes. DFID has also supported South Africa's response to reduce violence against women and children, improve government's accountability to citizens on service delivery, and to work towards meeting its ambitious international pledges on transition to a low carbon economy.						

South Sudan	MDG 1	MDG 2	MDG 3	MDG 4	MDG 5	MDG 6	MDG 7
	South Sudan has some of the worst human development indicators in the world and is off track on all MDGs. Decades of war have left a legacy of chronic poverty and inequality, which has been exacerbated by the internal conflict which broke out in late 2013. The challenges are immense, but the UK's work in South Sudan is making an important contribution. DFID's humanitarian programme continues to address immediate needs, including food, shelter, and access to health, nutrition, water and sanitation facilities. Health programmes have a strong focus on improving the health status of women and children, and education work supports children in primary and secondary education with a particular focus on girls. DFID's livelihoods programmes build the resilience of communities to withstand food security risks, and new work is being designed in this area. Lack of data to measure against the MDGs, however, is a major challenge in South Sudan and DFID is supporting work to strengthen the statistical system.						

Sudan	MDG 1	MDG 2	MDG 3	MDG 4	MDG 5	MDG 6	MDG 7
	Achieving the MDGs is very challenging in a country which has experienced cycles of conflict throughout the last 5 decades and in which economic development is stagnating. In this context, the majority of DFID Sudan's support is humanitarian, addressing immediate needs including access to shelter, healthcare, education and water, and supporting innovations which offer value for money in the protracted humanitarian crisis, such as community-managed solar power water pumps and food voucher smart cards. DFID is also investing in the foundations for longer term development through programmes to improve management of urban and rural water supplies, to build communities' resilience to conflict or climate shocks through improved food security and nutrition, and to help tackle female genital mutilation. A multi-partner fund with the World Bank aims to mitigate the impacts of the economic adjustment process on the poor. All of these programmes have a cross-cutting focus on women, girls and the most vulnerable.						

Tajikistan	MDG 1	MDG 2	MDG 3	MDG 4	MDG 5	MDG 6	MDG 7

The DFID Central Asia office is responsible for operations in Tajikistan, which is the poorest of the Central Asia states. It has already achieved MDG 1, MDG 2, MDG 3 and MDG 5. MDG 4 (children under-5 mortality rate per 1,000 live births), MDG 6 (percentage of 15 to 49-year-olds living with HIV) and MDG 7 (proportion of the population without access to improved drinking water sources) are currently assessed to be off track. Over the current Operational Plan period, the DFID Tajikistan portfolio has focused on MDG 1, specifically promoting economic growth and good governance. To encourage private sector development and job creation, DFID programmes have helped simplify business and tax regulation, provided business advice and access to finance for small and medium-sized enterprises (SMEs) and individual entrepreneurs (including women), contributing directly to poverty reduction. DFID has supported improved public finance management by establishing systems for effective budget management, control and transparency and strengthening the capacity of parliament and civil society to hold the government to account.

Tanzania	MDG 1	MDG 2	MDG 3	MDG 4	MDG 5	MDG 6	MDG 7

Tanzania has increased access to basic services, improved health outcomes and made some progress in reducing income poverty. Challenges remain in improving the equity and quality of basic services. DFID's programme is addressing the areas where progress is lagging. The priorities are to accelerate broad-based growth, to improve the effectiveness, quality and equity of service delivery in water, education and health, to help the government to work better and to support Tanzanians in holding their government to account. Over the past 4 years, DFID has helped 450,000 rural men and women increase their income, 2 million rural people to get access to an improved water source, and supported 5.7 million people to have choice and control over their development and to hold their decision makers to account.

Uganda	MDG 1	MDG 2	MDG 3	MDG 4	MDG 5	MDG 6	MDG 7

Uganda has met its MDG targets on gender parity in primary level enrolment and the proportion of people without access to improved drinking water sources. If current progress is sustained, the country will also meet many of the remaining MDG targets by 2015, including: proportion of the population living on less than $1.25 a day; under-5 five mortality rates; and combating HIV, although there have been recent reversals in HIV prevalence. Uganda will not meet the MDG on maternal mortality by 2015, and the current projection is that the target will be met in 2040. Working with the government and other partners, DFID is supporting the country's efforts to increase household income in some of the poorer parts of the country and among the most vulnerable; to tackle the leading causes of child mortality including malaria; to improve access to quality reproductive health services; and to promote the empowerment of women.

Yemen	MDG 1	MDG 2	MDG 3	MDG 4	MDG 5	MDG 6	MDG 7

The current economic and humanitarian crisis in Yemen threatens to plunge more people into poverty and to undo recent progress towards meeting the MDGs. Yemen was on track to meet the MDG targets on maternal mortality and HIV prevalence. Prior to the crisis, there had been notable improvements in reducing child mortality and improving access to education for boys and girls. However, there was little or no progress in reducing poverty or improving access to water. Over the past few years, DFID's programmes have provided access to schools, nutrition, healthcare, clean water and improved sanitation for those most in need in the poorest communities and access to finance and jobs.

Zambia	MDG 1	MDG 2	MDG 3	MDG 4	MDG 5	MDG 6	MDG 7

Zambia is on track to meet 3 of the MDG indicators by 2015: MDG 2 (achieve universal primary education), MDG 3 (gender parity in primary education), and MDG 6 (begin to reverse the spread of HIV/AIDS). This, though, gives a rather rosy picture of development progress in Zambia. The $1.25 a day poverty level has remained unchanged at 60% for the last decade and 40% of children under-5 are stunted due to malnutrition: it will miss the MDG target on reducing poverty and hunger. Zambia has very low female political participation and rates of child marriage and violence against women are high. In health, positive progress has been made but not enough to achieve MDG indicators 4 and 5. Zambia will not reach the MDG targets for water and sanitation. DFID is working with the government, private sector and civil society to help make economic growth more inclusive and improve the lives of the poor. DFID is working to strengthen agricultural value chains and rural markets and increase access to finance so that more of Zambia's people benefit from growth. DFID is supporting the scaling up of cash transfers to reach the poorest and is training community health and skilled birth attendants to help reduce vulnerability to HIV and malaria and to increase access to family planning and safe delivery. DFID sanitation and hygiene and nutrition programmes have reached 3 million people and over 1.9 million children under-5 respectively. The DFID programme is tackling gender-based violence and the empowerment of girls and women.

Zimbabwe	MDG 1	MDG 2	MDG 3	MDG 4	MDG 5	MDG 6	MDG 7

In general, progress towards the MDGs is lagging in Zimbabwe. Nevertheless, gender parity targets for primary education (MDG 3) have been met; and good progress has been made in the last few years on the primary enrolment ratio (MDG 2), under-5 mortality (MDG 4) and maternal mortality (MDG 5). DFID's programme is focused on strengthening access to basic services including health, education and water, as well as playing a leading role in improving rural food security, and increasing household incomes through access to finance, enterprise support and social protection for vulnerable households (MDG 1). DFID is increasing contraception provision and skilled birth attendance for women (149,000 women supported since 2010) to reduce unmet need for family planning and decrease maternal mortality which, between 2011 and 2014, reduced from 960 to 614 per 100,000. Through the rehabilitation and drilling of new boreholes, DFID is increasing access to clean water in rural areas (1.5 million people reached since 2010), as well as access to improved sanitation (197,000 people reached since 2010), while DFID's education programme is focused on increasing the number of children, especially girls, who have access to a good quality education.

Africa regional programme	**Contribution to regional priorities:**
	The Africa regional programme works closely with the African Union, Regional Economic Communities, the World Bank and the African Development Bank, African governments and other partners to help meet a range of regional development objectives. DFID supports regional interventions that promote wealth creation, by reducing trade barriers, supporting regional infrastructure development, and increasing participation in regional staple food markets. DFID also supports adaptation to climate change, including improved regional co-operation on forests and water management; strengthened governance and accountability; improved regional evidence and advocacy, particularly on maternal health, malaria and democratic governance; and addressing neglected health issues such as unsafe abortion and female genital mutilation. DFID supports regional humanitarian programmes in the Sahel and Central African Republic. Helping Africa to make the most of its extractive industries is an important new priority.

Asia regional programme	**Contribution to regional priorities:**
	The Asia regional programme allows DFID to work across borders and in ways which can be more cost effective than working in individual countries. Priorities include improving regional connectivity, with a focus on trade and power connectivity, and dealing with the negative consequences of improved trade (trafficking and malaria); improving resilience to growth including through co-operation on cross-border rivers; protecting the urban poor from climate risks; and (where appropriate) running regional health and nutrition programmes, including programmes that will lead to more effective food security and nutrition investments in the region.

Middle East and North Africa regional programmes	**Contribution to regional priorities:**
	Since 2011, the MENA region has experienced major changes. It faces complex political, economic and security challenges, and a large and still increasing youth population. DFID's work in the region is a part of the wider UK government effort to manage current conflict and crises and tackle the underlying drivers of instability while supporting reform and longer term development objectives.

Overseas Territories	**Contribution to regional priorities:**
	The UK Government has binding international obligations under the United Nations to promote development for the people of the Overseas Territories. DFID's Overseas Territories Department's Operational Plan set out how DFID works to achieve its objectives – by meeting the reasonable assistance needs of the 3 'aided' Overseas Territories, accelerating reduction in their aid dependency, and helping to manage the government's financial liabilities for non-aided Caribbean Overseas Territories in crisis. DFID's direct financial support for the governments of Montserrat, St Helena and Pitcairn again helped to ensure the delivery of adequate public services such as health, education and continued access to the islands by sea. Where the conditions are right for substantial public investments to help stimulate private sector led economic growth, DFID has continued to provide investment in Overseas Territories, for example in the St Helena airport and geothermal power on Montserrat. In return for these major investments from DFID, Overseas Territories governments have committed to doing everything they can to improve the investment climate and to reduce their dependence on UK subsidies.

Level 2: DFID results

4.16 At level 2, DFID measures the outputs that can be directly linked to its programmes and projects, whether delivered through bilateral country programmes or through contributions to multilateral organisations.

4.17 Box 4.1 summarises the headline results DFID has achieved at level 2. Further analysis of DFID's results by sector and country, as well as technical information about how they are measured, can be found on the GOV.UK website.[7]

4.18 It is important to note that the indicators in level 2 reflect those outputs where it is possible to aggregate results across different countries and so do not capture all the results that DFID is delivering. Results that are vital to each country's development may not be covered here simply beacuse they cannot be aggregated across countries. A fuller set of results can be found in the Operational Plans published on the GOV.UK website.[8]

Level 3: Operational effectiveness

4.19 Level 3 of the DFID Results Framework monitors how well the Department manages itself to deliver results and ensure value for money. DFID monitors closely the following 4 performance areas.

Pipeline delivery

Forward-looking data on DFID's pipeline of programmes (either approved or under design) to help assess whether DFID has sufficient good quality plans in place at the right time to ensure it will achieve its commitments and spend its budget effectively.

4.20 DFID regularly monitors its pipeline of projects at both approved and design stages to ensure it has sufficient plans in place that represent value for money. Sustaining a strong pipeline of projects will drive choice and competition, ensuring that the best value programmes are implemented.

4.21 The timing of these plans has become increasingly important to ensure that DFID maximises its financial year budget to deliver the UK's commitment to spend 0.7% of gross national income (GNI) as Official Development Assistance (ODA) in each calendar year.

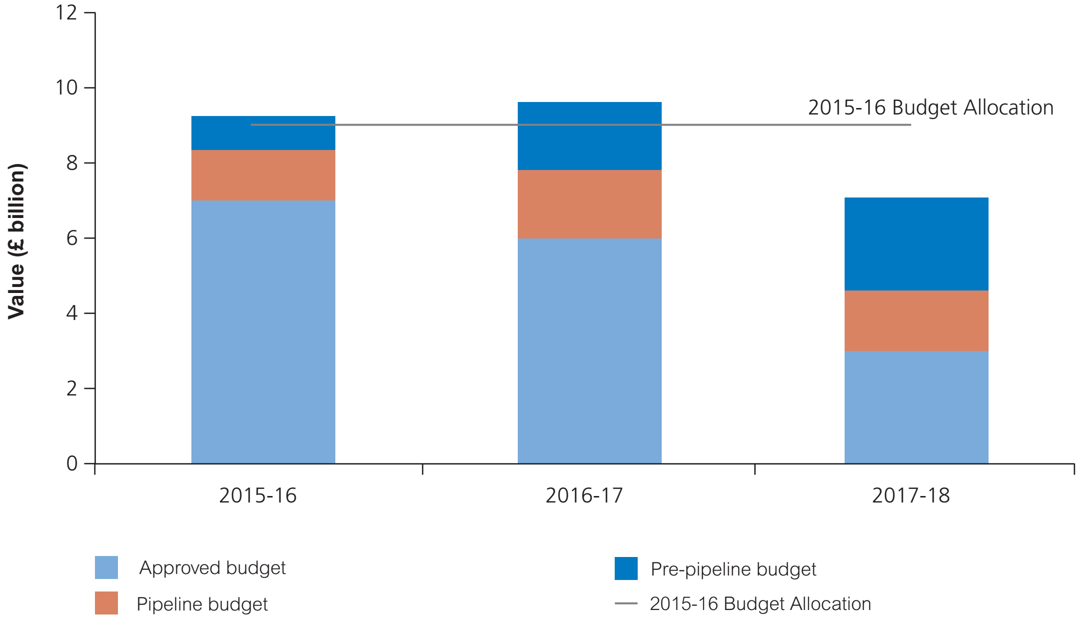
4.22 Figure 4.3 shows that DFID is in a strong position for 2015–16, having developed programmes in excess of its budget allocation by 5%, which enables those offering best value for money to be chosen. Over £7 billion has already been approved, representing around 80% of the total budget allocation for 2015–16.

4.23 For later years, DFID also has a healthy pipeline developing, and around £6 billion and £3.5 billion have been approved for 2016–17 and 2017–18 respectively. HM Treasury budget allocations for later years will be agreed during future spending reviews.

7 www.gov.uk/government/publications/dfid-annual-report-and-accounts-2014-15-results

8 www.gov.uk/government/collections/dfid-operational-plans-and-summaries-2014

Figure 4.3: Pipeline delivery for DFID programmes 2015–16 to 2017–18



Portfolio quality

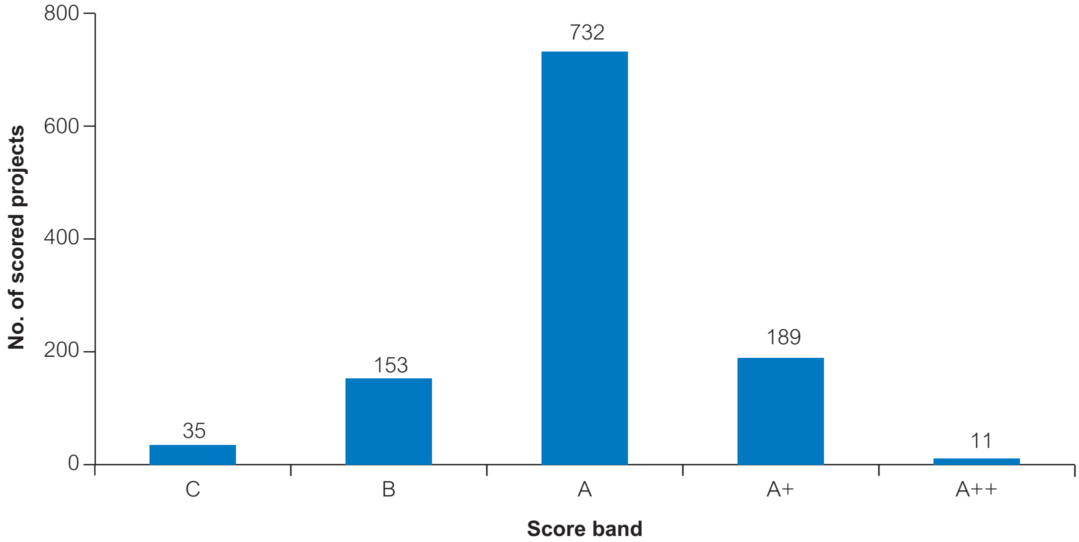
Measure of the extent to which DFID's interventions are on track to deliver their expected outputs and outcomes.

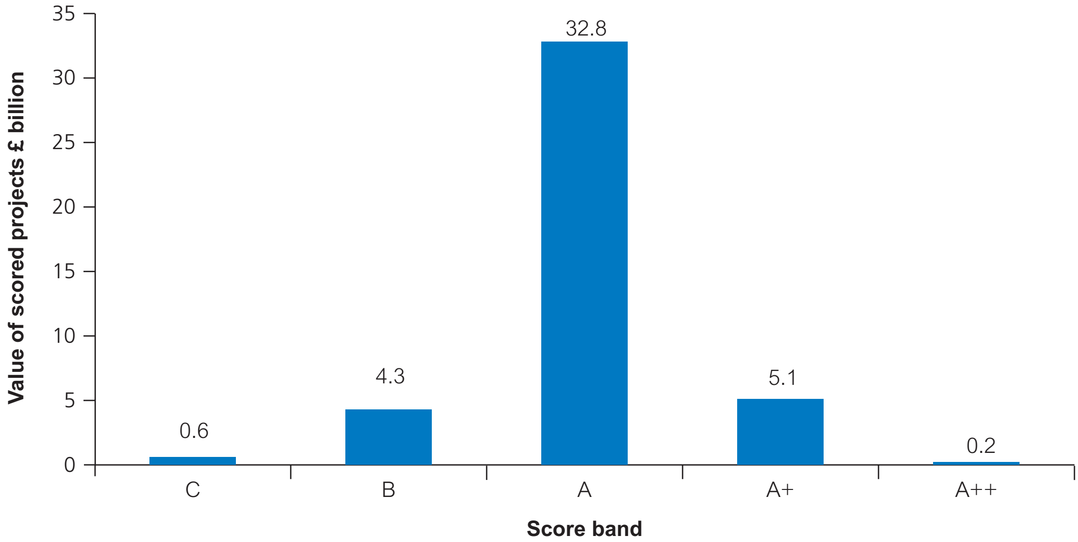
4.24 DFID continues to drive efficiency and effectiveness in its programmes. Every DFID project or programme has to be underpinned by a business case, and the use of evidence in DFID business cases is improving. In 2014, the number of business cases internally assessed as weak in their use of evidence was 17%, compared with 59% in 2011.

4.25 New Smart Rules, published in July 2014, introduced fewer, more tightly controlled rules and stronger commercial capability. The performance of every programme, irrespective of value, is reviewed in each year of its life to assess whether it is on track to deliver the benefits at the costs expected in the business case. Programmes that fail to deliver the expected results and fail to improve will be closed.

4.26 During 2014–15, more than 1,100 projects were reviewed. Those projects scoring A and above represent over 83% of the value and volume of projects scored. The proportion of projects scoring A and above has been relatively stable throughout the year; on average, these projects are higher in value than those scoring lower grades.

Figure 4.4: Distribution of projects scored during 2014–15





4.27 DFID's Portfolio Quality Index provides a weighted measure of how well the portfolio of projects is performing based on reviews performed in the previous 12 months, with a range from 50 to 150. At the end of March 2015, the Portfolio Quality Index was 98.9.

Monitoring and evaluation

Data on the extent to which DFID is actively reviewing its programmes and learning lessons for the future.

4.28 The new Smart Rules and management information reporting have continued to provide focus on key programme controls such as ensuring annual reviews and project completion reviews are completed on time. During 2014–15, levels of overdue reviews have remained low.

4.29 During 2014–15, 24 evaluations were completed, and will be published on the DFID section of the GOV.UK website. The remaining evaluations are either going through the quality assurance process or are joint evaluations managed by other donors which will be published in tandem with partners. In June 2014, DFID published an Evaluation Strategy which sets out the direction for evaluation over the next 5 years.

Performance against DFID's Structural Reform Plan

Data to assess how well DFID has delivered against its corporate objectives and areas prioritised by the Coalition Government.

4.30 DFID's structural reform priorities are set out in the Structural Reform Plan in the DFID Business Plan as published in May 2013. The Business Plan[9] outlines the Coalition Government's vision up to 2015, including future reform priorities. It also includes information on results, expenditure and efficiency and transparency measures.

4.31 During 2014–15, DFID performed very strongly in implementing its structural reform priorities. As shown in Table 4.2, all 43 actions planned for the year were completed. Two actions remain in progress, being to support measures to reduce premature deaths of newborns and to secure an ambitious and updated set of global development goals beyond 2015. Both have end dates of December 2015.

Table 4.2: Structural Reform Plan 2014–15

Details of actions completed	
1. Boost economic development (14 actions in total)	
No. of actions continuing into 2014–15: 10	**No. of actions completed during 2014–15: 10**
■ Supported, as part of the Africa Free Trade Initiative, action to cut by 30% the average time taken for goods to cross international borders in at least 5 locations in Eastern and Southern Africa. ■ Developed a new commercial legal programme to support DFID's economic development work. ■ Worked in natural resource-rich developing countries, especially in Africa, to ensure that the benefits of natural resources (oil, gas and mining) were used to improve the lives of the poor. ■ Implemented International Aid Transparency Initiative (IATI) compliant reporting systems for all Private Infrastructure Development Group (PIDG) financing facilities. ■ Developed in liaison with other UK government departments, including the Foreign and Commonwealth Office (FCO) and UK Trade and Investment (UKTI), an action plan/engagement strategy to improve support to companies doing business in developing countries to help them succeed and enhance their contribution to inclusive growth. ■ Worked with CDC to ensure it implemented its new strategy, published in May 2012, to increase its development impact and achieve its targets over the period to 2015. ■ Provided funding to research partnerships to develop 2 new technologies (drugs and diagnostics) for malaria and other neglected tropical diseases. ■ Supported regulatory reform in 3 countries to encourage the growth of mobile money transfer and banking services for poor people. ■ Developed and tested 10 innovations in humanitarian practice. ■ Established a taskforce on higher education to investigate opportunities for development interventions.	

9 http://transparency.number10.gov.uk

2. Honour international commitments (14 actions in total)	
No. of actions continuing into 2014–15: 10	**No. of actions completed during 2014–15: 8**

- Enshrined in law the UK's commitment to spend 0.7% of gross national income as official development assistance (ODA) from 2013.
- Ensured 0.7% of gross national income is spent as ODA.
- Worked with all government departments contributing to UK ODA to deliver their contributions and published aid data under the IATI's common standard.
- Released data every March/April showing percentage of gross national income spent as ODA by calendar year.
- Ensured 15 countries had budgets and structures to scale up nutrition programmes to deliver reductions in malnutrition.
- Worked to increase access to malaria, reproductive health, water, sanitation and hygiene services for poor people, including through voucher programmes in at least 3 countries.
- Supported 11 million children in school.
- Contributed through Gavi, the Vaccine Alliance, to increase access to immunisation against preventable diseases.

3. Drive transparency, value for money and open government (16 actions in total)	
No. of actions continuing into 2014–15: 11	**No. of actions completed during 2014–15: 11**

- Supported interventions that expanded choice and empowerment and made institutions more accountable to citizens in 10 country programmes and reported on progress.
- Supported electoral processes in 13 countries over the period 2011–15, informed by guidance on electoral assistance.
- Strengthened the use of media and social media for increased access to information, transparency and accountability and public dialogue in 10 countries.
- Enhanced revenue collection in 5 partner countries through capacity development.
- Ensured effective implementation and monitoring of anti-corruption and counter-fraud country strategies in all 28 priority DFID country offices.
- Developed and published a DFID strategy setting out the vision, objectives and actions on Payment by Results.
- Implemented Payment by Results in line with DFID's strategy.
- Published progress against the DFID Results Framework on an annual basis, including against DFID's commitments on sanitation, infant mortality reduction, vaccinations and education.
- Updated DFID's guidance on beneficiary feedback with lessons from pilots.
- Created a Digital Advisory Panel to review and challenge how DFID delivers its Digital Strategy.
- Created a mechanism to enable grant-seekers to identify the right fund for them, leading to a seamless application and feedback process.

4. Strengthen government and security in fragile and conflict-affected countries and make humanitarian response more effective (10 actions in total)	
No. of actions continuing into 2014–15: 7	**No. of actions completed during 2014–15: 7**

- Increased DFID support for peacebuilding, economic development and strengthened accountability and rule of law in Burma, at a pace consistent with political reform and progress in that country.
- Spent 30% of UK ODA in fragile and conflict-affected states in 2014–15.
- Worked with other governments, civil society and the FCO to build on the New Deal for engagement in fragile states agreed in Busan, which included working towards a compact setting out mutual commitments between the donor community and the Government of South Sudan.
- Supported the delivery of the Arab partnership programme in the Middle East and North Africa region by providing technical assistance to ensure that the investments of multilateral agencies (World Bank, International Finance Corporation, Asian Development Bank and European Bank for Reconstruction and Development) fully responded to new Arab Spring conditions.
- Finalised methodology for cross-UK government conflict analysis by October 2012, completed new conflict analysis in 4 countries by March 2013, and ensured up-to-date analysis in 13 fragile and conflict-affected states.
- Assessed the performance of UK core-funded humanitarian multilateral organisations against priority areas for reform as identified in the Multilateral Aid Review (MAR), and used this assessment to inform future funding allocations from April 2013 onwards.
- Built disaster resilience into all DFID programmes as committed to in the UK response to the Humanitarian and Emergency Response Review (HERR).

5. Lead international action to improve the lives of girls and women (10 actions in total)	
No. of actions continuing into 2014–15: 4	**No. of actions completed during 2014–15: 4**

- Implemented programmes to deliver the Strategic Vision for Girls and Women.
- Implemented the Girls' Education Challenge through the charitable and private sectors to deliver up to 1 million more of the world's poorest girls staying in school by 2015–16.
- Established an Expert Advisory Group on Girls and Women to help shape DFID's work on gender.
- Supported measures aimed at reducing deaths of women in pregnancy and childbirth, saving up to 50,000 lives.

6. Combat climate change (8 actions in total)	
No. of actions continuing into 2014–15: 3	**No. of actions completed during 2014–15: 3**

- Improved the effectiveness and results focus of the international climate finance architecture, and especially the Climate Investment Funds (CIFs) and the Global Environment Facility (GEF).
- Developed a framework for assessing the effectiveness of climate spend through the UK's International Climate Fund, and used this to support enhanced monitoring and evaluation by the international climate finance architecture.
- Implemented a strategy to strengthen DFID's approach to climate change and resource scarcity, focusing on shaping future investment decisions, new business tools and increasing staff skills.

Level 4: Organisational efficiency

4.32 Over the 4 years of the spending review (SR10), DFID's programme spend increased by 24%. Within total operating costs, the cost of front line delivery increased by £47 million, from £91 million to £138 million (with the majority of growth in 2011–12 and 2012–13 ahead of the uplift in the programme to achieve the government's target of spending 0.7% GNI on ODA from 2013). Administration costs have reduced by one-third over the same period to £93 million in 2014–15. DFID total operating costs for 2014–15 are 2.4% of total Departmental Expenditure Limits (previously around 3%).

4.33 DFID has taken significant steps to ensure it maximises the impact of the growing development budget. DFID has re-engineered business processes, built skills and capability, become more transparent and accountable, and made good progress with implementing its commercial strategy. Every DFID project or programme has a Senior Responsible Officer and goes through a performance review each year of its life.

Commercial contracts and procurement

4.34 While much of DFID's funding is channelled through third parties such as non-governmental organisations, multilateral organisations and developing country governments, DFID also contracts directly with a range of external suppliers to deliver development interventions. DFID also contracts with suppliers for services to support its own internal operations.

4.35 Like the rest of the UK government, DFID applies strict central controls and maximises this spend through the Government Procurement Service (GPS). DFID spending on common goods and services includes requirements not only in the UK but also overseas, where GPS coverage is more limited. DFID is transitioning common spend overseas to the FCO as part of One HMG Overseas consolidation.

4.36 Crown Commercial Savings report approximately £10 million savings per annum for DFID. These savings represent the cost that has been avoided through the utilisation of One HMG Overseas contracts for common corporate spend categories (within DFID's operating costs only).

4.37 DFID has a very ambitious Commercial Strategy focusing on transforming operational delivery, supplier relationship management and improving organisational commercial capability. The Commercial Strategy has delivered savings from commercial activities through SR10 with savings of £118 million in 2014–15. These savings have been achieved through driving effective and efficient open procurement procedures within the programme budget, rather than common category administration spend.

4.38 DFID is also driving commercial reform within multilaterals, providing best practice advice across its partner organisations and exploring areas for procurement collaboration. In 2014 DFID won the Chartered Institute of Procurement and Supply (CIPS) 'Best Contribution to the Procurement Profession' award.

Joint platforms – One HMG Overseas

4.39 Achievement of the UK government's international objectives and value for money for the public sector are best served by closer working between departments through One HMG Overseas. This shared vision will deliver efficiencies overseas and focus more strongly on FCO and DFID policy and delivery goals. Staff overseas will collaborate closely on policy issues, making the best use of collective expertise and skills, and be co-located wherever possible; the FCO, as part of its core mandate, will provide the operational platform, including a single corporate services team to meet One HMG Overseas' business requirements at post. From 1 April 2015, DFID's local corporate services overseas will be provided by the FCO.

4.40 The priority for One HMG Overseas for 2014–15 was preparing for consolidation of overseas posts with the FCO. Nineteen posts transferred on 1 April 2015 with the FCO now providing local corporate services overseas for these offices, and others will follow in 2015–16. A new service level agreement was also negotiated and agreed with the FCO and other government departments, which also went live on 1 April. This will be piloted for 2015–16.

Corporate efficiencies through the Operational Excellence programme

4.41 DFID's Operational Excellence (OpEx) programme was launched in June 2013 to provide a framework to better co-ordinate the existing and planned improvements to people, processes and systems. This will increase efficiency, improve value for money and give us a more agile approach to sharing services as part of the wider civil service reform agenda.

4.42 During 2014–15, HR and finance operations were merged to form Group Operations, providing an opportunity to streamline and improve core business support processes through standardisation, simplification and improvements in self-service functionality.

4.43 DFID has made significant improvements in its finance capacity during SR10 and is currently refreshing its Finance Improvement Plan, setting out a clear vision for finance capability and delivery over the next 3 years. DFID is developing increased pools of advisory staff ready to be deployed to DFID posts. DFID has further increased the pool of staff in the finance cadre and increased the number of finance qualified staff in business roles. DFID continues to develop competencies and continued professional development for all finance staff.

IT/digital savings

4.44 DFID makes extensive use of digital communication channels and tools to gather feedback and support greater transparency. This trend will continue and will require us to build digital capability and skills. DFID's approach is set out in the Digital Strategy and is supported by its Digital Advisory Panel. DFID will continue to promote IATI, and extend the capability of its online DevTracker application, which provides increased visibility of aid from the UK through a user-friendly interface, allows a full drill-down from country or sector to individual projects and expenditure, and will also support more detailed location and results information as these are released.

4.45 During 2014–15, efficiencies have been realised from the re-tendering of DFID's Echo Global Communications contract and decommissioning of legacy systems. Moving forward, DFID expects further efficiencies to be realised from the transition to Cloud-based services, introduction of a new electronic document and records management (EDRM) system and the introduction of a bespoke programme management module (the Aid Management Platform).

Business Plan indicators

4.46 A summary of DFID 2014–15 spend by budget type, type of internal operation and type of transaction is shown in Table 4.3 below. This is published quarterly for all government departments in a consistent format on the GOV.UK website.[10]

4.47 A subset of the level 2 results indicators are reported as part of DFID's Business Plan (impact indicators) along with information relating to the costs of these results (input indicators). Data for 2014–15, alongside prior year information, is shown in Table 4.4.

10 www.gist.cabinetoffice.gov.uk

Table 4.3: Latest data on DFID Business Plan spend indicators

Spend by budget type	£ million
DEL	9,650
AME	109
Total spend	**9,759**

Spend by type of internal operation	£ million
Cost of running the estate	6
Cost of running IT	13
Cost of corporate services	13
Policy and policy implementation	9,531
Other costs	196
Total spend	**9,759**

Spend by type of transaction	£ million
Procurement costs	1,238
People costs	126
Grants	7,412
Other costs	983
Total spend	**9,759**

Table 4.4: DFID Business Plan results indicators

Input indicators[1]	**2013–14**	**2014–15**
Cost per child supported in primary education[2]	$111	$108
Average unit price of long-lasting insecticide-treated bed nets procured[3]	$3.14	$3.00
Cost per person of providing sustainable access to an improved sanitation facility	£10	£12
Cost per person of improving access to financial services[4]	Not available	Not available
DFID spend on elections — through DFID's bilateral programmes[5]	£39 million	£20 million
DFID spend on elections – DFID's imputed multilateral share[6]	£8 million	£12 million
Cost per birth delivered by a skilled birth attendant[7]	£192	£239
Spend on climate change adaptation, low carbon development and protecting forests – through DFID''s bilateral programmes	£286 million	£362 million
Spend on climate change adaptation, low carbon development and protecting forests – through DFID's multilateral programme	£71 million	£315 million
DFID spend through multilateral organisations	£4,307 million	£3,998 million
Impact indicators	**2013–14**	**2014–15**
Number of children supported by DFID in primary education[8]		9.4 million
Number of insecticide-treated bed nets distributed with DFID support – through DFID's bilateral programmes[9]	10.7 million	12.4 million
Number of people with sustainable access to an improved sanitation facility as a result of DFID programmes	7.3 million	7.8 million
Number of people with access to financial services as a result of DFID support – through DFID's bilateral programmes	12.6 million	25.2 million
Number of people with access to financial services as a result of DFID support – through DFID's multilateral programme (the International Fund for Agricultural Development)[10]	0.4 million	Not available
Number of people who vote in elections supported by DFID	60.5 million	12.2 million
Number of births delivered with the help of nurses, midwives or doctors through DFID funding	1.3 million	0.8 million
Number of people DFID supports to cope with the impacts of climate change	3.4 million	8.7 million
Other data sets	**2013–14**	**2014–15**
UK ODA as a percentage of GNI[11]	0.70	0.71
% share of global ODA of donors who are publishing their aid information in an IATI compliant format	83%	84%
Number of volunteers participating in International Citizen Service	2,146	3,225
Structural Reform Plan actions	**2013–14**	**2014–15**
Total number of actions completed during the year	27	43
Total number of actions overdue at the end of the year	0	0
Number of actions overdue that are attributable to external factors	0	0
Total number of actions ongoing	43	2

Notes

[1] The input indicators provide information on the cost effectiveness of DFID's programmes by linking spend to performance. It should be noted that many of the inputs measured are not true unit cost indicators. Instead, they show aggregate spend on sectors related to the results. Other results, which are not captured in the impact indicators, are also being delivered through this spending. The results estimates are updated each year to take account of further information which become available for 2014–15 and earlier years.

[2] The 2013–14 figure for this indicator has been revised to update the weightings applied in the calculations.

[3] Data was also provided by UNICEF, the US President's Malaria Initiative, the subset of Global Fund procurements realised through the voluntary pooled procurement mechanism and direct DFID procurement for the calendar year 2014. The average unit price was between $2.77 and $2.96 for 190x180x150 net and between $2.97 and $3.30 for all nets. DFID, GFATM and USPMI reported ex-works (EXW) prices and UNICEF a free carrier (FCA) price. The price of long-lasting insectidal nets (LLINs) varies significantly depending on a number of market factors, such as availability, capacity and timing of demand, in addition to product factors including size, shape, colour and denier, and logistical factors.

[4] It is not currently possible to derive accurate data on direct costs incurred in supporting access to financial services by individuals, given that financial access for individuals is often a part of wider financial sector development programmes.

[5] Data relates to spend reported against CRS code 15151 (Elections).

[6] Data relates to spend reported against CRS code 15151 (Elections) and is reported with a 1-year time lag relating to calendar year ODA expenditure (i.e. the figure under the 2013–14 column relates to 2012, and the figure under 2014–15 relates to 2013 ODA spend).

[7] There is no specific target for this indicator. Improvements in quality and increased efforts to reach the poorest and most vulnerable can lead to increases in unit costs.

[8] The figure of 9.4 million represents the total number of children supported in primary education up to 2014–15 inclusive, so includes results achieved in earlier years. It is not appropriate to present data for individual years for this indicator as the data is drawn from national systems and governments' enrolment data and may be subject to a time lag of a year or more.

[9] Results achieved through DFID's bilateral programme only. Multilateral information associated with DFID's unique efforts is not currently available.

[10] Latest results = calendar year 2013; 2014 results not yet available. The figures are reported with a time lag as there is a delay in these being made available by the multilateral organisations.

[11] Figure for 2014–15 is provisional outturn for calendar year 2014. Previous year (2013–14) is actual outturn for calendar year 2013. Data based on the GNI methodology that was in use when spending decisions were made (ESA 1995 unadjusted). For further information, please see the statistical release: Provisional UK Official Development Assistance (ODA) as a proportion of Gross National Income 2014.

CHAPTER 5

Delivering through multilateral organisations

5.1 DFID funds multilateral organisations, such as United Nations agencies and multilateral development banks, when they are the best partner to deliver its objectives. This applies to both core funding, which supports the work of the whole multilateral; and to non-core funding (including trust funds), which is specific to a particular project, theme, country or region.

5.2 Multilateral organisations make a critically important contribution to achieving international development and humanitarian objectives, including the Millennium Development Goals (the MDGs are discussed more fully in Chapter 4 of this report).

Box 5.1: Results achievements

Shown below are some of the latest available results delivered through the multilateral organisations that DFID supports.

- Between April 2014 and March 2015, the International Development Association provided 27.8 million people with access to improved water sources.
- In 2013, ECHO's[1] humanitarian assistance reached 124 million people.
- A total of 43.8 million additional children were immunised against preventable diseases through support to Gavi, the Vaccine Alliance, based on data to the end of 2013.
- By March 2015, the Strategic Climate Fund sub-committees had approved $1.44 billion (£963 million)[2] million in project funding. These approved projects will increase renewable energy; support people to cope with the effects of climate change; reduce deforestation and degradation; and increase sustainable land management practices.
- In 2014 the Global Fund to Fight AIDS, Tuberculosis and Malaria distributed 87 million insecticide-treated bed nets.
- Between 2012 and 2014, the African Development Bank provided 10.8 million people with new or improved electricity connections.
- In 2014, the Central Emergency Response Fund provided $32.5 million to help people in Ethiopia affected by drought. Allocations included distribution of water and sanitation, life-saving emergency and recovery support and emergency health and nutrition support.
- By the end of 2014, 214,000 permanent jobs had been created by PIDG (Private Infrastructure Development Group) supported projects that were operational.
- In 2014, the Asian Development Bank trained 476,000 teachers.

1 The European Commission's EU Humanitarian Aid and Civil Protection Department.

2 Based on the CIF reported figure of $1.44billion converted to £s at the March 2015 exchange rate of 1.5383

5.3 Based on provisional information, 42.5% of DFID's total spend in 2014–15 (excluding administration costs) was core funding to multilateral organisations (£4.0 billion out of total spend of £9.4 billion). Following a dip in 2009–10, DFID's multilateral funding has made up a consistent share of the Department's total spend over recent years, with the proportion remaining between 42% and 44%.

5.4 DFID's top 10 multilateral delivery partners in 2014–15 (based on provisional spend data for the financial year) were:

- the International Development Association (part of World Bank Group): £1.4 billion
- the European Commission – development share of budget: £416.0 million
- Gavi, the Vaccine Alliance (including the International Finance Facility for Immunisation): £342.7 million
- the European Development Fund: £327.3 million
- the Strategic Climate Fund: £291.0 million
- the Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM): £285.0 million
- the African Development Fund (AfDF, including contributions to the African Development Bank): £217.8 million
- the Central Emergency Response Fund (CERF): £94.0 million
- the Private Infrastructure Development Group (PIDG): £72.5 million
- the Asian Development Fund (AsDF, including contributions to the Asian Development Bank): £58.3 million

DFID's Multilateral Aid Review

5.5 The UK wants to make sure that funding to multilaterals has the greatest possible impact on the lives of the poorest people in the world. That is why, in 2011, the Coalition Government established the Multilateral Aid Review (MAR) to assess the value for money of DFID's central funding of 43 different multilateral organisations.[3]

5.6 In 2013, DFID under took an update of the MAR to assess progress on specific reform priorities.[4] The update showed that all the organisations DFID continued to fund have made improvements over the 2 years. However, not all organisations have made the changes DFID expected of them. This was the case in areas such as the empowerment of girls and women, driving greater transparency and accountability, paying sufficient attention to costs, and ensuring value for money and the appropriate level of administration costs.

5.7 The proportion of DFID's core funding going to organisations (excluding contributions to the European Commission) that were rated as good or very good value for money in the MAR has increased over time. This proportion has increased from 88.7% (£1.6 billion) in 2009–10 to 97.7% (£3.5 billion) in 2014–15.

3 www.gov.uk/government/publications/multilateral-aid-review

4 www.gov.uk/government/publications/multilateral-aid-review-update-2013

CHAPTER 6

Accounts: Department for International Development

These accounts have been prepared in accordance with directions given by Her Majesty's Treasury (HM Treasury) in pursuance of the Government Resources and Accounts Act 2000 and comply with the cost allocation and charging guidance set out in HM Treasury guidance.

6.1 Strategic report

6.1.1 Introduction

This Report describes the Department's strategy and how resources are applied in the delivery of our objectives within the operational framework set by HM Treasury, and sets out the financial environment within which the Department operates.

6.1.2 Our aims, strategy and results

DFID works with other UK government departments and bilateral and multilateral development partners to help countries lift themselves out of extreme poverty and to save lives when humanitarian emergencies occur. We are working to agree a new set of global development goals to replace the Millennium Development Goals (MDGs) when they expire this year. An overview of this work is presented in more detail in Chapter 1 of this Annual Report.

Operational plans set out how we plan to deliver results across policy areas and for every country we work in. These clearly explain why, and how, DFID is targeting its resources and what we expect to achieve, covering the period up until March 2016. Our operational plans can be found at www.gov.uk/government/collections/dfid-operational-plan-summaries.

DFID continues to drive value for money in everything we do. We have improved our commercial and programme management and increased our internal audit oversight, and we are ensuring that staff have the skills to deliver the Department's priorities. We measure progress by the results we achieve and the difference we make to people's lives. Case studies which bring these achievements to life and show how our policies are put into practice can be found at www.gov.uk/government/collections/case-studies. Chapters 1 to 5 of this Report provide an in-depth assessment of our results over the past year.

6.1.3 International Development (Official Development Assistance Target) Act 2015

In 2013 the UK became the first G7 country to meet the United Nations target of spending 0.7% of gross national income on international development and is forecast to achieve this again in 2014, according to provisional data. Final UK Official Development Assistance (ODA) figures for 2014 will be published in October 2015. More information is presented within Chapter 1.

An ongoing commitment to spend 0.7% was enshrined in law in March 2015, when the International Development Act received Royal Assent. This will enable DFID to commit to multi- year programmes and initiatives in the knowledge that funding will be available to support the delivery of longer-term objectives.

6.1.4 Non-departmental public bodies and other public sector bodies

DFID has two non-departmental public bodies (NDPBs) and the spending of both is consolidated in these accounts. The NDPBs are:

- the Commonwealth Scholarship Commission (CSC), which manages the UK contribution to the Commonwealth Scholarship and Fellowship Programme; and
- the Independent Commission for Aid Impact (ICAI), which provides independent scrutiny of UK aid, to promote delivery of value for money on behalf of British taxpayers and to maximise the impact of aid. Further information on the activities of ICAI is presented within the Governance Statement in section 6.6.

DFID's grant-in-aid to the CSC in 2014–15 was £25.7 million (2013–14: £23.7 million). Expenditure by ICAI in 2014–15 amounted to £3.7 million (2013–14: £3.7 million).

DFID holds 100% of the issued share capital of the CDC Group plc, an investment company which invests in private sector businesses throughout Africa and South Asia to create jobs and make a lasting difference to people's lives in some of the world's poorest places. In accordance with Government accounting standards, investment in public corporations falling outside the resource accounting boundary are not consolidated within the Department's accounts. DFID's interest is recorded as a financial investment on the Department's Statement of Financial Position.

CDC aims to invest in sectors where growth leads to jobs – directly and indirectly – such as manufacturing, agribusiness, infrastructure, financial institutions, construction, health and education. CDC invests to support the growth of all sizes of business from the micro-level right up to the largest and seeks to demonstrate that it is possible to invest successfully in challenging environments, thereby attracting other sources of capital including fully commercial capital in time. Further information on CDC's strategy and financial performance can be reviewed at: www.cdcgroup.com.

6.1.5 Financial management and budgetary control

DFID adopts an operating framework comprising 37 'Smart Rules', structured around the DFID programme management cycle and designed to ensure high standards of management control and due diligence in a wide range of difficult operating environments. These define accountabilities and empower DFID programmes to make evidence-based decisions, apply professional judgement, act proportionately, ensure a clear audit trail and be properly accountable to UK taxpayers in everything we do.

These rules include specific procurement and financial management requirements that provide clear guidance to finance and non-finance personnel and designed to ensure that the Department maintains sound control over its budgeted expenditure.

The DFID Finance Improvement Plan, which was launched under the Finance for All strategy in 2011, has now been largely completed. This introduced a new Finance Operating Model, creating a stronger partnership between finance professionals and the rest of the organisation. The model has established a stronger embedded financial management function and delivered efficiencies and improvements in financial control through centralisation of transactional processing in the UK.

The Department's finance capability is centred in East Kilbride, but includes resources in London and each of our 28 country offices, to ensure that finance managers are on hand to provide support to programme managers, enabling financial decisions to be made in a controlled and informed way.

6.1.6 Efficiencies and savings

Whilst DFID's programme budget increased by 37% over the period of the 2010 Spending Review (SR10), the Department's administration costs reduced by 22% over the same period, from £131.0 million in 2010-11 to £101.9 million in 2014-15. This resulted from a continuing effort to improve operational processes to deliver the administrative cost savings required by SR10, leading into the current Spending Review (SR13). This is being achieved through rationalisation of property, the restricted use of consultants, more effective use of IT, and other organisational efficiencies.

Further information on how DFID maximises value for money and overall impact is set out in Chapter 3 of this Report.

DFID is working with other government departments to reduce costs by sharing facilities and services at overseas posts as part of the One HMG Overseas programme. One HMG Overseas provides a platform for several government departments including the Foreign and Commonwealth Office (FCO), UK Trade and Investment, the British Council, DFID and the Home Office to enable co-location and collaboration on delivery of objectives and to drive savings through aggregation of spend. Since UK government departments are working towards common UK objectives it makes sense to collaborate closely wherever possible. By working on a shared platform, UK government departments are able to achieve greater impact. This enables the UK government to maximise value for money. By sharing common services, One HMG Overseas is able to reduce overall administrative expenditure and improves impact by freeing up resources to focus on front line delivery.

From 1 April 2015 the FCO took over responsibility for most DFID corporate services at 18 overseas posts. A number of properties and other assets were transferred, along with almost 200 staff. An equivalent transfer will take place in a further 9 locations during July 2015.

6.1.7 Financial review

Financial overview

DFID's total outturn amounted to £9,777.3 million in the year ended 31 March 2015 compared with £10,103.0 million spent in the previous year, representing a reduction of 3.2%.

Over 99% of the Department's expenditure is made in support of the UK's commitment to spend 0.7% of GNI on ODA.

The total UK contribution to ODA increased by 3.0% in 2014 as a result of this commitment, combined with growth in the UK economy. Whilst ODA is measured on a calendar year basis rather than in alignment with the UK government's fiscal year, the reduction in DFID's expenditure in 2014/15 contrasts with the growth in the UK's ODA contribution. This results from the management of an increased proportion of ODA eligible expenditure by other government departments.

DFID's contributions to core multilateral programmes amounted to 42% of total programme costs, with the balance related to bilateral programmes. DFID's programme expenditure, together with an assessment of related results, is analysed in Chapters 1 to 5 of this Annual Report.

Resource budgets

The Spending Review (SR) is the process by which the government sets spending plans, typically for a 3 or 4 year period. These plans are then set out in annual Main Supply Estimates (Estimates) at the beginning of each financial year, which are agreed between the Department and HM Treasury and approved (Voted) by Parliament. Estimates may be updated through Supplementary Estimates later in the year where spending plans and requirements change.

The Estimates define the Department's approved Total Managed Expenditure (TME). TME is made up of the Departmental Expenditure Limit (DEL) and Annually Managed Expenditure (AME).

The DEL budget is split between net resource spending (RDEL) and net capital expenditure (CDEL). The DEL budgets are then further split into total permitted administration costs and programme expenditure. The AME budget is used to reflect costs which are volatile in a way that cannot be fully controlled by DFID, including the creation and utilisation of provisions reflected within the Consolidated Statement of Financial Position.

Statement of Parliamentary Supply

This is the main accountability statement for parliamentary reporting purposes, showing the Outturn compared with the Estimate. A breakdown and comparison of Outturn against the Estimate totals is included within the Statement of Parliamentary Supply and summarised in the table below.

Additional detailed actual spending during 2014–15 against Estimates subheadings is reported in the analysis of net resource outturn by section. The Departmental Board, supported by the Executive Management Committee, controls and monitors expenditure against these targets throughout the year.

Performance in 2014–15

The total Resource and Capital Budgets provided to the Department for 2014–15 were £9,518.7 million (2013-14: £9,720.9 million) and actual outturn was £9,361.3 million (2013-14: £9,431.1 million), an underspend of £157.4 million (2013-14: £289.8 million).

The key financial performance indicators which are used to monitor DFID's activities are the budgetary control totals established through the Main and Supplementary Estimates, the profiling of these costs on a monthly basis, and the variance between actual and budgeted costs. Any significant variances on each operational area are identified and explained on a monthly basis and, where required, action is taken to address movements.

The DEL and AME budgets are split into voted and non-voted amounts within the Estimate and are summarised in the table below.

	2014-15			2013-14		
Voted	**Estimate £m**	**Outturn £m**	**Saving £m**	**Estimate £m**	**Outturn £m**	**Saving £m**
RDEL – Resource	6,938	6,902	36	7,560	7,417	143
CDEL – Capital	2,365	2,350	15	1,969	1,946	23
AME – Resource	216	109	107	192	69	123
Total – Voted	9,519	9,361	158	9,721	9,432	289
Non-voted	**Estimate £m**	**Outturn £m**	**Saving £m**	**Estimate £m**	**Outturn £m**	**Saving £m**
RDEL – Resource	458	416	42	910	672	238
Total – non-voted	458	416	42	910	672	238

The overall size of DFID's Voted budget is primarily determined by forecasts of the extent of funding required to meet the UK's obligation to spend 0.7% of GNI on ODA. Delivering this alongside multiple additional objectives and commitments related to each of the priority policy areas described in Chapter 1 of this annual report requires careful management of budgets.

The Department spent 99.5% of available DEL compared with the Voted Estimate for the year. Savings of £35.8 million on RDEL and £14.7 million on CDEL reflect flexibility required by the nature of the Department's work, whereby plans can often change as a result of the speed at which individual programmes are initiated and progress.

The Non-voted expenditure shown in the table above relates to amounts attributed to DFID reflecting the UK's contribution to expenditure on development activities by the EC from the EC budget.

A further underspend of £106.9 million was recorded against the AME voted Estimate (2013-14: £122.5 million). This resulted mainly from exchange rate movements arising within a provision for DFID's commitments in respect of the International Finance Facility for Immunisation (IFFIm), a multilateral programme for which the UK pledged to make payments to meet a share of liabilities related to bonds issued to private investors to fund vaccine programmes.

Explanations of the variances between Estimate, resource outturn and the net operating costs in the Consolidated Statement of Comprehensive Net Expenditure are detailed in the reconciliation of outturn to net operating cost and against administration budget (SOPS3). The main variance between outturn and the net operating cost is in respect of £1,924.9 million of programme capital expenditure that is recognised as an operating cost in the Consolidated Statement of Comprehensive Net Expenditure relating to expenditure on programmes during 2014-15 that are classified as capital in nature.

The explanation of the variances between the Estimate and the Department's cash requirement are detailed in the reconciliation of net resource outturn to net cash requirement (SOPS4). The main movement in working capital and consequently the net cash requirement is a £1,099.2 million variance from the estimate for payables, largely due to the increased use of promissory notes as a payment mechanism for programme expenditure.

Statement of Comprehensive Net Expenditure – Operating costs

The Statement of Comprehensive Net Expenditure in not-for-profit bodies is similar to an Income and Expenditure Account and includes all operating income and expenditure relating to the Departmental Group on an accruals accounting basis, including that which sits outside of the Estimate.

The Department's Net Operating Cost amounted to £8,899.3 million in 2014-15, down from £9,298.5 million spent in 2013-14. Programme costs fell by £356.3 million and administration costs by £18.3 million, offset by an increase in income amounting to £24.5 million.

A key factor driving reduction of programme costs was the increased responsibility taken by other UK government departments in the delivery of 2014 ODA compared with earlier years. Based on provisional statistics DFID managed 85.8% of the UK's ODA eligible expenditure in 2014 (calendar year) compared with 87.8% in 2013.

The increase in income relates largely to programme income totalling £28.2 million received from the European Investment Bank (EIB). The EIB provides multilateral debt relief to ensure that individual country debt is sustainable. DFID decided in 2008 to treat its portion of loans made by EIB to certain countries, known as Heavily Indebted Poor Countries (HIPC), as bilateral and to apply the UK's principle of providing for 100% debt relief for such loans. DFID reverted to treating HIPC loans as multilateral in 2013 and received a payment from EIB during 2014-15 related to the UK portion of loan repayments accumulated by EIB between 2009 and 2014. This income was passed back to HM Treasury in line with government guidance.

Consolidated Statement of Financial Position

The Department's net assets at 31 March 2015 amounted to £1,242.3 million, a decrease of £311.8 million on net assets held at the previous year end. Significant factors contributing to this reduction include:

- **Financial investments**
  - Financial investments increased by £565.3 million to £6,794.5 million at the end of the year (31 March 2014: £6,229.2 million).
  - The increase reflects new contributions to International Financial Institutions (IFIs) and other Development Capital totalling £82.9 million, combined with investment revaluations amounting to £491.7 million.
  - The revaluations result mainly from an increase of £420.2 million in the fair value of DFID's interest in CDC, reflecting growth in the value of CDC's assets. As CDC records its accounts in Sterling but holds significant investments in US dollars, the revaluation of CDC is highly influenced by exchange rate movements. Similarly, a revaluation of investments in IFIs amounting to £69.9 million was driven largely by favourable movements between Sterling and the US dollar, together with increases in the value of underlying assets.
- **Trade and other receivables**
  - Trade and other receivables due after more than one year increased by £167.9 million to £237.9 million, which was mainly the result of a net increase of £153.7 million in the amounts due in respect of bilateral and multilateral loans.
  - A driver of the increase of bilateral and multilateral loans is a new loan to International Development Association (IDA) amounting to £324.0 million which is reported at an amortised cost of £155.3 million within trade and other receivables (£0.4 million within trade and other receivables due within one year, £154.9 million due after more than one year). The loan forms part of the UK's commitment to IDA's 17th Replenishment.

  - The Department also added a number of Development Capital loans during the year, increasing the amortised value of this category of its investment portfolio by £17.2 million.

- **Other assets**
  - Fixed assets represent a relatively small component of DFID's Statement of Financial Position. Tangible assets reduced by £12.8 million net during 2014–15, driven by a £12.0 million reduction following the disposal of a building at Chatham, and intangible assets reduced by £7.4 million net.
  - The Department's cash position reduced from a cash balance in 2013–14 of £24.7 million to a nominal bank overdraft position in 2014–15 of £2.7 million. It should be noted that the overdraft balance occurs due to timing differences and DFID does not operate an overdraft with its commercial bank accounts.

- **Promissory notes payable**
  - The value of promissory notes deposited by DFID but not yet encashed at the Statement of Financial Position Date increased from £3,520.1 million at 31 March 2014 to £4,667.6 million at 31 March 2015, an increase of £1,147.5 million.
  - The Department deposited promissory notes totalling £2,081.4 million during the year and notes totalling £936.5 million were encashed.
  - Promissory notes are often used to meet the UK's commitments to multilateral funds within agreed timings, whilst allowing flexibility for the funds to match the timing of cash draw-downs with programme requirements. Significant new notes related to IDA (£410.0 million), Environmental Transformation Fund (ETF) (£292.0 million) and the Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM) (£285.0 million).
  - Promissory notes are payable on demand and are therefore recorded within current liabilities.

- **Finance lease payables**
  - Finance lease payables reduced by £45.0 million between 31 March 2014 and 31 March 2015 as a result of the expiry of a finance lease related to a property owned by the Department during the year. The related property was sold following expiry of the lease.

- **Provisions**
  - Total provisions at 31 March 2015 amounted to £1,097.1 million, a reduction of £69.6 million on the previous year.
  - The reduction related principally to provisions held in respect of 2 multilateral programmes; the International Finance Facility for Immunisation (IFFIm) and the Advance Market Commitment (AMC) programme. Both programmes establish liabilities which are funded by multilateral donors. DFID makes payments to the programmes in line with agreed payment schedules. The provisions are held in respect of differences between the payment schedules and the UK's share of underlying liabilities incurred by the programmes (as explained in note 14).

6.1.8 Remote contingent liabilities

In addition to contingent liabilities disclosed in accordance with International Accounting Standard 37, Provisions, Contingent Liabilities and Assets, note 15 to these accounts discloses certain contingent liabilities where the likelihood of a transfer of economic benefit is remote. These are reported for parliamentary and accountability purposes.

6.1.9 Going concern

In common with other government departments, the future financing of the Department's liabilities is to be met by future grants of Supply and by the application of future income, both to be approved annually by Parliament. Such approval for amounts required for 2015–16 is due to be voted on account when the Supply and Appropriation (Main Estimates) Bill is put before Parliament. The Bill is expected to be introduced to the House of Commons during July 2015 and there is no reason to believe that future approvals will not be forthcoming. It has accordingly been considered appropriate to adopt a going concern basis for the preparation of these financial statements.

6.1.10 Strategy for sustainability

Combating climate change in DFID's day-to-day operations

DFID is committed to addressing the causes and likely effects of climate change so that progress in tackling poverty continues. This includes ensuring that DFID is 'climate smart'. Being climate smart means both ensuring that all of DFID's development policies and programmes minimise any impact on climate change, and also ensuring that UK and international operations are sustainable.

Governance

DFID demonstrates a robust responsibility framework at all levels of carbon management. The Sustainable Operations Board (SOB) includes senior management, environmental advisers and stakeholders from IT and procurement. The SOB is chaired by a Deputy Director who leads discussions on progress towards sustainability targets and future initiatives.

Scope of reporting

This section covers environmental impacts within the scope of the Greening Government Commitments (GGC) and also its overseas estate.

Sustainable operations in the UK

DFID has exceeded the GGC target to reduce carbon emissions from energy with a 45% cumulative reduction against the baseline recorded in 2014–15. DFID also achieved the Carbon Trust Standard again in 2014.

Greenhouse gas emissions (tonnes)		2009–10	2011–12	2012–13	2013–14	2014–15
	Total gross CO_2 emissions	3,831	2,690	2,803	1,950	2,123
	Gross emissions Scope 1 (direct)	654	255	350	155	120
	*Gross emissions Scope 2 & 3 (indirect)	3,177	2,435	2,453	1,795	2,003
Related energy savings(Kwh)	Electricity: Non-renewable	5,930	4,121	3,959	3,712	3,716
	Electricity: Renewable	0	0	0	0	0
	Gas	3,564	1,485	1,891	844	786
	LPG	0	0	0	0	0
	Other	0	0	0	105	860
Financial indicators (£000)						
	Expenditure on energy	479	513	604	468	492
	CRC licence expenditure	0	0	0	0	0
	Expenditure on accredited offsets	303	180	160	53	51
	Expenditure on official business travel	4,437	4,050	5,611	6,418	5,585

* Please note that the figures for Scope 2 emissions have been restated as result of historical changes to Defra conversion factors.

The DFID Carbon Management Plan (endorsed by the Carbon Trust) identified key projects across the DFID estate to reduce its operational carbon emissions and meet the Greening Government Commitments. To date these projects have saved 210 tonnes of carbon.

The Energy Performance Certificate rating for East Kilbride has improved from an E+ rating in 2008 to a B rating in 2014 as a result of these initiatives.

Travel related emissions

Since the 2009–10 baseline, DFID has recorded the following emissions from domestic air travel undertaken by staff

tCO_2	2009–10		2010–11		2012–13		2013–14		2014–15	
	Miles	Carbon	Miles	Carbon	Miles	Carbon	Miles	Carbon	Miles	Carbon
UK domestic air miles	1.5m	$463tCO_2e$	1.35m	$410tCO_2e$	1.3m	$356tCO_2e$	1.8m	$496tCO_2e$	2.1m	$524tCO_2e$

Travel-related emissions measured in tonnes of carbon dioxide equivalent (tCO_2e)

DFID domestic flights have increased by 17% against 2013–14. This is due largely to the relocation of a number of programme and policy posts from London and growth in staff numbers in the East Kilbride office. DFID has a new air miles tracker system which will allow Heads of Departments and individuals to monitor and manage staff air miles more systematically. The system will be further developed to include cost information and a progress tracker against the environmental targets. DFID is also developing an online tool which will enable staff to volunteer their personal air miles information to other members of DFID staff.

Recyclable material management

The GGC is to reduce the amount of waste generated by 25% by 2015, against the 2009–10 baseline. By the end of 2014–15 DFID had achieved reductions of 34% against the 2009–10 figure.

Although there is not a GGC target for recycling rates, DFID has set an internal target of recycling at least 75% of waste. DFID achieved 67% in 2014–15 and hopes to improve further by raising staff awareness through waste workshops, site visits to its waste services supplier and regular site audits.

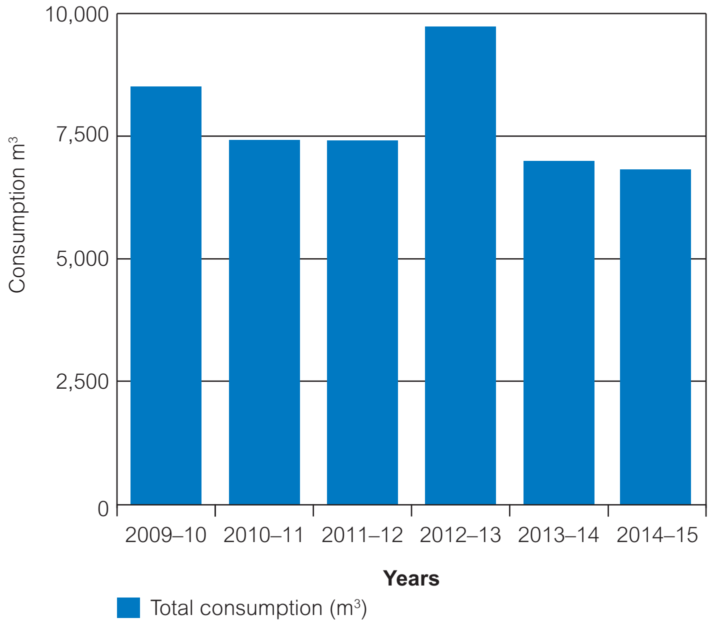
Waste costs were £54,343 for the entire DFID estate in 2014–15. Breakdown of tonnage and costs since 2009–10 are as follows:

Waste	2009-10	Cost (by % of total)	2010-11	Cost (by % of total)	2011-12	Cost (by % of total)	2012-13	Cost (by % of total)	2013-14	Cost (by % of total)	2014-15	Cost (by % of total)
Tonnes of waste	**322.3**	**£43,488**	**290.0**	**£48,954**	**283.0**	**£50,318**	**267.0**	**£53,177**	**210.0**	**£62,687**	**214.0**	**£54,343**
Waste recycled	265.0	£35,747	243.8	£40,240	232.0	£41,261	186.0	£37,224	152.0	£45,135	144	£36,410
Waste to landfill	57.3	£7,741	46.2	£8,714	51.0	£9,057	15.0	£3,191	6.0	£1,881	0	£0
Waste incinerated	0.0	£0	0.0	£0	0.0	£0	66.0	£12,762	52.0	£15,672	70	£17,933

Finite resource consumption

DFID currently demonstrates good practice for water consumption as defined under the GGC for water. Water usage decreased in 2014–15 by 19% compared with 2009–10. This was mainly due to the move to the new London office. DFID is currently carrying out an environmental review of both offices to identify future opportunities for saving water. DFID does not own water reserves in lakes, reservoirs or boreholes so water usage is classified as Scope 2 only.

Water use (Scope 2 only)



Water costs were £57,115 across the DFID estate in 2014–15.

Key Performance Indicators

DFID Estates Environmental monitoring is a combination of weekly, monthly and quarterly reporting linked to Key Performance Indicators (KPIs) in the DFID facilities management contract. Indicators are based on Defra guidelines and measured by regular audits, such as the weekly check through the ECO driver application of electric/gas and water consumption. Quarterly reports are produced to meet GGC requirements.

Biodiversity and natural environment

DFID does not have any Sites of Special Scientific Interest and there is no biodiversity at its site in London. However, there is biodiversity at its site in East Kilbride. The site is not designated for nature conservation and the survey report did not note any protected or locally important species at the time of the audit.

Sustainable procurement

DFID has a sustainable procurement strategy policy which aligns with the latest GGC requirements:

- supplier engagement – targeting corporate suppliers to promote continual sustainability improvement including incentives for suppliers where possible and ensuring compliance with government sourcing policies
- policy, strategy and communications – the revised sustainable strategy includes sourcing strategies for key corporate requirements; supplier engagement; training; measurable objectives; risks; and a review schedule
- DFID is also using SID4GOV as a tool to improve monitoring of supply chain impacts for the 500 top suppliers

Future projects

Though many of the most beneficial and cost-effective building improvements have been made, DFID continues to investigate further energy efficiency options such as energy efficient lighting.

Promoting sustainable development overseas

DFID is committed to integrating climate and environment concerns into all of its development aid under its Climate Smart Business plan commitment.

Although not bound to report its carbon footprint overseas, DFID had recognised that its overseas estate was a significant part of its carbon footprint and so extended the GGC targets to reduce carbon emissions from country offices on a per-head basis. Future arrangements monitoring carbon emissions will be considered as part of the One HMG consolidation model which finds substantially all overseas DFID properties transferring to the Foreign and Commonwealth Office effective 1 April 2015.

Procurement of food and catering services

An integral part of the DFID facilities management contract is to ensure that the procurement of all food meets UK or equivalent production standards, and aims to reduce the environmental impacts of food and catering services.

6.1.11 Equality and diversity

DFID is committed to creating an inclusive working environment to maximise the potential of all staff, providing equal opportunities in all aspects of employment and avoiding unlawful discrimination or bullying and harassment at work. DFID is accredited under the Disability Two Ticks Scheme, which guarantees an interview for suitable applicants with disabilities.

DFID's Equality Framework explains how equality and diversity can drive improvements in practice and so support the Department's vision and priorities. The framework provides an approach for DFID to promote equality and diversity, both for service delivery (a generic term used to cover the programme, policy, advisory and developmental roles DFID undertakes) and for employment practices, including those related to persons with disabilities.

In the event that an employee becomes disabled during their employment with DFID, our Reasonable Adjustments policy is applied. This discusses our obligations to make reasonable adjustments in accordance with the Equality Act 2010. This policy applies to anyone employed by DFID and underpins our working practices and people policies ensuring equitable access and outcomes for colleagues with disabilities.

In line with the framework and the Equality Act 2010, DFID has published information to show how it is implementing equality and diversity at home and overseas at www.gov.uk/government/publications/dfid-diversity-and-inclusion-annual-report-2013-2014. In particular, we have published our 5 equality objectives, our equality and diversity report and our departmental staff report. DFID is actively using these to gain a comprehensive picture of progress on equality and diversity.

The Act applies to everyone in Great Britain and Northern Ireland and to home civil servants based overseas. While it does not apply technically in other countries, DFID applies the general principles of equality and diversity to its overseas offices and has a clear commitment to deliver equality and value diversity in all that is done, while allowing for the fact that practice may vary from office to office to take account of local laws and custom.

The following table summarises the number of DFID home civil servants by gender as at 31 March 2015 and 31 March 2014.

	31 March 2015		31 March 2014	
	Headcount	**Percentage**	**Headcount**	**Percentage**
Male	930	46%	906	47%
Female	1,102	54%	1,006	53%
Total	**2,032**		**1,912**	

Total employees at 31 March 2015 include: 41 female and 50 male Senior Civil Servants (at 31 March 2014: 36 female and 49 male). At the reporting date, DFID's Departmental Board was comprised of 4 female and 8 male board members (at 31 March 2014: 4 female and 8 male).

6.1.12 Payment of suppliers

In accordance with the Prompt Payment Initiative, DFID aims to pay 80% of all valid undisputed invoices within 5 days of receipt. DFID aims to settle the remainder of all valid undisputed invoices within 30 days of receipt.

During 2014-2015, 84.0% of valid invoices were paid within 5 days of receipt (2013–14: 82.9%). The Department will continue to review its operating practices and systems with a view to re-engineering processes and increasing efficiency. This includes improvements in prompt payment of invoices.

6.1.13 Transparency

DFID has two main transparency initiatives:

- UK Government Transparency Drive, which is the promise to the UK taxpayer to make information about departmental spend, contracts and staffing across all government departments more open and clear. DFID is committed to publishing every financial transaction above £500 for both programme and administration spend. Although the assumption is of automatic disclosure, a small number of exclusions apply in order to prevent harm to DFID's work or staff. Exemption criteria include information that might harm DFID's relations with other governments or institutions, information that might pose a risk to the security or safety of individuals, information that intrudes on the privacy of a person or information that does harm to either DFID or its partners'/suppliers' commercial interests.
- Aid Transparency Guarantee (including the International Aid Transparency Initiative), which is the government's commitment to publish more detailed information on projects, making summary information available in local languages and providing opportunities for feedback from people affected by DFID's programmes.

For DFID, the transparency initiatives mean greater visibility of our work to people within the UK and also to people in countries we work in. Details of information published under both initiatives are available at https://www.gov.uk/government/publications?departments%5B%5D=department-for-international-development.

6.1.14 Estates review

As reported in the 2013-14 Annual Report and Accounts, the leasehold on our previous London office at 1 Palace Street was formally surrendered in December 2013. Our successful relocation to new freehold premises in Whitehall during 2012-13 reduced rent by £7.5 million per annum, with future expected savings of £62.5 million in rent and rates by 2020. This relocation coupled with the adoption of modern working practices, has resulted in continued reduction in our estate running costs.

6.1.15 Complaints to the Parliamentary Ombudsman

In their annual report for 2013 (published in May 2014), which is their most recently published report, the Parliamentary and Health Service Ombudsman noted that no complaints against DFID were accepted for investigation during 2013-14. The annual report also reported on one complaint (carried over from 2012-13) which was upheld and the Ombudsman's recommendations were accepted and complied with. The report can be found at: www.ombudsman.org.uk/__data/assets/pdf_file/0005/25259/FINAL_Government_Complaint_Handling_report_2013.pdf.

There have been no further reports on DFID, or its arm's length bodies published. During 2014–15 DFID and its agencies were fully compliant with Ombudsman's recommendations. For further information on the Ombudsman complaints process, classification of complaints and recent reports and consultations refer to www.ombudsman.org.uk/home.

6.1.16 Performance indicators

DFID collects information and data to measure the impact of our policies and reforms. The DFID Business Plan includes our input and impact indicators and other datasets. Progress is published regularly on the DFID website: https://www.gov.uk/government/organisations/department-for-international-development.

DFID continues to publish information on our budgetary spend through the Quarterly Data Summary (QDS). Making this information publicly available is a key component of the government's transparency agenda and is intended to enable the public to judge the performance of the Department.

Contextual information on spending

In January 2012, the Cabinet Office published standard data definitions for common areas of spend. The definitions for the spending figures can be found at https://www.gov.uk/government/publications/common-areas-of-spend-data-definitions.The QDS presents the total spend of the Department in 3 ways: by budget; by internal operation; and by transaction.

Contextual information on results

The measurement annexes for input indicators and impact indicators are available at www.gov.uk. DFID's QDS reports can be found at http://www.gist.cabinetoffice.gov.uk/oscar/q3-2014-15/.

6.1.17 Responding to correspondence from the public

Information on DFID's handling of Freedom of Information requests received during the year can be found at www.gov.uk/government/collections/government-foi-statistics.

6.1.18 Better Regulation

DFID is improving its operational processes in a number of areas in line with government's Better Regulation framework. A Better Delivery Taskforce was established in 2014 to further improve programme management, complementing its commercial capability improvements.

The Department has made significant reductions in its internal processes to enable front line staff and partner organisations to deliver more effectively and ensure value for money. Specifically, this has been delivered through the launch of the Smart Rules, our programme management processes, and moving to a principles-based approach. DFID has set up a Programme Cycle Committee to govern programme rules.

Where reforms need to be delivered through regulation in the financial year, DFID have worked closely with Crown Commercial Services, for example in transposing EU Public Procurement legislation and broadening this to extending opportunities to Small and Medium Enterprise businesses. Lord Young's May 2013 report, Growing Your Business recommended a number of key reforms to create a simple and consistent approach to procurement across all public sector agencies, designed to support small and medium-sized enterprises (SMEs) and voluntary organisations in gaining better and more direct access to contract opportunities which the Department are implementing (https://www.gov.uk/government/publications/growing-your-business-a-report-on-growing-micro-businesses). While DFID's SME return meets the central government criteria, the Department are continuing to investigate how broader EU procurement reform can help promote second tier suppliers, create opportunities, help expand and make our supply base more competitive.

6.1.19 Future development

DFID continues to improve its systems and processes to analyse results more effectively, aiming to improve the effectiveness of aid and to increase the efficiency of administration processes. DFID will continue to set its budget and strategy towards achieving the Millennium Development Goals and meeting the ODA/GNI targets set out by the government. Further information on the trends and factors likely to improve future development are set out in Chapter 3 of this Report. Information on DFID policy priorities including humanitarian responses, our work across private sectors and future development post 2015 is set out in Chapter 1. Details on current programme management and its impact on future development are set out in Chapter 3.

Mark Lowcock

Accounting Officer for the Department for International Development

3 July 2015

6.2 Directors' report

Elements of the statutory requirements of the Director's report are detailed in the Governance Statement presented in section 6.6 of this report. These include:

Corporate governance

The Governance Statement sets out DFID's governance framework, including information about the Board and its committee structure, attendance records and the coverage of its work. The statement includes the required assessment of compliance with the Corporate Governance Code and provides explanations of any departures.

Risk

DFID's Risk and Control Framework is described in detail within the Governance Statement. This recognises three categories of risk: strategic risk, operational risk and project risk.

In addition, DFID's approach to managing transactional risks such as currency risk, liquidity risk, interest rate risk and market risk is outlined in note 10 to these accounts.

Senior management

Ministers

DFID is represented in the Cabinet by the Secretary of State for International Development Justine Greening MP. The Secretary of State is supported in the House of Commons by Ministers of State Desmond Swayne MP and Grant Shapps MP and in the House of Lords by Parliamentary Under Secretary of State Baroness Verma.

Departmental Board

The Departmental Board is responsible for advising on and monitoring implementation of the Department's strategy and policy priorities.

Permanent Secretary

The Senior Civil Servant in DFID is the Permanent Secretary, Mark Lowcock.

Executive Management Committee (EMC)

The EMC is a sub-committee of the Departmental Board which is chaired by the Permanent Secretary and which oversees day-to-day implementation of DFID's strategy and policy priorities.

Information on company directorships held by members of the EMC can be obtained from DFID's Public Enquiry Point upon request by email to enquiry@dfid.gov.uk.

Non-Executive Directors (NEDs)

NEDs use their experiences and skills from outside DFID to provide objective and constructive challenge on committees and boards.

Details of the composition of the Departmental Board, the EMC and associated sub-committees are set out within the Governance Statement in section 6.6.

6.2.1 Health, safety and well-being

DFID is committed to ensuring the health, safety and well-being of its employees and workers, both home civil servants and staff appointed in country. DFID seeks to create a workplace where we not only protect the health, safety and well-being of staff but also promote a healthy workforce, maintain safe systems of work and support the physical and emotional well-being of staff.

DFID has a counselling service in the form of an EAP (Employee Assistance Provider) for all staff to access if they need personal support. In addition, DFID offers specialist counselling for staff in hostile environments.

DFID's maximising attendance policy helps to ensure that sickness absence is effectively managed and ultimately does not detract from DFID's delivery performance. The aim of this policy and its associated procedures is to ensure that all employees are aware of their responsibilities in maximising attendance, to enable the consistent management of attendance issues, and to underline DFID's commitment to the provision of appropriate employee support.

This policy applies to all home civil servants and staff appointed in country. It does not apply to agency workers, consultants, or any other workers not employed by DFID.

The following table summarises sickness absence per full time equivalent days, the basis of the whole of government benchmark, for the financial year plus a comparison with the previous financial year.

	2014-15	2013-14
Working days lost (short term absence)	3,953	3,112
Working days lost (long term absence)	4,936	5,315
Total working days lost	8,889	8,427
Number of staff absent as a result of sickness	827	707

The 16.9% (2013-14: 9.8%) increase in number of staff absent as a result of illness is partially attributable to a change in HR reporting system and the improvements on sickness absence recording. While the number of staff absent increased by 16.9%, the total working days lost increased only by 5.5% as DFID has enhanced its policy and guidance on sickness absence case management. The above table evidences a decrease in long term absence compared to an increase in short term absence over the financial year.

6.2.2 Personal data losses

No protected personal data-related incidents were reported to the Information Commissioner's Office in 2014–15 (2013-14: No incidents reported). Owing to the nature of DFID's business and in comparison with many other government departments which provide significant citizen-facing services, the Department does not hold large volumes of personal data. DFID does hold a moderate amount of classified information. DFID takes its responsibility for management of all data very seriously.

A governance structure compliant with the UK government's Security Policy Framework is in place for information security and risk management.

DFID is also independently certified as compliant with ISO/IEC 27001:2005, the international standard for information security management systems. DFID has been formally compliant with the standard since 2008 and is committed to maintaining its certification in the future. DFID's compliance with the standard is assessed bi-annually, which involves physical inspections of UK headquarters and overseas offices. DFID remains the only ministerial department to hold this certification.

The Department has a programme of work to ensure continued compliance with the UK government's Security Policy Framework, the Cabinet Office Data Handling Review and ISO/IEC 27001:2005. This includes a training, education and awareness plan to maintain and raise awareness of information security issues across DFID. Directors are responsible for providing assurance on information security in their annual statements of assurance which support this and other elements of the Governance Statement.

DFID will continue to monitor and assess its information risks in order to identify and address any weaknesses, and to ensure continuous improvement of its systems.

The table below highlights the fact that no major data losses were identified during the year. Small, localised incidents are not recorded centrally and are not cited in these figures.

Category	Nature of incident	Total 2014–15	Total 2013–14
I	Loss of inadequately protected electronic equipment, devices or paper documents from secured government premises	–	–
II	Loss of inadequately protected electronic equipment, devices or paper documents from outside secured government premises	–	–
III	Insecure disposal of inadequately protected electronic equipment, devices or paper documents	–	–
IV	Unauthorised disclosure	–	–
V	Other	–	–

6.2.3 Employee engagement

DFID promotes employee engagement at all levels across the world. DFID operates within an open and honest environment to encourage staff to feed back their views both formally and informally.

Staff are given the opportunity to contribute their views formally through an annual staffing survey, the results of which are reviewed by senior management, heads of department and line managers. Action is taken to address findings, where appropriate.

During the year, staff are kept up to date with strategy development, priorities and financial performance through a variety of channels, such as all-staff meetings, use of the intranet and sharing of board minutes summarising key developments within the organisation. Staff are encouraged to observe high-level meetings across the organisation such as the Audit Committee and the Executive Management Committee.

In addition, DFID has a team dedicated to employee engagement to ensure that all staff receive the most important messages that affect them and their work, and that they have a chance to have their say on changes.

Informally, staff can provide feedback through channels such as departmental meetings, blogs and other means of knowledge sharing.

DFID makes extensive use of new media in order to engage with staff, such as bringing together staff across the organisation through the use of video conferencing. This assists with overcoming the geographical and logistical barriers to effective employee engagement.

6.2.4 Donations

No political donations were made during 2014–15 (2013-14: £nil).

6.2.5 Publicity and advertising

During 2014–15, the Department did not spend anything on publicity or advertising costs relating to paid for advertising and public relations (2013-14: £nil).

6.2.6 Pension liabilities

The Department’s staff can become members of one of the Principal Civil Service Pension Schemes (PCSPS). The Department’s employers’ contributions into the schemes are reflected in the accounts within staff costs.

The PCSPS are unfunded multi-employer defined benefit schemes and the Department is consequently unable to identify its share of the underlying assets and liabilities. There is therefore no reflection of the schemes on the Department’s Statement of Financial Position. Further details can be found in note 3 to the accounts.

6.2.7 Future development

Details of future development are set out within the Strategic Report in section 6.1.19.

6.3 Events after the reporting date

DFID's Annual Report and Accounts are laid before the Houses of Parliament by HM Treasury. The Accounting Officer authorised these financial statements for issue on the same date that the Comptroller and Auditor General signed his certificate.

No events after the reporting date have been identified.

6.4 Auditors

As far as I, as the Accounting Officer, am aware, there is no relevant audit information of which the National Audit Office are unaware, and I have taken all reasonable steps to ensure that I have been kept informed of any relevant audit information and to establish that all such information has been brought to the attention of the Department's auditors.

Mark Lowcock

Accounting Officer for the Department for International Development

3 July 2015

6.5 Remuneration report

Remuneration policy

The remuneration of senior civil servants is set by the Prime Minister following independent advice from the Review Body on Senior Salaries. The Review Body also advises the Prime Minister from time to time on the pay and pensions of MPs and their allowances; on peers' allowances; and on the pay, pensions and allowances of ministers and others whose pay is determined by the Ministerial and other Salaries Act 1975.

In reaching its recommendations, the Review Body has regard to the following considerations:

- the need to recruit, retain and motivate suitably able and qualified people to exercise their different responsibilities
- regional/local variations in labour markets and their effects on the recruitment and retention of staff
- government policies for improving the public services, including the requirement on departments to meet the output targets for the delivery of departmental services
- the funds available to departments as set out in the government's DELs
- the government's inflation target

The Review Body takes account of the evidence it receives about wider economic considerations and the affordability of its recommendations. Further information about the work of the Review Body can be found at www.ome.uk.com.

In line with the Government's transparency commitments, DFID is now publishing salary details of its senior civil servants, in the format agreed with Cabinet Office, on the government's website www.gov.uk.

The remuneration report has been prepared in accordance with the Employer Pension Notice 430 issued by Cabinet Office.

Service contracts

The Constitutional Reform and Governance Act 2010 requires Civil Service appointments to be made on merit on the basis of fair and open competition. The Recruitment Principles published by the Civil Service Commission specify the circumstances when appointments may be made otherwise.

Unless otherwise stated below, the officials covered by this Report hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Further information about the work of the Civil Service Commission can be found at www.civilservicecommission.org.uk.

Salary and pension entitlements

The following sections provide details of the remuneration and pension interests of the ministers and the permanent members of the Executive Management Committee (EMC) in the Department.

Remuneration (salary, benefits in kind and pensions)

Single total figure of remuneration

Ministers	Salary (£)		Benefits in kind (to nearest £100)		Pension benefits (to nearest £1,000)[1]		Total (to nearest £1,000)	
	2014–15	2013–14	2014–15	2013–14	2014–15	2013–14	2014–15	2013–14
Justine Greening *Secretary of State*	67,505 [2]	68,169	–	–	22,000	25,000	90,000	93,000
Alan Duncan *Minister of State (to 14/7/14)*	17,103 [3]	32,344	–	–	4,000	12,000	13,000	44,000
Lynne Featherstone *Parliamentary Under Secretary of State (to 3/11/14)*	14,917 [4]	23,039	–	–	12,000	8,000	27,000	31,000
Desmond Swayne *Minister of State (from 15/7/14)*	21,768 [5]	–	–	–	8,000	–	30,000	–
Baroness Lindsay Northover *Parliamentary Under Secretary of State (from 4/11/14 to 8/5/2015)*	28,343 [6]	–	–	–	10,000	–	38,000	–

[1] The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) less (the contributions made by the individual). The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights.

[2] £68,827 (entitled salary) (2013-14: £79,754 (entitled salary))

[3] £31,680 (full year equivalent) and £33,002 (entitled salary) (2013–14: £41,370 (entitled salary)). Total salary for 2014–15 includes a termination payment equal to three month salary of £7,920.

[4] £22,375 (full year equivalent) and £23,697 (entitled salary) (2013–14: £31,401 (entitled salary))

[5] £31,680 (full year equivalent) and £33,002 (entitled salary)

[6] £68,710 (full year equivalent and entitled salary)

EMC members	Salary (£000)		Bonus payments (£000)[1]		Benefits in kind (to nearest £100)		Pension benefits (to nearest £1,000)[2]		Total (£000)	
	2014–15	2013–14	2014–15	2013–14	2014–15	2013–14	2014–15	2013–14	2014–15	2013–14
Mark Lowcock *Permanent Secretary*	160–165	160–165	–	15–20	–	–	35,000	15,000	195–200	190–195
Richard Calvert *Director General*	125–130	125–130	10–15	10–15	–	–	26,000	8,000	165–170	145–150
Joy Hutcheon *Director General*	120–125	120–125	10–15	–	–	–	28,000	14,000	160–165	130–135
Nick Dyer *Director General*	110–115	70–75 (110–115 full year equivalent) [3]	–	–	–	–	80,000	43,000[4]	190-195	110-115[4]
David Kennedy *Director General (from 16/6/14)*	95–100 (125–130 full year equivalent)[4]	–	–	–	–	–	57,000	–	150–155	–
Michael Anderson *Director General (to 31/8/13)*	–	50–55 (120–125 full year equivalent)	–	–	–	–	–	12,000	–	60–65
Mark Bowman *Director General (to 30/11/13)*	–	75–80 (120–125 full year equivalent)	–	–	–	–	–	9,000	–	85–90
Moazzam Malik *Director General (from 1/11/13 to 31/1/14)*	–	25–30 (100–105 full year equivalent)	–	–	–	–	–	9,000	–	35–40

[1] The bonuses reported in 2014–15 relate to performance in 2013–14 and the comparative bonuses reported for 2013–14 relate to performance in 2012–13.

[2] The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decrease due to a transfer of pension rights.

[3] On temporary promotion from 1/8/13 to 3/11/13 and substantively promoted on 4/11/13.

[4] These figures were incorrectly quoted in the prior year.

Salary

'Salary' includes gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances; and any other allowance to the extent that it is subject to UK taxation.

During 2014–15, the following fees and taxable expenses were paid to non-executive members of the Board:

- Vivienne Cox – £20,000 (2013–14: £20,000)
- Richard Keys – £20,653 (2013–14: £20,466)
- Tim Robinson – £nil (£15,000 entitled salary) (2013–14: £nil) (£15,000 entitled salary)[1]
- Eric Salama – £nil (£15,000 entitled salary) (2013–14: £nil) (£15,000 entitled salary)

[1] Entitled salary donated to charity.

This Report is based on accrued payments made by the Department and thus recorded in these accounts. In respect of ministers in the House of Commons, departments bear only the cost of the additional ministerial remuneration; the salary for their services as an MP (£67,060 from 1 April 2014, £66,396 from 1 April 2013) and various allowances to which they are entitled are borne centrally. However, the arrangement for ministers in the House of Lords is different in that they do not receive a salary but rather an additional remuneration, which cannot be quantified separately from their ministerial salaries. This total remuneration, as well as the allowances to which they are entitled, is paid by the Department and is therefore shown in full in the figures above.

The following table summarises the number of Senior Civil Service (SCS) staff by pay band as at 31 March 2015 and 31 March 2014.

SCS pay band	31 March 2015 (headcount)	31 March 2014 (headcount)
1	70	66
2	16	15
3	4	3
Perm Sec	1	1
TOTAL	**91**	**85**

SCS pay bands are defined as:

Pay band 1 – £62,000 – £117,800
Pay band 2 – £85,000 – £162,500
Pay band 3 – £104,000 – £208,100
Perm Sec – £141,836 – £277,349

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the Department and treated by HM Revenue and Customs as a taxable emolument. No benefits in kind were provided in 2014–15.

Bonuses

All SCS staff are required to use their objectives to capture their contribution to the achievement of DFID's Business Plan, as well as what they will do to leverage progress in achieving DFID's Organisational Vision and Improvement Plan.

DFID's system for SCS performance management is based on the Cabinet Office's guidance on SCS performance objectives. This guidance states that each member of the SCS must have at least one objective under each of the following headings:

- Business delivery
- Finance/efficiency
- People/capability
- Corporate leadership

All SCS staff must also give consideration to setting objectives that:

- capture their role in fostering an ethos of volunteering across their team, unit or department;
- incorporate diversity by embedding it in business, finance/efficiency or people/capability objectives;
- contribute a proportion of their time to their wider department/agency, and the Civil Service as a whole.

Delegated grade performance

DFID has adopted a best practice performance management framework developed by the Civil Service Employee Policy for use across government. Objectives are set in discussion with individual line managers at the beginning of the performance year (April) and monitored throughout the year. At the end of the performance year employees are given a 'box marking' to indicate whether they have met or exceeded their objectives or to indicate that they must improve.

Bonuses are based on performance levels attained and are made as part of the appraisal process. The bonuses reported in 2014–15 relate to performance in 2013–14 and the comparative bonuses reported for 2013–14 relate to performance in 2012–13.

Pay multiples

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the highest-paid member of the EMC in DFID in the financial year 2014–15 was £160,000–165,000 (2013–14: £175,000–180,000). This was 3.0 times (2013–14: 3.4) the median remuneration of the workforce, which was £53,819 (2013–14: £52,901).

In 2014–15 and 2013–14, no employees received remuneration in excess of the highest-paid member of the EMC. Remuneration ranged from £16,000 to £165,000 (2013–14: £16,000–£180,000).

Total remuneration includes salary, non-consolidated performance-related pay and benefits in kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value (CETV) of pensions.

Pension Benefits

Ministerial pensions

Minister	Accrued pension at age 65 as at 31/3/15	Real increase in pension at age 65	CETV at 31/3/15	CETV at 31/3/14	Real increase in CETV
	£000	£000	£000	£000	£000
Justine Greening *Secretary of State*	5–10	0–2.5	77	56	6
Alan Duncan *Minister of State*	0–5	0–2.5	59	53	3
Lynne Featherstone *Parliamentary Under Secretary of State*	0–5	0–2.5	56	44	10
Desmond Swayne *Minister of State (from 15/7/14)*	0–5	0–2.5	24	14	6
Baroness Lindsay Northover *Parliamentary Under Secretary of State (from 4/11/14 to 8/5/15)*	0–5	0–2.5	11	0	7

Pension benefits for ministers are provided by the Parliamentary Contributory Pension Fund (PCPF). The scheme is made under statute (the regulations are set out in Statutory Instrument SI 1993 No 3253, as amended).

Those ministers who are Members of Parliament may also accrue an MP's pension under the PCPF (details of which are not included in this Report). The accrual rate has been 1/40th since 15 July 2002 (or 5 July 2001 for those who chose to backdate the change) but ministers, in common with all other members of the PCPF, can opt for a 1/50th accrual rate and a lower rate of member contribution. An additional 1/60th accrual rate option (backdated to 1 April 2008) was introduced from 1 January 2010.

Benefits for ministers are payable at the same time as MPs' benefits become payable under the PCPF or, for those who are not MPs, on retirement from ministerial office from age 65. Pensions are re-valued annually in line with pensions increase legislation. From 1 April 2014 members paid contributions between 8.4% and 17.9% depending on their level of seniority and chosen accrual rate.

The accrued pension quoted is the pension the minister is entitled to receive when they reach 65, or immediately on ceasing to be an active member of the scheme if they are already 65.

In line with reforms to other public service pension schemes, it is intended to reform the Ministerial Pension Scheme in 2015. The new scheme will be a career average pension scheme, have an accrual rate of 1.775%, revaluation based on the change in prices, a Normal Pension age equal to State Pension age and a member contribution rate of 11.1%.

The cash equivalent transfer value (CETV)

This is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the pension benefits they have accrued in their former scheme.

The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total ministerial service, not just their current appointment as a minister. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

The real increase in the value of the CETV

This is the element of the increase in accrued pension funded by the Exchequer. It excludes increases due to inflation and contributions paid by the minister. It is worked out using common market valuation factors for the start and end of the period.

EMC members	Accrued pension at pension age as at 31/3/15 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/3/15	CETV at 31/3/14	Real increase in CETV	Employer contribution to partnership pension account
	£000	£000	£000	£000	£000	Nearest £100
Mark Lowcock *Permanent Secretary*	55–60 plus lump sum of 175–180	0–2.5 plus lump sum of 5–7.5	1,073	995	25	–
Richard Calvert *Director General*	45–50 plus lump sum of 145–150	0–2.5 plus lump sum of 2.5–5	937	872	19	–
Joy Hutcheon *Director General*	40–45 plus lump sum of 120–125	0–2.5 plus lump sum of 5–7.5	703	642	17	–
Nick Dyer *Director General (from 1/8/13)*	40–45 plus lump sum of 120–125	2.5-5 plus lump sum of 10-15	738	640[2]	59	–
David Kennedy *Director General (from 16/6/14)*	25–30	2.5–5	361	307[1]	33	–

[1] This figure is calculated with a CETV start date of 15 June 2013.

[2] This figure was incorrectly quoted in the prior year.

Pension benefits are provided through the Civil Service pension arrangements. From 30 July 2007, civil servants may be in one of four defined benefit schemes: either a final salary scheme **(classic, premium or classic plus)**; or a whole career scheme **(nuvos)**. These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under **classic, premium, classic plus** and **nuvos** are increased annually in line with pensions increase legislation. Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder pension with an employer contribution (**partnership** pension account).

Employee contributions are salary-related and range between 1.5% and 6.85% of pensionable earnings for **classic** and 3.5% and 8.85% for **premium, classic plus** and **nuvos**. Benefits in **classic** accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For **premium**, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike **classic**, there is no automatic lump sum. **Classic plus** is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per **classic** and benefits for service from October 2002 worked out as in **premium**. In **nuvos** a member builds up a pension based on their pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with pensions increase legislation. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The **partnership** pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of providers. The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8% of pensionable salary to cover the cost of centrally provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of **classic, premium and classic plus** and 65 for members of **nuvos**.

Further details about the Civil Service pension arrangements can be found on the website www.civilservicepensionscheme.org.uk.

New career average pension arrangements are being introduced from 1 April 2015 and the majority of **classic, premium, classic plus** and **nuvos** members will join the new scheme. Further details of this new scheme are available at www.civilservicepensionscheme.org.uk/members/the-new-pension-scheme-alpha/.

Reporting of Civil Service and other compensation schemes – exit packages

Comparative data shown (in brackets) for previous calendar year

	Core Department			Agencies			Departmental Group		
Exit package cost band	**Number of compulsory redundancies**	**Number of other departures agreed**	**Total number of exit packages by cost band**	**Number of compulsory redundancies**	**Number of other departures agreed**	**Total number of exit packages by cost band**	**Number of compulsory redundancies**	**Number of other departures agreed**	**Total number of exit packages by cost band**
<£10,000	–(1)	–(1)	–(2)	–	–	–	–(1)	–(1)	–(2)
£10,000–£25,000	1 (–)	3(4)	4(4)	–	–	–	–(1)	3(4)	4(4)
£25,000–£50,000	– (–)	3(7)	3(7)	–	–	–	– (–)	3(7)	3(7)
£50,000–£100,000	– (–)	6(5)	6(5)	–	–	–	– (–)	6(5)	6(5)
£100,000–£150,000	– (–)	1(4)	1(4)	–	–	–	– (–)	1(4)	1(4)
£150,000–£200,000	– (–)	–(1)	–(1)	–	–	–	– (–)	–(1)	–(1)
Total number of exit packages	1(1)	13(22)	14(23)	–	–	–	1(1)	13(22)	14(23)
Total cost (£000)			708 (1,294)						708 (1,294)

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. Exit costs are accounted for in full in the year of departure. Where the Department has agreed early retirements, the additional costs are met by the Department and not by the Civil Service pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table.

Off-payroll engagements

The table below provides information on the number of off-payroll engagements, or those that reached 6 months in duration between 1 April 2014 and 31 March 2015 at a cost of £220 per day. The number relates to engagements within DFID and entities within its reporting boundary, but does not include public corporations.

Comparative data shown (in brackets) for previous calendar year.

	Department	Agencies	Arm's-length bodies
Number of new engagements, or those that reached 6 months in duration, between 1 April 2014 and 31 March 2015	3 (4)	– (–)	– (–)
Number of the above which include contractual clauses giving the Department the right to request assurance in relation to income tax and National Insurance obligations	3 (2)	– (–)	– (–)
Number for whom assurance has been requested	3 (2)	– (–)	– (–)
Of which:			
Number for whom assurance has been received	3 (2)	– (–)	– (–)
Number for whom assurance has not been received	– (–)	– (–)	– (–)
Number that have been terminated as a result of assurance not being received.	– (–)	– (–)	– (–)

The table below provides information on the number of off-payroll engagements of board members and/or senior officials with significant financial responsibility, between 1 April 2014 and 31 March 2015.

Comparative data shown (in brackets) for previous calendar year.

	Main department	Agencies	Arm's-length bodies
Number of off-payroll engagements of board members and/or senior officials with significant financial responsibility	– (–)	– (–)	– (–)
Number of individuals who have been deemed board members and/or senior officials with significant financial responsibility	7 (7)	– (–)	– (–)

On 31 March 2015, DFID had a total of 3 off-payroll appointments with self-employed contractors earning more than £220 per day. All of DFID's off-payroll appointments are made in accordance with human resources and procurement policies designed to manage the risk of non-compliance with applicable tax regulations.

Mark Lowcock

Accounting Officer for the Department for International Development

3 July 2015

6.6 Governance Statement

6.6.1 Accounting Officer Foreword

As Accounting Officer for the Departmental Group, I am responsible for ensuring that the Department for International Development (DFID) has an effective governance framework which provides strategic direction and management of the organisation. In particular, I am responsible for ensuring that the supporting governance systems function as they are designed; that they oversee delivery of ministerial strategic and policy priorities, ensure value for money and manage risk; and that they ensure accountability and delivery of efficient and effective organisational performance.

This is in support of the achievement of the Departmental Business Plan and in accordance with the International Development Acts 2002 and 2006, the International Development (Gender Equality) Act 2014 and HM Treasury's Managing Public Money. This Governance Statement represents my assurance to Parliament that, as Accounting Officer, I am satisfied that the Department's finances are adequately controlled.

During the year we faced a number of significant challenges including the Ebola crisis, the ongoing humanitarian crisis in Syria and increased risks due to the conflicts in some of the fragile states in which we operate. DFID is continuing to develop its capabilities to work most effectively in fragile states, drawing on lessons from recent research and practical experience.

In relation to wider Civil Service reform, DFID was one of the first departments to publish a Departmental Improvement Plan. This commits DFID to implementing a broad set of reforms to improve programme processes and systems, strengthen capability, clarify accountability and focus organisational incentives on the delivery of high quality programmes. This is a far-reaching organisational change process designed to transform the way we deliver programmes so we are better able to tackle the underlying causes of poverty and conflict and prepare for the post-2015 agenda and beyond. It is underpinned by an organisational culture that is more responsive and adaptive and better at identifying and managing risk.

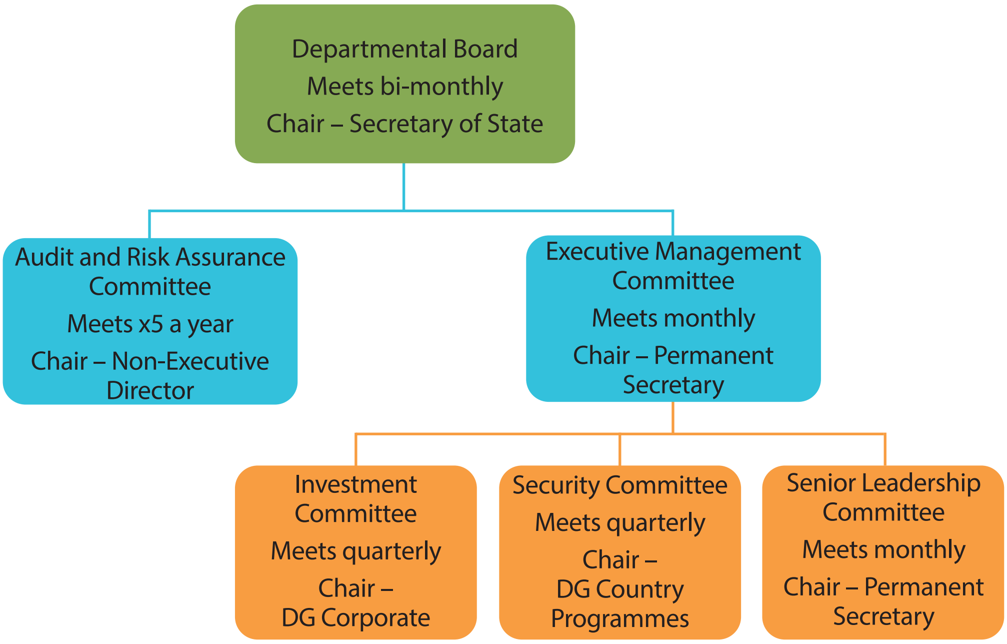
The Department has restructured and strengthened central policy capacity, and introduced new 'Smart Rules' in July 2014 to update DFID's operating framework. The impact of Smart Rules and the introduction of Senior Responsible Owners for all programmes is already leading to improvements to programme delivery capability, portfolio management and leadership behaviours and culture. There is a continued focus on commercial leadership, capability and partner performance management. We strengthened our approach to fraud and corruption, with teams across the Department working together to tackle corruption in partner countries and protect DFID resources.

This year there has also been a greater focus on improving risk management, building on recommendations from Internal Audit Department's Assurance Review of Risk Management. A new Strategic Risk Register was introduced to enable the Executive Management Committee (EMC) to identify and manage risks to the delivery of DFID's objectives. We are developing risk management guidance, examples and tools to enhance staff capability at all levels. There is a strong risk awareness culture across DFID. What is required in the year ahead is a risk management framework to systematise the identification and management of risk.

This year, as part of our Board effectiveness review, we considered the Board's committees and noted that these are becoming increasingly effective, covering much of the Department's business and enabling Non-Executive Directors to contribute to the effective working of the Audit and Risk Assurance Committee and the Investment Committee. There have been no ministerial directions given during 2014–15.

In the year ahead, I expect the Department to maintain this focus on Smart Rules, commercial leadership, tackling fraud and corruption, improving risk management, coupled with developing capability, talent and diversity among our workforce, leading and managing change, and a focus on learning and innovation.

6.6.2 How we are structured



6.6.3 Non-Executive Directors

Vivienne Cox – Lead Non-Executive Director

Appointed on 16/12/10, for six years to 16/12/16, tenure cannot be extended beyond six years.

Vivienne sits on the Departmental Board. Vivienne is a Commissioner at the Airports Commission, and is a non-executive director of Rio Tinto plc, BG Group, Pearson plc and Vallourec SA. She is also on the board of graduate business school INSEAD and an adjunct professor at Imperial College. In 2009 she retired from BP after 28 years with the company.

Richard Keys – Non-Executive Director

Appointed on 01/02/13, for three years to 01/02/16, tenure may be extended but not to exceed six years.

Richard sits on the Departmental Board and the Investment Committee and is Chair of the Audit and Risk Assurance Committee. Richard is a former senior partner of PricewaterhouseCoopers where he worked for over 37 years. Richard is also a Non-Executive Director and Chair of the Audit Committees of Sainsburys Bank PLC and NATS Holdings Ltd and is a council member of the University of Birmingham and Chair of its Audit Committee. Until recently he was also a member of the Audit and Risk Committee at Kew.

Tim Robinson – Non-Executive Director

Appointed on 01/06/13, for three years to 01/06/16, tenure may be extended but not to exceed six years.

Tim sits on the Departmental Board and is Chair of the Digital Advisory Panel. Tim is CEO of LGC, a scientific analysis company that traces its origins to the privatised Laboratory of the Government Chemist. He is also Non-Executive Chair of Glory Global Solutions. Tim previously held numerous non-executive positions, including at Camelot, UKTI and Oxfam.

Eric Salama – Non-Executive Director

Appointed on 01/06/13,for three years to 01/06/16, tenure may be extended but not to exceed six years.

Eric sits on the Departmental Board and the Audit and Risk Assurance Committee. Eric is the Chairman and CEO of Kantar, the consumer insight division of WPP, the largest marketing services and communications company in the world. Eric has also worked in consultancy and political roles, and was a non-executive director of the British Museum and The Horse's Mouth Foundation.

Non-Executive Members

Rachel English – Non-Executive Member

Appointed on 01/09/10, tenure to 01/09/16, cannot be extended beyond six years.

Rachel sits on the Audit and Risk Assurance Committee. Rachel is an economist and chartered accountant, and has over 30 years' international experience. She began her career at Coopers & Lybrand (now PwC), and then worked for the World Bank Group and European Bank for Reconstruction and Development (EBRD). Subsequently she held senior management positions in leading energy companies, including BG Group and Shell. Rachel is the Founder of Helios Social Enterprise working to develop access to modern energy in Africa, and a Non-Executive Director of Acacia Mining plc, Kuwait Energy plc, and the Global Carbon and Capture Institute Ltd.

Lucy Slinger – Non-Executive Member

Appointed on 01/09/14, tenure to 01/09/16, may be extended but not to exceed six years.

Lucy sits on the Audit and Risk Assurance Committee. Lucy has over 16 years' experience with Shell in a wide range of financial positions. She is a graduate of Cambridge University as well as holding a Masters in Finance from London Business School and is qualified under the Chartered Institute of Management Accountants.

Anne Tutt – Non-Executive Member

Appointed on 01/09/14, tenure to 01/09/16, may be extended but not to exceed six years.

Anne sits on the Audit and Risk Assurance Committee. Anne is a qualified Chartered Accountant and has worked in many Finance Director roles in the private sector. She has over 25 years' experience as a Board director in both Executive and Non-Executive positions for a wide range of organisations in the public, private and not for profit sectors. She chairs the Audit Committees of Oxford University Hospitals NHS Trust, Oxford Radcliffe Hospital Charitable Trust and International Network for the Availability of Scientific Papers Limited. She is a member of the audit committees of DEFRA, the Home Office and Social Investment Business Limited.

Robert Waugh – Non-Executive Member

Appointed on 09/12/11, tenure to 09/12/15, may be extended but not to exceed six years.

Robert sits on the Investment Committee. Robert is Chief Investment Officer of the Group Pension Fund at the Royal Bank of Scotland Group plc. Previously, Robert served as the Head of UK Equities at Scottish Widows Investment Partnership Limited, responsible for managing institutional portfolios with higher return mandates.

Adam Mallalieu – Non-Executive Member

Appointed on 01/09/08.

Adam sits on the Security Committee. Adam is Global Vice President for Safety, Security, Brand Protection and Continuity at Unilever with responsibility for strategy, standards and procedures for operational implementation. He began his career in HM Forces, serving for 23 years across the world, before joining National Grid plc where he was Senior Vice President for Global Security and Safety.

6.6.4 Departmental Board

Roles and responsibilities	Issues covered
The Departmental Board advises on and monitors the delivery of the Secretary of State's strategy and policy priorities. The Board: ■ sets DFID's strategic direction, including through oversight of DFID's Business Plan; ■ monitors the implementation of DFID's strategy and policy priorities; ■ monitors progress against the results set out in the Bilateral and Multilateral Aid Reviews and the Humanitarian Emergency Response Review; ■ monitors and advises on significant risks to implementation; ■ recommends remedial actions if operational or financial performance is off track.	During this reporting year the Board met six times, covering a wide range of strategic, operational and financial issues which required decision, agreement or discussion by the Department's most senior leadership team. Key issues covered included: regular programme and financial management, better programme delivery, commercial capability, strategic workforce planning and talent management, economic development, supporting women and girls including the Girl Summit, and updates from the Investment Committee and the Digital Panel.

The Board is required to ensure that it complies with the provisions of the 'Corporate Governance in Central Government Departments: Code of Good Practice 2011' or where it has not, explains the reasons for any departures from the Code.

The Board is satisfied that it has complied with the Code.

Attendance at Departmental Board meetings

Board Member	Meetings attended	Out of
Rt Hon Justine Greening MP, Secretary of State	5	**6**
Rt Hon Alan Duncan MP, Minister of State (resigned July 2014)	2	**2**
Rt Hon Desmond Swayne TD MP, Minister of State (appointed July 2014)	3	**4**
Rt Hon Lynne Featherstone MP, Parliamentary Under Secretary of State (resigned October 2014)	3	**3**
Baroness Lindsay Northover, Parliamentary Under Secretary of State (appointed October 2014)	3	**3**
Vivienne Cox, Lead Non-Executive Director	5	**6**
Richard Keys, Non-Executive Director	5	**6**
Tim Robinson, Non-Executive Director	5	**6**
Eric Salama, Non-Executive Director	4	**6**
Mark Lowcock, Permanent Secretary	6	**6**
Richard Calvert, Director General, Finance and Corporate Performance	5	**6**
Nick Dyer, Director General, Policy and Global Programmes	4	**6**
Joy Hutcheon, Director General, Country Programmes	6	**6**
David Kennedy, Director General, Economic Development (appointed June 2014)	4	**5**

6.6.5 The Executive Management Committee (EMC)

The Executive Management Committee comprises the Permanent Secretary and the four Director Generals. It is chaired by the Permanent Secretary and meets monthly in open session.

Mark Lowcock, Permanent Secretary

Mark was appointed in June 2011. The Permanent Secretary is the most senior civil servant in the Department. The Permanent Secretary is the Accounting Officer for the Department, meaning he is answerable to Parliament for how the Department spends money, and chairs the Executive Management Committee, which provides strategic direction to the management of DFID's operations, staff and financial resources.

Richard Calvert, Director General, Finance and Corporate Performance

Richard was appointed in August 2009. The Director General for Finance and Corporate Performance is responsible for DFID's communications, business solutions, human resources, security and facilities. He oversees DFID's internal audit function as well as finance and corporate performance, and leads on business change and strategy.

Nick Dyer, Director General, Policy and Global Programmes

Nick was appointed in November 2013. The Director General for Policy and Global Programmes is responsible for overseeing DFID's policies, and its relationship with multilateral agencies including the EU and the UN. He is also responsible for overseeing DFID's donor relations and global initiatives.

Joy Hutcheon, Director General, Country Programmes

Joy was appointed in October 2011. The Director General for Country Programmes is responsible for overseeing DFID's programmes in Africa, Asia, the Caribbean and the Overseas Territories.

David Kennedy, Director General, Economic Development

David was appointed as DFID's first Director General for Economic Development in June 2014. He is responsible for overseeing DFID's commitment to boost economic development, international finance, growth and resilience, and trade and development.

EMC roles and responsibilities

Roles and responsibilities	Issues covered
■ Guiding DFID strategy and policy priorities, in line with direction set by the Secretary of State and the DFID Business Plan ■ Communicating the vision, direction and priorities of DFID to staff and other stakeholders ■ Scanning the horizon and considering the strategic challenges and risks to the organisation ■ Ensuring effective allocation and management of DFID's staff and financial resources ■ Monitoring and improving DFID's performance and capability.	The EMC met 11 times during the reporting period, covering a range of key issues including: the Ebola crisis response, counter-terrorism financing, finance improvement strategy (2014–17) and the progress of Operational Excellence implementation. The EMC closely monitors financial and investment performance and provides direction on budgetary variances.

Attendance at EMC meetings

EMC member	Meetings attended	Out of
Mark Lowcock, Permanent Secretary	11	**11**
Richard Calvert, Director General, Finance and Corporate Performance	11	**11**
Nick Dyer, Director General, Policy and Global Programmes	9	**11**
Joy Hutcheon, Director General, Country Programmes	10	**11**
David Kennedy, Director General, Economic Development (appointed June 2014)	6	**8**

6.6.6 Committees

Audit and Risk Assurance Committee

Chair – Richard Keys (Non-Executive Director)

Roles and responsibilities	Issues covered
The Audit and Risk Assurance Committee comprises two non-executive directors and three non-executive members. It meets at least five times a year. The Audit and Risk Assurance Committee advises the Board and the Accounting Officer on: ▪ assurance processes and actions in relation to management of risks; ▪ strategic processes for risk, control and governance; ▪ the accounting policies, the accounts, and the annual report of the organisation; ▪ the planned activity and results of both internal and external audit; ▪ the adequacy of management response to issues identified by audit activity; ▪ anti-fraud policies, whistleblowing processes and arrangements for special investigations.	This year there have been six Audit and Risk Assurance Committee meetings. Particular focus has been on: ▪ extending the Audit and Risk Assurance Committee Terms of Reference to cover oversight of risk management; ▪ providing oversight and challenge to how DFID operates, including reviews of World Bank trust funds; ▪ embedding better risk management across DFID; ▪ improving control awareness across DFID; ▪ reviewing and approving Internal Audit Department annual plans and assurance reports; ▪ recruitment and induction of two new non-executive members; ▪ review of and commentary on the annual accounts.

Investment Committee

Chair – Richard Calvert (Director General, Finance and Corporate Performance)

Roles and responsibilities	Issues covered
The Investment Committee comprises the four Director Generals, a Non-Executive Director, a Non-Executive Member and key staff including the Director, Value for Money. It meets quarterly. The Investment Committee provides assurance to the Departmental Board and EMC that DFID's programme portfolio is delivering value for money. It does not operate as a decision-making body or 'gateway' on new investments, as these decisions are for ministers. Instead, the Committee focuses on ensuring that DFID has the systems, culture and capability to drive improved portfolio performance, and provides leadership and challenge on portfolio development and performance.	Key themes for the Investment Committee over the last year have been: ▪ embedding strengthened programme management. Senior Responsible Owners (SROs) were appointed for each programme and simplified programme documentation, called 'Smart Rules', was introduced in June 2014; ▪ reviewing the economic development portfolio and pipeline of future programmes and funding instruments; ▪ monitoring portfolio performance and quality and strengthening programme appraisal systems.

Security Committee

Chair – Joy Hutcheon (Director General, Country Programmes)

Roles and responsibilities	Issues covered
The Security Committee includes a Non-Executive Member, selected Directors and a representative of the FCO. It meets quarterly. The Security Committee is responsible for monitoring the adequacy and effectiveness of all aspects of the Department's security globally. The Committee is primarily concerned with people security but it may review all aspects of physical, personnel and information security, and health and safety issues as required.	During the year the Security Committee commissioned and reviewed four security deep dives on selected countries and reviewed information security across the Department. The Committee received a briefing on, and tour of, the FCO Crisis Management Centre. In preparation for One HMG (a programme designed to help all UK government departments working overseas to be more effective, maximising impact and improving value for money), the Committee considered and finalised 21 Overseas Security Operational Requirements and agreed joint FCO/DFID policies for staff security training and travel risk assessments. The Committee also reviewed data and cyber security issues.

Senior Leadership Committee

Chair – Mark Lowcock (Permanent Secretary)

Roles and responsibilities	Issues covered
The Senior Leadership Committee comprises the five members of the Executive Management Committee and the Director, People, Operations and Change. It meets monthly. The Senior Leadership Committee is responsible for ensuring that DFID's Senior Civil Service (SCS) structure and roles are designed to meet our future and changing leadership needs, managing SCS performance and pay/reward, and leading on SCS talent and succession management.	During the year the Senior Leadership Committee focused on SCS behaviours and how delivery has been enabled through more robust objective setting and assessment of performance through mid- and end- of-year reviews on leading together, collaboration, improvement and accountability. The Committee also focused on improved use of talent assessments for career and development planning and in addressing SCS needs, issues, gaps and risks. Additionally, targeted development interventions to strengthen the SCS pipeline were launched. The Committee continued to secure places for DFID staff on Civil Service-wide talent development programmes.

6.6.7 Risks to our performance: what they are and how we deal with them

Risk management operates at all levels in DFID, from business cases and individual programmes managed by Senior Responsible Owners, to portfolio risks managed by our Heads of Office and Heads of Department, through to strategic-level risks identified in our departmental Strategic Risk Register and actively managed by our Executive Management Committee.

During the year we refreshed our Strategic Risk Register to enable the EMC and Departmental Board to identify and manage better the risks to the delivery of DFID's business objectives: to be clear what the risks are, who the risk owner is, what has changed, what risks are on the horizon, and therefore what actions are required.

The Strategic Risk Register focuses on risks to the achievement of DFID's six[1] objectives, taken from DFID's Business Plan 2012–2015 and DFID's Structural Reform Plan 2013–2015. To these are added three cross-cutting risks on reputation, staffing, and safety and security, and an issue-specific risk on the Ebola crisis response. We also monitor external risks, outside DFID's control, that impact on our ability to deliver our poverty reduction mission and business plan objectives.

Over the past year we monitored a number of policy risks to the delivery of our international commitments. These included risks to the delivery of DFID's results, ensuring 0.7% GNI was spent as ODA, and commitments on economic development, women and girls, and climate change. Key risks to monitor in the year ahead include ensuring an international consensus is maintained on the post-2015 framework for development, and ensuring the Department delivers the 0.7% GNI spending target while maintaining development impact.

In 2014–15 we also addressed a number of delivery risks relating to our operating environment. These included the stretching of DFID's humanitarian capability responding to unprecedented needs in Iraq, Syria and South Sudan; ensuring we recruit, retain and motivate staff; and ensuring the safety and security of our staff, information and physical assets. We learnt from the Ebola crisis response, and from the Nepal earthquake post-year end, that fragile development gains can easily be undermined by pandemics, natural disasters and rising extremism. In the year ahead we will continue to work in tough operating environments and will keep identifying and mitigating those risks that impact on our ability to deliver DFID's objectives.

1 Boost economic development; Honour international commitments; Drive transparency, value for money and open government; Strengthen governance and security in fragile and conflict-affected countries and make UK humanitarian response more effective; Lead international action to improve the lives of girls and women; Combat climate change.

Finally, over the past year we addressed a number of financial, value for money and reputational risks. These included ensuring all reported fraud allegations were robustly followed up, that our investment in better programme delivery translates into improved programme impact, and that our reputation continues to improve as a competent, efficient, effective and integral part of the UK Government and Whitehall. With the 0.7% GNI spending target now enshrined in legislation and ever-increasing scrutiny of DFID's stewardship of public resources, it will remain our priority to address such risks.

In the year ahead, we expect the Department to retain a strong focus on improving risk management, including articulating how DFID's risk management framework links together activity at different levels, and improving staff capability by making risk management guidance, examples of good practice and tools available via our staff intranet; and articulating more clearly our work on anti-corruption and counter fraud and how this is implemented in practice. During the year DFID will continue to operate in a range of challenging environments, remaining flexible and agile in a changing post-election, post-MDGs world.

6.6.8 Internal Audit Annual Assurance Opinion

The Internal Audit Department is required to comply with 'Public Sector Internal Audit Standards: Applying the IIA international standards to the public sector'. These require that, at the year end, the Head of Internal Audit forms an opinion over the adequacy and effectiveness of DFID's frameworks for governance, risk management and control.

The opinion is based on the audit work performed in the year, and up to the date of the finalisation of the Annual Assurance Report to the Audit and Risk Assurance Committee. This includes:

- the results of internal audits completed or in draft;
- any follow-up action taken in respect of audits from previous periods;
- the effects of any significant changes in DFID's control environment;
- any matters arising from previous Internal Audit annual assurance reports to DFID;
- the results of consultancy work undertaken during the year;
- the consideration of value for money embedded within each review undertaken by Internal Audit;
- formal audit evidence and work;
- evidence gathered through being part of DFID as an in-house audit service.

Internal Audit has reported no restrictions that have limited the scope of their work during 2014–15. Whilst the Head of Internal Audit Department reports to the Permanent Secretary, with day to day oversight by the Director General Finance and Corporate Performance, Internal Audit has direct access to the Departmental Board and the Audit and Risk Assurance Committee. The latter advises the Accounting Officer concerning the provision of Internal Audit services and consults with senior management on the appointment and performance of the Head of Internal Audit.

In the Annual Assurance Report 2014–15 the Head of Internal Audit has expressed the opinion that:

"In the Internal Audit Department's opinion DFID had adequate and effective frameworks for:

- Governance
- Risk management
- Control

covering the period 1 April 2014 to 31 March 2015, noting that risk management processes have been recognised by DFID's leadership group as an area that can be further enhanced and that this progress is continuing.

We are pleased that DFID has recognised the organisational challenge of moving to increase its systematisation and structures, whilst seeking to avoid bureaucratisation. It has instituted a number of key initiatives that will need to be delivered in order to achieve the challenge the next Parliament and 0.7% GNI spend target, enshrined in law, will require.

Key initiatives, many underway in 2014-15, will need to be delivered to ensure that the control environment keeps pace with the expectations and ambition of DFID in the next Parliament.

The overall assurance opinion over governance, risk management, and control is mandated through audit standards (the Public Sector Internal Audit Standards). This opinion summarises a complex set of data and assurance outcomes gathered from formal, assurance, consultancy, informal, contextual and counter fraud work performed by us during 2014-15. It is intended to provide a high level indicator of the overall adequacy of the frameworks of control for 2014-15.

The overall opinion for 2014-15 is unqualified, with a matter of emphasis over DFID's work to improve its risk management activities. The assurance results by risk level show a number of areas where controls as designed and operated are not clearly defined as being within DFID's risk appetite.

It is our judgement that the overall balance of these results is that the overall assurance opinion should be unqualified."

6.6.9 Additional assurance information and arm's-length bodies

In addition to the Annual Assurance Opinion from the Head of Internal Audit, I also place reliance on Statements of Assurance. Each Director is responsible for signing off the annual Statement of Assurance, providing me as Accounting Officer with assurance that DFID's management systems are being applied consistently and effectively across their respective Divisions.

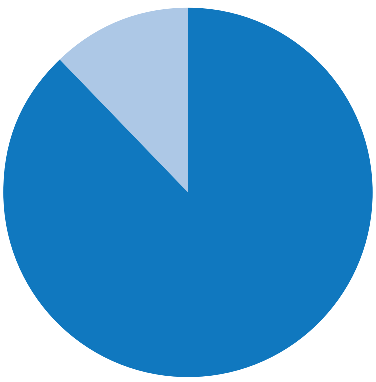
The Statement of Assurance process covers 24 key internal controls. This year the two main areas identified for improvement were as follows:

- Throughout the Department there is strong acknowledgment of the importance of risk management through identifying, recording, mitigating and escalating of risks. To ensure that these are consistently applied we are developing an enhanced risk management framework.
- Commercial Capability Reviews are being undertaken across DFID and this is strengthening the approach to procurement as departments have implemented commercial capability improvement plans.

Independent Commission for Aid Impact and National Audit Office Audit Reports

As Accounting Officer, I also take account of findings from the work of the Independent Commission for Aid Impact (ICAI) and the National Audit Office (NAO). During the year ICAI scrutinised and reported on a broad range of topics and published nine reports covering issues including nutrition, climate change, DFID's work with the private sector and how DFID learns. The Department publishes its response to the recommendations made by ICAI and tracks progress on actions we commit to:

Progress against DFID actions



Completed 88%

Ongoing 12%

*Information as at December 2014 against 198 actions to which DFID committed action.

NAO Audit Reports

During the year the NAO scrutinised and reported on the Department. DFID-specific published reports have included a value for money study of the Department's oversight of the Private Infrastructure Development Group, and a report on the achievement of the 0.7% target to the International Development Committee. This covered the Department's management of the Official Development Assistance (ODA) target and does not incorporate a value for money assessment. Aspects of the Department's work have also been included within several cross-government reports published during the year.

The Comptroller and Auditor General signed the Department's 2014–15 report and accounts on 9 July 2015 and issued an unqualified audit opinion.

Arm's-length bodies

DFID has two non-departmental public bodies for which I am responsible as Accounting Officer.

I. The Independent Commission for Aid Impact (ICAI) was established in May 2011. Its role is to provide independent scrutiny of UK aid, to promote the delivery of value for money on behalf of British taxpayers and to maximise the impact of aid. It reports directly to Parliament through the International Development Select Committee (IDC). Expenditure by ICAI in 2014–15 was £3.7 million (2013–14: £3.7 million).

   All payments for ICAI are made through DFID systems, which are subject to DFID controls. In addition an annual report by the IDC on ICAI, including recommendations, is reviewed by DFID, and DFID responds to recommendations made.

   The Secretary of State is accountable to Parliament for ICAI and, in delivery of this responsibility, the Secretary of State and the Department's Executive Management Committee meet the ICAI Commissioners regularly to ensure that ICAI is able to carry out its work effectively.

   As required by the Memorandum of Understanding and the Framework Agreement, ICAI Commissioners have approved a Corporate Plan setting out internal control and risk management arrangements.

II. The Commonwealth Scholarships Commission (CSC) manages the UK contribution to the Commonwealth Scholarship and Fellowship Programme. DFID's grant-in-aid to the CSC in 2014–15 was £26 million (2013–14: £24 million).

Other public sector bodies – CDC Group Plc (CDC)

DFID is also the 100% shareholder of CDC, a public limited company. CDC is governed by a Board of Directors answerable to the shareholder through normal company governance processes. The Secretary of State may appoint up to two non-executive directors of CDC. The company prepares annual accounts to 31 December. The Department is not involved in CDC operations and does not take part in operational investment decision-taking. Accordingly CDC is not consolidated within the accounts of the Department.

6.6.10 Closing statement

I am satisfied with DFID's governance arrangements in terms of safeguarding the use of taxpayers' money. The effectiveness of the Department's corporate governance is continuing to improve, recognising the changing environment for the Department, including heavy engagement in fragile states. DFID will continue to strengthen its governance arrangements. This will ensure we achieve value for money and results from the resources given to us, and achieve our key objective of reducing poverty.

Mark Lowcock

Accounting Officer for the Department for International Development

3 July 2015

Statement of Accounting Officer's responsibilities

Under the Government Resources and Accounts Act 2000, HM Treasury has directed the Department for International Development to prepare, for each financial year, consolidated resource accounts detailing the resources acquired, held or disposed of during the year and the use of resources by the Department during the year. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Department and of its net resource outturn, application of resources, changes in taxpayers' equity and cash flows for the financial year.

In preparing the accounts, the principal Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the Accounts Direction issued by the Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- ensure that the Department has in place appropriate and reliable systems and procedures to carry out the consolidation process;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts;
- prepare the accounts on a going concern basis.

HM Treasury has appointed the Permanent Head of the Department as Accounting Officer of the Department for International Development. This appointment does not detract from the Head of Department's overall responsibility as Accounting Officer for the department's accounts.

This Accounting Officer is also responsible for the non-departmental public bodies within the Departmental Group.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the assets of the Department or non-departmental public body for which the Accounting Officer is responsible, are set out in 'Managing Public Money' published by HM Treasury.

Mark Lowcock

Accounting Officer for the Department for International Development

3 July 2015

The Certificate and Report of the Comptroller and Auditor General to the House of Commons

I certify that I have audited the financial statements of the Department for International Development and of its Departmental Group for the year ended 31 March 2015 under the Government Resources and Accounts Act 2000. The Department consists of the Core Department and its non-departmental public bodies. The Departmental Group consists of the Department and the bodies designated for inclusion under the Government Resources and Accounts Act 2000 (Estimates and Accounts) Order 2013. The financial statements comprise: the Department's and Departmental Group's Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes. I have also audited the Statement of Parliamentary Supply and the related notes. These financial statements have been prepared under the accounting policies set out within them.

I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Accounting Officer and Auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act 2000. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Department's and the Departmental Group's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Accounting Officer; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the Statement of Parliamentary Supply properly presents the outturn against voted Parliamentary control totals and that those totals have not been exceeded. The voted Parliamentary control totals are Departmental Expenditure Limits (Resource and Capital), Annually Managed Expenditure (Resource and Capital), Non-Budget (Resource) and Net Cash Requirement. I am also required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Opinion on regularity

In my opinion, in all material respects:

- the Statement of Parliamentary Supply properly presents the outturn against voted Parliamentary control totals for the year ended 31 March 2015 and shows that those totals have not been exceeded; and
- the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of the Department's and the Departmental Group's affairs as at 31 March 2015 and of the Department's net operating cost and Departmental Group's net operating cost for the year then ended; and
- the financial statements have been properly prepared in accordance with the Government
- Resources and Accounts Act 2000 and HM Treasury directions issued thereunder.

Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with
- HM Treasury directions made under the Government Resources and Accounts Act 2000; and
- the information given in the Annual Report, Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Report

I have no observations to make on these financial statements.

Sir Amyas C E Morse **Date: 09 July 2015**

Comptroller and Auditor General

National Audit Office
157–197 Buckingham Palace Road
Victoria
London SW1W 9SP

Statement of Parliamentary Supply

Summary of Resource and Capital Outturn 2014–15

								2014–15	2013–14
				Estimate			Outturn	Voted outturn compared with Estimate: saving/ (excess)	Outturn
	Note	Voted	Non-voted	Total	Voted	Non-voted	Total		Total
		£000	£000	£000	£000	£000	£000	£000	£000
Departmental Expenditure Limit									
– Resource		6,937,876	458,000	7,395,876	6,902,063	416,000	7,318,063	35,813	8,088,379
– Capital		2,364,899	–	2,364,899	2,350,200	–	2,350,200	14,699	1,945,584
Annually Managed Expenditure									
– Resource		215,926	–	215,926	109,004	–	109,004	106,922	68,995
– Capital		–	–	–	–	–	–	–	–
Total budget		**9,518,701**	**458,000**	**9,976,701**	**9,361,267**	**416,000**	**9,777,267**	**157,434**	**10,102,958**
Non-budget									
– Resource		–	–	–	–	–	–	–	–
Total		**9,518,701**	**458,000**	**9,976,701**	**9,361,267**	**416,000**	**9,777,267**	**157,434**	**10,102,958**

Total resource	SOPS3	7,153,802	458,000	7,611,802	7,011,067	416,000	7,427,067	142,735	8,157,374
Total capital		2,364,899	–	2,364,899	2,350,200	–	2,350,200	14,699	1,945,584
Total		**9,518,701**	**458,000**	**9,976,701**	**9,361,267**	**416,000**	**9,777,267**	**157,434**	**10,102,958**

Net cash requirement 2014–15

	Note	2014–15 Estimate £000		2013–14	2013–14
			£000	£000	£000
			Outturn	Outturn compared with Estimate: saving/ (excess)	Outturn
Net cash requirement	SOPS4	9,281,775	8,132,036	1,149,739	8.620,747

Administration costs 2014–15

		2014–15 Estimate	2014–15 Outturn	2013–14 Outturn
		£000	£000	£000
Administration costs	SOPS3.2	115,218	110,113	115,973

Figures in the areas outlined in bold are voted totals or other totals subject to Parliamentary control. In addition, although not a separate voted limit, any breach of the administration budget will also result in an excess vote.

Explanations of variances between Estimate and outturn are given in SOPS note 2 and in the Financial Review on page 133.

Notes to the Departmental Resource Accounts – Statement of Parliamentary Supply

SOPS1 Statement of accounting policies

The Statement of Parliamentary Supply and supporting notes have been prepared in accordance with the 2014–15 Government Financial Reporting Manual (FReM) issued by HM Treasury. The Statement of Parliamentary Supply accounting policies contained in the FReM are consistent with the requirements set out in the 2014–15 Consolidated Budgeting Guidance and Supply Estimates Guidance Manual.

SOPS1.1 Accounting convention

The Statement of Parliamentary Supply and related notes are presented consistently with HM Treasury budget control and Supply Estimates. The aggregates across government are measured using National Accounts, prepared in accordance with the internationally agreed framework 'European System of Accounts' (ESA95). ESA95 is in turn consistent with the System of National Accounts (SNA93), which is prepared under the auspices of the United Nations.

The budgeting system and the consequential presentation of Supply Estimates and the Statement of Parliamentary Supply and related notes have different objectives to IFRS-based accounts. The system supports the achievement of macro-economic stability by ensuring that public expenditure is controlled, with relevant Parliamentary authority, in support of the government's fiscal framework. The system provides incentives to departments to manage spending well so as to provide high quality public services that offer value for money to the taxpayer.

The government's objectives for fiscal policy are set out in the Charter for Budget Responsibility. These are to:

- ensure sustainable public finances that support confidence in the economy, promote intergenerational fairness, and ensure the effectiveness of wider government policy;
- support and improve the effectiveness of monetary policy in stabilising economic fluctuations.

SOPS1.2 Comparison with IFRS-based accounts

Many transactions are treated in the same way in National Accounts and IFRS-based accounts, but there are a number of differences as detailed below. A reconciliation of the Department's outturn as recorded in the Statement of Parliamentary Supply compared to the IFRS-based Statement of Comprehensive Net Expenditure is provided in SOPS note 3.1.

SOPS1.3 Capital grants

Grant expenditure used for capital purposes is treated as capital (CDEL) items in the Statement of Parliamentary Supply. Under IFRS, as applied by the FReM, there is no distinction between capital grants and other grants, and they score as an item of expenditure in the Consolidated Statement of Comprehensive Net Expenditure.

SOPS1.4 Non-voted totals

This relates to the United Kingdom's contribution to the European Union's development budget as a member state. It is accounted for in the Consolidated Statement of Parliamentary Supply as the proportion of the EU attribution that applies to EU development related activity. All cash settlements are made by HM Treasury directly.

SOPS1.5 Receipts in excess of HM Treasury agreement

This applies where HM Treasury has agreed a limit to income retainable by the Department, with any excess income scoring outside of budgets, and consequently outside of the Statement of Parliamentary Supply. IFRS-based accounts will record all of the income, regardless of the budgetary limit. This situation may arise in the following areas: (i) profit on disposal of assets; (ii) income generation above department Spending Review settlements; and (iii) income received above netting-off agreements.

SOPS1.6 Provisions – Administration and Programme expenditure

Provisions recognised in IFRS-based accounts are not recognised as expenditure for National Accounts purposes until the actual payment of cash (or accrual liability) is recognised. To meet the requirements of both resource accounting and National Accounts, additional data entries are made in the Statement of Parliamentary Supply across AME and DEL control totals, which do not affect the Statement of Comprehensive Net Expenditure. As the Administration control total is a sub-category of DEL, Administration and Programme expenditure reported in the Statement of Parliamentary Supply will differ from that reported in the IFRS-based accounts.

SOPS2 Net outturn

SOPS2.1 Analysis of net resource outturn by section

										2014–15 £000	2013–14 £000
	Outturn							Estimate			Outturn
	Administration			Programme							
	Gross	Income	Net	Gross	Income	Net	Total	Net Total	Net total compared to Estimate	Net total compared to Estimate, adjusted for virements	Total
Spending in Departmental Expenditure Limit											
Voted:											
A: CSC (NDPB) scholarships relating to developing countries	1,629	–	1,629	23,062	–	23,062	24,691	27,284	2,593	2,593	24,080
B: Wealth Creation	–	–	–	479,940	(120)	479,820	479,820	498,888	19,068	12,250	575,108
C: Climate Change	–	–	–	387,867	–	387,867	387,867	376,092	(11,775)	–	271,311
D: Governance and Security	–	–	–	584,795	(10)	584,785	584,785	603,483	18,698	10,307	735,505
E: Direct Delivery of Millennium Development Goals	–	–	–	3,908,981	(603)	3,908,378	3,908,378	3,927,552	19,174	883	4,295,992
F: Global Partnerships	–	–	–	1,264,645	-	1,264,645	1,264,645	1,218,026	(46,619)	–	1,262,056
G: Total Operating Costs	109,609	(1,824)	107,785	138,164	(49)	138,115	245,900	234,418	(11,482)	–	239,280
H: Central Programmes	179	–	179	(23,387)	–	(23,387)	(23,208)	20,795	44,003	7,627	(19,860)
I: Joint Conflict Pool	–	–	–	25,539	(21)	25,518	25,518	27,058	1,540	1,540	29,416
J: Independent Commission for Aid Impact (NDPB) (net)	520	–	520	3,147	–	3,147	3,667	4,280	613	613	3,653
Non–Voted Expenditure:											
K: European Union Attributed Aid	–	–	–	416,000	–	416,000	416,000	458,000	42,000	42,000	671,838
Total Spending in DEL	111,937	(1,824)	110,113	7,208,753	(803)	7,207,950	7,318,063	7,395,876	77,813	77,813	8,088,379
Annually Managed Expenditure											
Voted											
L: Wealth Creation	–	–	–	(462)	–	(462)	(462)	(927)	(465)	–	38,071
M: Direct Delivery of Millennium Development Goals	–	–	–	(75,130)	–	(75,130)	(75,130)	187,128	262,258	106,922	3,769
N: Total Operating Costs	–	–	–	(370)	–	(370)	(370)	(1,154)	(784)	–	(2,722)
O: Central Programmes	–	–	–	185,026	(60)	184,966	184,966	30,879	(154,087)	–	9,320
P: Climate Change	–	–	–	–	–	–	–	–	–	–	20,557
Total Spending in AME	-	-	-	109,064	(60)	109,004	109,004	215,926	106,922	106,922	68,995
Total	**111,937**	**(1,824)**	**110,113**	**7,317,817**	**(863)**	**7,316,954**	**7,427,067**	**7,611,802**	**184,735**	**184,735**	**8,157,374**

Explanations of variances between Estimate and outturn are given in the Financial Review on page 133.

SOPS2.2 Analysis of net capital outturn by section

						2014–15 £000	2013–14 £000
	Outturn			Estimate			Outturn
	Gross	Income	Net	Net	Net total compared to Estimate	Net total compared to Estimate, adjusted for virements	Net
Spending in Departmental Expenditure Limit							
Voted:							
A: CSC (NDPB) scholarships relating to developing countries	–	–	–	–	–	–	–
B: Wealth Creation	282,422	(155)	282,267	294,105	11,838	7,725	302,403
C: Climate Change	230,153	–	230,153	204,568	(25,585)	–	75,354
D: Governance and Security	6,872	–	6,872	5,717	(1,155)	–	11,086
E: Direct Delivery of Millennium Development Goals	120,364	(9)	120,355	129,233	8,878	6,974	51,483
F: Global Partnerships	1,708,406	–	1,708,406	1,731,276	22,870	–	1,508,583
G: Total Operating Costs	–	–	–	–	–	–	–
H: Central Programmes	10,057	(7,910)	2,147	–	(2,147)	–	(3,325)
I: Joint Conflict Pool	–	–	–	–	–	–	–
J: Independent Commission for Aid Impact (NDPB) (net)	–	–	–	–	–	–	–
Non-Voted	–	–	–	–	–	–	–
K: European Union Attributed Aid	–	–	–	–	–	–	–
Total Spending in DEL	2,358,274	(8,074)	2,350,200	2,364,899	14,699	14,699	1,945,584
Annually Managed Expenditure:							
Voted							
L: Wealth Creation	–	–	–	–	–	–	–
M: Direct Delivery of Millennium Development Goals	–	–	–	–	–	–	–
N: Total Operating Costs	–	–	–	–	–	–	–
O: Central Programmes	–	–	–	–	–	–	–
Total spending in AME	–	–	–	–	–	–	–
Total	**2,358,274**	**(8,074)**	**2,350,200**	**2,364,899**	**14,699**	**14,699**	**1,945,584**

Explanations of variances between Estimate and outturn are given in the Financial Review on page 133.

SOPS3 Reconciliation of outturn to net operating cost and against Administration Budget

SOPS3.1 Reconciliation of net resource outturn to net operating cost

	Note	2014–15 £000 Outturn	2013–14 £000 Outturn
Total resource outturn in Statement of Parliamentary Supply			
Budget	SOPS2.1	7,427,067	8,157,374
Non-budget		–	–
		7,427,067	8,157,374
Less:			
Income payable to the Consolidated Fund	SOPS5	(36,658)	(86)
Programme Capital		1,924,904	1,813,003
Non-voted[1] EU attribution	SOPS2.1	(416,000)	(671,838)
		1,472,246	1,141,079
Net operating costs in Consolidated Statement of Comprehensive Net Expenditure		8,899,313	9,298,453

[1] Non-voted represents EU attribution – in line with FReM rules on activities charged directly, the Consolidated Statement of Comprehensive Net Expenditure does not include amounts attributed to DFID to reflect spending on development activities by the EC from their budget. HM Treasury regulations do, however, require this expenditure to be included as budget outturn and as such it is incorporated within the Statement of Parliamentary Supply as non-voted resource outturn.

The EU Attributed Aid figure is estimated annually. DFID's EU attribution was adjusted within the Supplementary Estimate to reflect only the areas where DFID is the policy lead; previously the attribution included areas where DFID was not the policy lead. As a result, DFID's non-voted resource budget for 2014–15 was reduced to £458m from £927m at Main Estimate. The overall UK EC budget is not affected.

SOPS3.2 Outturn against final Administration Budget and Administration net operating cost

	Note	2014–15 £000 Outturn	2013–14 £000 Outturn
Estimate – Administration costs limit		115,218	123,600
Outturn – Gross administration costs	SOPS2.1	111,937	122,064
Outturn – Gross Income relating to administration costs	SOPS2.1	(1,824)	(6,091)
Outturn – Net administration costs		110,113	115,973
Reconciliation to operating costs:			
Income payable to Consolidated Fund		(8,200)	
	4	101,913	

SOPS4 Reconciliation of net resource outturn to net cash requirement

	Note	Estimate £000	Outturn £000	Net total outturn compared with Estimate: saving/ (excess) £000
Resource outturn	SOPS2.1	7,611,802	7,427,067	184,735
Capital outturn	SOPS2.2	2,364,899	2,350,200	14,699
Accruals to cash adjustments:				
Adjustments to remove non-cash items:				
Depreciation		(21,000)	(17,834)	(3,166)
New Provisions		(339,213)	(10,238)	(328,975)
Other non-cash items		(27,203)	(245,362)	218,159
Adjustments for NDPBs:				
Remove voted resource and capital	SOPS2.1	(31,564)	(28,358)	(3,206)
Add cash grant-in-aid	SOPS2.1	31,564	28,358	3,206
Adjustments to reflect movements in working balances				
Increase in receivables		-	(6,569)	6,569
Increase in payables		-	(1,099,175)	1,099,175
Use of provisions		150,490	149,947	543
		9,739,775	8,548,036	1,191,739
Removal of non-voted budget items:				
Consolidated Fund Standing Services		(458,000)	(416,000)	(42,000)
Net cash requirement		**9,281,775**	**8,132,036**	**1,149,739**

Explanations of variances between Estimate and outturn are given in the Financial Review on page 133.

SOPS5 Income payable to the Consolidated Fund

In addition to income retained by the Department, the following income relates to the Department and is payable to the Consolidated Fund *(cash receipts being shown in italics)*.

	Outturn 2014–15 £000		Outturn 2013–14 £000	
	Income	*Receipts*	Income	*Receipts*
Operating income outside the ambit of the Estimate	(36,658)	*(36,658)*	(86)	*(86)*
Excess cash surrenderable to the Consolidated Fund	–	–	–	–
Total income payable to the Consolidated Fund	(36,658)	*(36,658)*	**(86)**	***(86)***

Consolidated Statement of Comprehensive Net Expenditure

for the year ended 31 March 2015

	Note	DFID	2014–15 £000 Departmental Group	(Restated) DFID	2013–14 £000 (Restated) Departmental Group
Administration costs					
Staff costs	3, 4	65,668	65,668	67,548	67,548
Other costs	4	36,440	38,069	52,746	54,516
Income	6	(1,824)	(1,824)	(6,091)	(6,091)
Programme expenditure					
Staff costs	3, 5	90,405	90,405	78,283	78,283
Other costs	5	8,713,867	8,736,929	9,083,031	9,105,341
Income	6	(29,934)	(29,934)	(1,144)	(1,144)
Grant in aid to NDPBs					
Administration grant in aid	4	1,654	-	1,761	–
Programme grant in aid	5	24,078	-	21,948	–
Net Operating Cost for the year ended 31 March		**8,900,354**	**8,899,313**	**9,298,082**	**9,298,453**
Total expenditure		8,932,112	8,931,071	9,305,317	9,305,688
Total income	6	(31,758)	(31,758)	(7,235)	(7,235)
Net Operating Cost for the year ended 31 March		**8,900,354**	**8,899,313**	**9,298,082**	**9,298,453**
Other Comprehensive Net Expenditure					
Net (gain)/loss on:					
– revaluation of vehicles	18	11	11	221	221
– revaluation of Information Technology	18	(73)	(73)	–	–
– revaluation of furniture and fittings	18	(120)	(120)	–	–
– revaluation of Programme Capital Investments	18	(1,606)	(1,606)	359	359
– revaluation of International Financial Institutions	18	(69,855)	(69,855)	73,669	73,669
– revaluation of investment in CDC	18	(420,200)	(420,200)	(120,900)	(120,900)
Total Comprehensive Expenditure for the year ended 31 March		**8,408,511**	**8,407,470**	**9,251,431**	**9,251,802**

The notes on pages 112 to 146 form part of these accounts.

Consolidated Statement of Financial Position

	Note	31 March 2015 DFID £000	31 March 2015 Departmental Group £000	31 March 2014 DFID £000	31 March 2014 Departmental Group £000
Non-current assets					
Property, vehicles and equipment	7	107,311	107,311	120,092	120,092
Intangible assets		14,382	14,382	21,753	21,753
Financial investments	8	6,794,458	6,794,458	6,229,249	6,229,249
Trade and other receivables	12	237,896	237,896	69,973	69,973
Total non-current assets		**7,154,047**	**7,154,047**	**6,441,067**	**6,441,067**
Current assets					
Trade and other receivables	12	127,568	127,568	138,003	138,003
Cash and cash equivalents	11	3,742	5,193	24,109	24,721
Total current assets		**131,310**	**132,761**	**162,112**	**162,724**
Total assets		**7,285,357**	**7,286,808**	**6,603,179**	**6,603,791**
Current liabilities					
Bank overdraft	11	(7,917)	(7,917)	-	-
Trade and other payables	13	(4,939,401)	(4,939,499)	(3,882,589)	(3,882,889)
Provisions	14	(142,924)	(142,924)	(152,383)	(152,383)
Total current liabilities		**(5,090,242)**	**(5,090,340)**	**(4,034,972)**	**(4,035,272)**
Total assets less net current liabilities		**2,195,115**	**2,196,468**	**2,568,207**	**2,568,519**
Non-current liabilities					
Provisions	14	(954,199)	(954,199)	(1,014,385)	(1,014,385)
Total non-current liabilities		**(954,199)**	**(954,199)**	**(1,014,385)**	**(1,014,385)**
Total assets less liabilities		**1,240,916**	**1,242,269**	**1,553,822**	**1,554,134**
Taxpayers' equity and other reserves:					
General Fund	17	(3,204,384)	(3,203,031)	(2,399,635)	(2,399,323)
Revaluation reserve	18	4,445,300	4,445,300	3,953,457	3,953,457
Total equity		**1,240,916**	**1,242,269**	**1,553,822**	**1,554,134**

Mark Lowcock
Accounting Officer for the Department for International Development
3 July 2015

The notes on pages 112 to 146 form part of these accounts.

Consolidated Statement of Cash Flows

for the year ended 31 March 2015

	Note	2014–15 £000	2013–14 £000
Cash flows from operating activities	19.1	(7,689,492)	(8,547,871)
Cash flows from investing activities	19.2	(405,046)	(74,223)
Cash flows from financing activities	19.3	8,103,710	8,699,262
Net increase/(decrease) in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund		**9,172**	**77,168**
Payment of amounts due to the Consolidated Fund		(36,617)	(5,836)
Net increase/(decrease) in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund		**(27,445)**	**71,332**
Cash and cash equivalents at the beginning of the period	11	24,721	(46,611)
Cash and cash equivalents at the end of the period	11	**(2,724)**	**24,721**

The notes on pages 112 to 146 form part of these accounts.

Consolidated Statement of Changes in Taxpayers' Equity

for the year ended 31 March 2015

	Note	DFID General Fund £000	DFID Revaluation reserve £000	DFID **Total reserves** £000	Departmental Group General Fund £000	Departmental Group Revaluation reserve £000	Departmental Group **Total reserves** £000
Balance at 31 March 2013		**(1,723,761)**	**3,908,049**	**2,184,288**	**(1,723,078)**	**3,908,049**	**2,184,971**
Net Parliamentary Funding – drawn down	17	8,699,263	–	8,699,263	8,699,263	–	8,699,263
Net Parliamentary Funding – deemed	17	(54,370)	–	(54,370)	(54,370)	–	(54,370)
Supply payable adjustment	17	(24,107)	–	(24,107)	(24,107)	–	(24,107)
Operating income payable to the Consolidated Fund	17	(86)	–	(86)	(86)	–	(86)
Comprehensive Net Expenditure for the year	17, 18	(9,298,082)	46,651	(9,251,431)	(9,298,453)	46,651	(9,251,802)
Non-cash adjustments:							
Non-cash charges – auditor's remuneration	4	265	–	265	265	–	265
Movements in reserves							
Realised element to General Fund	17, 18	1,243	(1,243)	–	1,243	(1,243)	–
Balance at 31 March 2014		**(2,399,635)**	**3,953,457**	**1,553,822**	**(2,399,323)**	**3,953,457**	**1,554,134**
Net Parliamentary Funding – drawn down	17	8,103,710	–	8,103,710	8,103,710	–	8,103,710
Net Parliamentary Funding – deemed		24,107	–	24,107	24,107	–	24,107
Supply payable adjustment	17	4,181	–	4,181	4,181	–	4,181
Operating income payable to the Consolidated Fund	17	(36,658)	–	(36,658)	(36,658)	–	(36,658)
Comprehensive Net Expenditure for the year	17, 18	(8,900,354)	491,843	(8,408,511)	(8,899,313)	491,843	(8,407,470)
Non-cash adjustments:							
Non-cash charges – auditor's remuneration	4	265	–	265	265	–	265
Balance at 31 March 2015		**(3,204,384)**	**4,445,300**	**1,240,916**	**(3,203,031)**	**4,445,300**	**1,242,269**

The notes on pages 112 to 146 form part of these accounts.

Notes to the Departmental Accounts

1. Statement of accounting policies

These financial statements have been prepared in accordance with the 2014–15 Government Financial Reporting Manual (FReM), issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the policy which is judged to be most appropriate to the particular circumstances of DFID for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Department are described below. These have been applied consistently in dealing with items that are considered material to the accounts.

In addition to the primary statements prepared under IFRS, the FReM also requires the Department to prepare an additional primary statement, the Statement of Parliamentary Supply, and supporting notes showing the outturn against Estimate in terms of the net resource requirement and the net cash requirement.

These financial statements have been prepared in accordance with the Government Resources and Accounts Act 2000.

1.1 Accounting convention

These accounts have been prepared on a going concern basis under the historical cost convention, modified to account for the revaluation of non-current assets at their value to DFID by reference to their current costs or fair value as appropriate. The justification for preparing these accounts on a going concern basis is set out in 6.1.9 of the Strategic Report.

1.2 Basis of consolidation

These accounts comprise a consolidation of DFID and those entities which fall within its departmental boundary, as defined in the FReM, and make up the Departmental Group. Transactions between entities included in the consolidation are eliminated.

In preparation of the Departmental Group Accounts, the Department adopts consistent and uniform accounting policies across all entities. A list of all those entities within the departmental boundary is provided at note 21.

1.3 Coverage of accounts

These accounts cover the activities of DFID and its 2 non-departmental public bodies only, the Commonwealth Scholarship Commission (CSC) and Independent Commission for Aid Impact (ICAI).

DFID is the sponsor department for CDC Group plc (CDC), a self-financing public corporation, wholly owned by DFID. CDC is not consolidated in these accounts as, under FReM rules, public corporations are outside the departmental resource accounting boundary. DFID's 100% ownership interest in CDC is recognised in non-current asset investments.

In line with FReM rules on activities which are charged directly to departments' expenditure, the primary statements in these accounts do not include amounts attributed to DFID in relation to spending on development activities by the European Union (EU) from the EU budget. The Statement of Parliamentary Supply does, however, include this expenditure when calculating resource outturn for the year under review. As a result this expenditure is included within both note SOPS2 and SOPS3, detailing the reconciliation between Resource Outturn for the year and the total included in the Consolidated Statement of Comprehensive Net Expenditure.

1. Statement of accounting policies (continued)

1.4 Operating income

Operating income principally comprises rental income, loan interest, loan balances surrendered from the European Investment Bank related to Heavily Indebted Poor Countries and profits on disposal of non-current assets. It includes both income appropriated-in-aid and income to be surrendered to the Consolidated Fund, which HM Treasury has agreed should be treated as operating income under the ambit of the Department. All income is accounted for on an accruals basis.

1.5 Administration and programme expenditure

The Consolidated Statement of Comprehensive Net Expenditure is analysed between administration and programme income and expenditure. The classification of expenditure and income as administration or as programme follows the definition of administration costs set out in Consolidated Budgeting Guidelines by HM Treasury. Administration costs and income reflect the costs of running the Department. Programme costs reflect non-administrative costs, including payments of grants and other disbursements by the Department and certain staff costs where they relate directly to service delivery.

1.6 Grants payable

Grants payable are recorded as expenditure in the period in which the underlying event or activity giving entitlement to the grant occurs. Where the period to which the payments are to be applied is clearly defined, the appropriate resource adjustments are made to reflect the period of expenditure through accruals and prepayments. Where grants are made to governments or international organisations and UK contributions are pooled and cannot be matched directly with particular activities, expenditures are recognised in the period when agreed conditions for payment by DFID to the programme partner have been met.

In certain cases, grant contributions to international organisations are made in the form of promissory notes. The full amount of the promissory note is recognised where the right of the counterparty to draw down funds is unconditional, as an expense in the period in which the note is deposited. Amounts not drawn down in cash from promissory notes at the Consolidated Statement of Financial Position date are included in 'Trade and other payables'.

1.7 Research and development

Expenditure by DFID from programme budgets in support of research and development is charged to the Consolidated Statement of Comprehensive Net Expenditure in the period in which it is incurred, unless it meets the criteria for capitalisation as defined in IAS 38, *Intangible Assets*.

1.8 Value Added Tax (VAT)

The Department is registered for VAT and pays tax on its purchases in accordance with Value Added Tax Act 1994. Income and expenditure are shown net of VAT where output tax is charged or input tax is recoverable. Irrecoverable VAT incurred is included within the overall cost of purchases. Amounts owed by HM Revenue and Customs for VAT recoverable at the Consolidated Statement of Financial Position date are included in 'Trade and other receivables'.

1.9 Foreign exchange

Transactions denominated in foreign currency are accounted for at the sterling equivalent at the exchange rate ruling at the date of each transaction. Monetary assets and liabilities denominated in foreign currency are translated into sterling at the exchange rates ruling at the Consolidated Statement of Financial Position date. Differences on translation of balances are recognised as operating costs within the Consolidated Statement of Comprehensive Net Expenditure. Non-monetary assets and liabilities are subject to annual revaluation and are translated at the Consolidated Statement of Financial Position date. Exchange differences are taken to the Revaluation Reserve.

1. Statement of accounting policies (continued)

1.10 Pensions

Past and present home civil servants are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS) which is a multi-employer defined benefit scheme and is unfunded, except in respect of dependants' benefits. DFID recognises the expected cost of these elements on a systematic and rational basis over the period which benefits from employees' services by payment to the PCSPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS. The Department recognises the contributions payable for the year in respect of defined contribution schemes, in accordance with IAS 19, *Employee Benefits*. Details of rates and amounts of contributions during the year are given in note 3.

The PCSPS is an unfunded multi-employer defined benefit scheme; however, DFID is unable to identify its share of the underlying assets and liabilities.

1.11 Property, vehicles and equipment

Property, vehicles and equipment are capitalised above a threshold of £1,000 for individual assets. Items of furniture and fittings and information technology, some of which may individually cost less than £1,000, are capitalised on a grouped basis.

Assets under construction are capitalised on the basis of actual costs incurred during the period until the work is completed when the asset is deemed available for use and reclassified accordingly.

Equipment used for general administration purposes is recognised as assets, including any costs associated with bringing it into working condition. Therefore, asset costs include salaries and expenses of departmental staff arising directly from the development, construction and acquisition of the asset. Property, vehicles and equipment do not include items purchased from programme expenditure to benefit overseas governments and others where the intention is that ownership will fall to the third parties.

Refurbishments to freehold and leasehold properties are capitalised at the actual costs incurred, where these extend the useful life or functionality of the underlying leased asset.

Title to freehold land, buildings and dwellings is held in the name of, or on behalf of, the Secretary of State for International Development. Freehold land, buildings and dwellings and leasehold buildings are shown at market value based on professional valuations carried out at not more than 5 year intervals. Freehold buildings and dwellings and leasehold buildings are held at depreciated market value based on the most recent revaluation. Freehold land is not depreciated.

Improvements to assets leased under operating leases are included within the leasehold-related assets category and are held at depreciated historic cost over the remaining lease life. Buildings and land held on short term leases are regarded as operating leases and rental payments are recorded in the Consolidated Statement of Comprehensive Net Expenditure.

Assets under construction are held at historic cost.

Vehicles, furniture and fittings and information technology are stated at current value using appropriate indices. Current value is updated quarterly based on monthly indices provided by the Office for National Statistics website.

As explained above, any surplus on revaluation is recognised directly in the revaluation reserve, except to the extent that the surplus reverses a previous revaluation deficit on the same asset which was previously recognised in the Consolidated Statement of Comprehensive Net Expenditure. In such circumstances the resulting credit is recognised in the Consolidated Statement of Comprehensive Net Expenditure. Any deficit on revaluation is recognised in the Consolidated Statement of Comprehensive Net Expenditure, except to the extent that it reverses a previous revaluation surplus on the same asset, in which case it is taken directly to the revaluation reserve.

1. Statement of accounting policies (continued)

1.12 Depreciation

Freehold land is not depreciated. Depreciation is provided on other property, vehicles and equipment on a straight line basis over the remaining useful lives of the assets. Depreciation on assets under construction, including improvements to leaseholds, is provided from the point at which these come into use. The useful lives for main asset categories are as follows:

Office accommodation (freeholds)	30 years
Domestic property (freeholds)	20 years
Improvements to freeholds	15 years
Leasehold-related assets	Over the remaining term of the lease
Vehicles	5 years
Furniture and fittings	Mainly at 5 and 10 years
Information Technology	1 to 8 years

1.13 Financial instruments

IFRS 7 'Financial Instruments: Disclosures' requires disclosures in the accounts that enable users to evaluate the significance of financial instruments to the financial position and performance. Furthermore, it requires the disclosure of the nature and extent of risks arising from financial instruments to which DFID is exposed during the year and at the financial year end, and requires the explanation of how those risks are managed.

Financial assets and liabilities are recognised when the Department becomes party to the contracts that give rise to them and conditions satisfying recognition are met. These are derecognised when the right to receive cash flows has expired or where the Department has transferred substantially all the risks and rewards of ownership or control of the asset.

In order to gain greater budget certainty in relation to a particular programme, until February 2015, DFID mitigated the effects of potential falls in the value of sterling by taking out forward contracts to meet future currency requirements where considered appropriate. Such contracts were held in the Consolidated Statement of Financial Position at fair value, based on external valuations at the Statement of Financial Position date. Gains or losses in respect of forward currency purchases were recognised through the Consolidated Statement of Comprehensive Expenditure. DFID did not enter forward currency contracts to provide an accounting hedge and, in accordance with HM Treasury guidelines, hedge accounting was not applied.

All other financial assets and liabilities that are not separately disclosed in the accounting policy are recorded at amortised cost using the effective interest method.

1.14 Financial investments

The Departmental Group's financial investments have been classified as available-for-sale based on assessment of the nature of the investments upon initial recognition in the Department's accounts.

Available-for-sale assets are non-derivative financial assets designated as such or not classified within the FReM as any of the other three categories of financial instruments: held-to-maturity investments, loans and receivables or held at fair value through profit or loss. These assets are intended to be held for an indefinite period of time and may be sold in response to policy decisions or equity prices. Available-for-sale financial assets are recognised initially at fair value. At initial recognition, the best evidence of fair value in an arm's length transaction is cash received or paid, unless there is evidence to the contrary. The fair value on recognition also includes any directly attributable transaction costs. After initial recognition, these financial assets are carried at fair value. Gains and losses in fair value are recognised directly in Taxpayers' Equity except for impairment losses. Impairment losses are recognised in the Consolidated Statement of Comprehensive Net Expenditure. On derecognition, the cumulative gain or loss previously recognised in equity is recognised in the Consolidated Statement of Comprehensive Net Expenditure.

1. Statement of accounting policies (continued)

1.14 Financial investments (continued)

Available-for-sale assets at 31 March 2015 and 2014 include:

International Financial Institutions

Investments include the United Kingdom interest in certain International Financial Institutions (IFIs). Shares in these bodies are not traded securities.

In the absence of market values an approximation of the fair value of DFID's interests in IFIs has been assessed as the amount that DFID would receive if the institutions ceased to operate. For all IFIs, this would be DFID's share of the audited net assets of the IFI, based on shareholdings at the time of dissolution. It is considered that the net assets shown on the Statement of Financial Position of each IFI, at the date closest to year end, adjusted for known changes in ownership, represent the best estimate of this realisable value.

Public Corporations

In the absence of observable market data for investments in public bodies outside the departmental boundary, net asset value per recent audited accounts is used as a measure for determining fair value, taking into consideration the Department's assessment of impairment or material changes to fair value for bodies with non-coterminous reporting dates. Fair value changes reflect the change in value of net assets held by these bodies recognising their accounting policy of measuring financial instruments comprising substantially all the value of net assets at fair value. This applies to DFID's investment in CDC.

Development capital

Development capital (DC) assets are investments made by DFID to achieve defined development objectives while retaining an ongoing, recoverable, interest in the assets funded. These include equity investments and 'returnable grant' arrangements, the terms of which will vary depending on programme circumstances.

The fair values of DC assets are estimated based on a variety of valuation techniques performed by independent valuation experts, as appropriate to the nature of each asset. Valuation techniques used include the use of earnings multiples, discounted cash flows analysis, and net asset values.

1.15 Long-term loans

In accordance with IAS 39, long-term loans and receivables have been valued at amortised cost based on expected future cash flows, net of provisions. The discount rate applied to future cash flows to calculate amortised cost is the higher of the long-term interest rate set by HM Treasury or the rate intrinsic to each agreement. Provisions applied include amounts which the UK has formally agreed will not be repaid. Repayments forecast to be made within one year are included in current assets (note 12.1).

1.16 Impairment of financial assets

The Departmental Group assesses at the end of each reporting period whether there is objective evidence that loans and receivables, or available for sale assets, are impaired. Evidence of impairment arises where there is observable data indicating that there is a measurable decrease in the estimated future cash flows from holding financial assets.

For loans and receivables, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the effective interest rate method. The carrying amount of the asset is reduced in the Consolidated Statement of Financial Position and the loss is recognised in the Consolidated Statement of Comprehensive Net Expenditure. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the counterparty's credit rating), the previously recognised impairment loss is reversed.

1. Statement of accounting policies (continued)

1.16 Impairment of financial assets (continued)

For Assets classified as available-for-sale, the impairment loss, measured as the difference between the fair value at acquisition and the current fair value (less any impairment loss on that financial asset previously recognised in the Consolidated Statement of Comprehensive Net Expenditure) are removed from Taxpayer's equity and recognised in the Consolidated Statement of Comprehensive Net Expenditure. Impairment losses recognised in the Consolidated Statement of Comprehensive Net Expenditure are not subsequently reversed until the related financial asset is de-recognised. Generally, for investments in this classification, an impairment review is carried out at the reporting date. Indicators of impairment for these other investments include net cash outflows or operating losses, a reduction in net assets, and other factors influencing recoverable amount. If there is a sustained increase in the fair value of an available-for-sale asset where an impairment loss has previously been recognised, but no improvement can be attributed to a subsequent credit event, then the increase in value may be treated as a revaluation and recognised through Taxpayer's Equity and the previous impairment is not reversed through the Consolidated Statement of Comprehensive Net Expenditure.

1.17 Cash and cash equivalents

Cash comprises cash on hand with UK and overseas banks and demand deposits at the Statement of Financial Position date. Cash equivalents comprise any assets considered by management to be readily convertible to cash, due to their highly liquid and short-term nature, by way of a readily available market for sale.

1.18 Provisions

DFID provides for legal and constructive obligations, related to past events, where the obligations are of uncertain timing or value at the Statement of Financial Position date. Such provisions are based on the best estimate of the expenditure required to settle the obligation. Where the time value of money is material, expected cash flows are stated at discounted amounts using the real discount rate, adjusted for inflation, set by HM Treasury.

1.19 Early retirement costs

DFID meets the additional costs of benefits, beyond the normal PCSPS benefits, in respect of employees who retire early, by paying the required amounts annually to the PCSPS, over the period between early retirement and normal retirement date. These costs are provided in full as an expense in the Consolidated Statement of Comprehensive Net Expenditure (within programme costs) when early retirements have been agreed and arrangements are binding. Liability for future payments is shown under provisions. Where the provision for employee exit costs is significant/material, the FReM requires that the cash flows are discounted. Such amounts provided in year and held within the provisions balance at year end are neither significant nor material.

1.20 Contingent assets and liabilities

In addition to contingent liabilities disclosed in accordance with IAS 37, the Department discloses for Parliamentary reporting and accountability purposes certain statutory and non-statutory contingent liabilities where the likelihood of a transfer of economic benefit is remote, but which have been reported to Parliament in accordance with the requirements of 'Managing Public Money'.

Where the time value of money is material, contingent liabilities which are required to be disclosed under IAS 37 are stated at discounted amounts and the amount reported to Parliament separately noted. Contingent liabilities that are not required to be disclosed by IAS 37 are stated at the amounts reported to Parliament.

1. Statement of accounting policies (continued)

1.20 Contingent assets and liabilities (continued)

The Department discloses a contingent asset where it is probable there will be an inflow of economic benefits from a past event, but where the outcome (timing and/or value) is uncertain. An estimate of the financial effect is indicated, where possible.

1.21 Third party assets

Cash balances in the primary statements exclude amounts held for third parties as custodian or trustee but in which neither DFID nor the UK Government more generally has a direct beneficial interest. Amounts of this nature held at the Statement of Financial Position date are disclosed in note 20.

1.22 Critical accounting judgements

The Accounting Officer, in preparing the Accounts, is required to select suitable accounting policies, apply them consistently and make estimates and assumptions that are reasonable and prudent. These judgements and estimates are based on historical experience and other factors considered relevant. Actual results may differ from these estimates and assumptions.

Critical accounting estimates are those which involve the most complex or subjective judgements or assessments. The areas of DFID's business that typically require such estimates in implementing the accounting policies set out above are explained in more detail below.

(a) Useful lives of property, vehicles and equipment and intangible non-current assets

DFID's management annually reviews and re-affirms the appropriateness of the useful lives of tangible and intangible assets for the purposes of applying depreciation.

(b) Impairment review of property, vehicles and equipment

Each year DFID carries out a review of the carrying value of property, vehicles and equipment to assess indications of impairment.

(c) Impairment review of financial assets

DFID carries out an annual impairment review of the carrying value of its financial assets. Details of this policy are set out in note 1.16.

(d) Provisions against long-term loans and receivables

Long-term loan balances are held with a number of overseas governments and organisations. DFID carries out an annual review to assess the expected amounts receivable against the carrying value of loans outstanding, giving consideration to factors affecting recoverability such as political matters, for example stability within the recipient country, or economic developments and progress towards debt reduction initiatives such as the Paris Club or the Heavily Indebted Poor Countries (HIPC) initiative. Where there is a likelihood that the full carrying value may not be received, a provision is made against the carrying value of the amount due and balances reported in the accounts to the extent that the outstanding amount will not be recovered. Details of this policy are set out in note 1.16.

(e) Fair value of development capital assets

Development capital assets are measured at fair value at the Statement of Financial Position date using a range of valuation techniques as appropriate to the nature of each asset. These valuation techniques involve a number of assumptions and judgements depending on the method applied.

1. Statement of accounting policies (continued)

1.23 Effects of future accounting policies

The following is a list of relevant changes to IFRS that have been issued but which were not effective in the reporting period:

- Annual improvements to IFRS (including IFRS 13 'Fair value measurement', IAS 16 'Property, plant and equipment' and IAS 24 'Related party disclosures') will be effective for financial reporting periods beginning on or after 1 February 2015. The Department is currently assessing the impact of these improvements but, based on preliminary analysis, it is not expected to be material.
- IFRS 9 'Financial instruments' is expected to be effective for financial reporting periods beginning on or after 1 January 2018. The new standard simplifies the classification and measurement of financial assets, previously reported under IAS 39 'Financial instruments: Recognition and measurement', and will have a material effect on the disclosure and measurement of financial assets.

1.24 Operating segments

IFRS 8 defines an operating segment as a component of an entity:

- that engages in business activities from which it earns revenues and incurs expenditure;
- whose operating results are reviewed regularly by the entity's decision-makers to make decisions about resources to be allocated to the segment and assess its performance;
- for which discrete financial information is available.

DFID's structure comprises a number of divisions which are individually, and collectively, responsible for delivering the Department's expected output and objectives. Each division reports through a Director General, who is a member of the Executive Management Committee. Budgets and resources are allocated to divisions based on operational plans. These are reviewed and signed off, firstly by the responsible Director then ultimately by the responsible Director General. The Executive Management Committee reviews a monthly finance report as a standing item on its agenda. This aggregates financial data for all divisions and summarises financial performance, both historical and forecast, by Director General area. As such, the divisions are considered the most appropriate operating segments for disclosure in note 2, which sets out the income and expenditure for each operating segment.

1.25 Changes in accounting policy

DFID has consistently applied the accounting policies referred to above to all periods presented in these financial statements.

2. Statement of operating costs by operating segment

IFRS 8 requires disclosure of income and expenditure by operating segment. The basis for defining operating segments is set out in note 1.24.

The standard also includes a requirement to show net assets per operating segment. The structure of DFID means that all assets included in the Statement of Financial Position are used for the general administration and benefit of DFID as a whole. As such, DFID considers the Statement of Financial Position to be centrally maintained and monitored by the Finance and Corporate Performance Division and it would therefore all fall under the reporting line of the Director General for Corporate Performance.

For the year ended 31 March 2015

Director General	Division	Gross expenditure £000	Income £000	2014–15 Net expenditure £000
Corporate Performance	Central Department	108,604	(37,320)	71,284
	Business Change and Strategy Division	682	–	682
	Business Solutions Division	10,791	(13)	10,778
	Communications Division	60,276	–	60,276
	Finance and Corporate Performance Division	9,842	–	9,842
	Group Operations	19,092	(1,544)	17,548
	Human Resources	6,488	(33)	6,455
	Internal Audit	1,929	–	1,929
	Non-Departmental Public Body	3,667	–	3,667
Corporate Performance		**221,371**	**(38,910)**	**182,461**
Permanent Secretary	Top Management Group	3,821	–	3,821
Permanent Secretary		**3,821**	**–**	**3,821**
Policy and Global Programmes	Global Funds	831,238	–	831,238
	International Relations Division	635,977	(454)	635,523
	Policy Division	977,125	–	977,125
	Research and Evidence Division	334,865	–	334,865
Policy and Global Programmes		**2,779,205**	**(454)**	**2,778,751**
Africa, South & East Asia, Western Hemisphere	Asia, Caribbean and Overseas Territories	650,259	(195)	650,064
	East and Central Africa	1,255,719	(162)	1,255,557
	Regional Directorate	245,310	–	245,310
	West and Southern Africa	798,287	(124)	798,163
	Western Asia Division	468,449	–	468,449
Africa, South & East Asia, Western Hemisphere		**3,418,024**	**(481)**	**3,417,543**
Economic Development	Growth and Resilience Division	60,878	–	60,878
	International Finance Division	1,550,319	(129)	1,550,190
	Trade for Development Division	12,001	–	12,001
Economic Development		**1,623,198**	**(129)**	**1,623,069**
Middle East, Humanitarian and Security	Middle East, Humanitarian & Security Division	893,652	16	893,668
Humanitarian, Security and Conflict		**893,652**	**16**	**893,668**
Total		**8,939,271**	**(39,958)**	**8,899,313**

2. Statement of operating costs by operating segment (continued)

For the year ended 31 March 2014

Director General	Division	Gross expenditure £000	Income £000	2013–14 Net expenditure £000
Corporate Performance	Central Department Division	13,199	(1,037)	12,162
	Business Change and Strategy Division	549	–	549
	Business Solutions Division	13,583	–	13,583
	Communications Division	50,992	–	50,992
	Finance and Corporate Performance Division	10,140	–	10,140
	Group Operations	27,022	(5,715)	21,307
	Human Resources	10,897	(31)	10,866
	Internal Audit	1,426	–	1,426
	Non-Departmental Public Body	3,653	–	3,653
Corporate Performance		**131,461**	**(6,783)**	**124,678**
Permanent Secretary	Top Management Group	3,990	–	3,990
Permanent Secretary		**3,990**	**–**	**3,990**
Policy and Global Programmes	Global Funds	1,122,628	–	1,122,628
	International Relations Division	767,191	(81)	767,110
	Policy Division	755,567	–	755,567
	Research and Evidence Division	337,933	–	337,933
Policy and Global Programmes		**2,983,319**	**(81)**	**2,983,238**
Africa, South & East Asia, Western Hemisphere	Asia, Caribbean and Overseas Territories	819,688	(11)	819,677
	East and Central Africa	1,231,978	(10)	1,231,968
	West and Southern Africa	1,023,795	(184)	1,023,611
	Western Asia Division	471,495	(1)	471,494
Africa, South & East Asia, Western Hemisphere		**3,546,956**	**(206)**	**3,546,750**
Economic Development	Growth and Resilience Division	62,098	–	62,098
	International Finance Division	1,623,491	(128)	1,623,363
	Trade for Development Division	9,599	–	9,599
Economic Development		**1,695,188**	**(128)**	**1,695,060**
Middle East, Humanitarian and Security	Middle East, Humanitarian & Security Division	944,774	(37)	944,737
Humanitarian, Security and Conflict		**944,774**	**(37)**	**944,737**
Total		**9,305,688**	**(7,235)**	**9,298,453**

3. Staff numbers and related costs

3.1 Staff costs

	Permanently employed staff £000	Others £000	Ministers £000	Special advisers £000	Total 2014–15 £000	Total 2013-14 £000
Wages and salaries	124,955	1,255	150	128	126,488	119,078
Social security costs	7,215	–	14	13	7,242	6,698
Other pension costs	22,315	–	–	28	22,343	20,055
Sub-total	**154,485**	**1,255**	**164**	**169**	**156,073**	**145,831**
Less recoveries in respect of outward secondments	(50)	–	–	–	(50)[1]	(111)
Total net costs	**154,435**	**1,255**	**164**	**169**	**156,023**	**145,720**

[1] Staff recoveries are recorded within Administration income (note 4).

Analysis of total	Charged to Administration Budget £000	Charged to Programme Budget £000	Charged to Capital Budget £000	Total £000
DFID	64,281	90,405	1,337	**156,023**
Agencies	–	–	–	–
Other designated bodies	–	–	–	–
Total	**64,281**	**90,405**	**1,337**	**156,023**

All staff costs relate to the Core Department and ICAI only. CSC does not have any staff as it uses administrators to carry out its day-to-day operations.

The Principal Civil Service Pension Scheme (PCSPS) is an unfunded multi-employer defined benefit scheme. DFID is unable to identify its share of the underlying assets and liabilities; therefore sufficient information is unavailable to enable DFID to account for the plan as a defined benefit plan. A full actuarial valuation was carried out as at 31 March 2012. Details can be found on the Civil Service Pensions website (www.civilservicepensionscheme.org.uk/media/94676/pcsps-2012-valuation-final-report-final-22072014.pdf). The new Alpha Pension Scheme was introduced on 1 April 2015. The new scheme is a career average pension scheme which offers a guaranteed pension that builds up each year based on a percentage of pensionable earnings in that year. The majority of Principal Civil Service Pension Scheme members (includes classic, classic plus, premium and nuvos) will move to the Alpha scheme. Most new members will also join the Alpha scheme. Further information on the Alpha scheme can be found on Civil Service Pensions website (www.civilservicepensionscheme.org.uk/members/the-new-pension-scheme-alpha/what-are-the-2015-changes/).

For 2014–15, employers' contributions of £19,695,072 were payable to the PCSPS (2013–14: £18,420,743) at 1 of 4 rates in the range 16.7% to 24.3% of pensionable pay, based on salary bands. The Scheme's Actuary reviews employers' contributions every 4 years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2014–15 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £290,473 (2013–14: £240,384) were paid to 1 or more of a panel of 3 appointed stakeholder pension providers. Employers' contributions are age-related and range from 3% to 12.5% of pensionable pay. Employers also match employee contributions up to 3% of pensionable pay. In addition, employers' contributions of £21,613 (2013–14: £17,049), 0.8% of pensionable pay, were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees.

3. Staff numbers and related costs (continued)

No contributions were due to the partnership pension providers at the Statement of Financial Position date. Contributions prepaid at that date were £nil.

Two individuals retired early on ill-health grounds; the total additional accrued pension liabilities in the year amounted to £5,927 (2013–14: £16,088).

3.2 Average number of persons employed

The average number of whole-time equivalent persons employed by DFID during 2014–15 was 2,991 (2013-14: 2,972). This relates to the Core Department only and does not include ICAI.

The internal structure of the organisation at Divisional level changed significantly during 2014–15; therefore the 2013–14 average number of whole-time equivalent persons employed by DFID is not comparable.

The breakdown as at 31 March 2015 was:

	Permanently employed staff	Others[1]	Ministers	Special advisers
Division				
Corporate Performance	514	54	–	–
Permanent Secretary	42	–	3	3
Policy and International Relations	473	–	–	–
Africa, South and East Asia and Western Hemisphere	1,530	–	–	–
Middle East, Humanitarian and Conflict	271	–	–	–
Economic Development	140	–	–	–
Total	**2,970**	**54**	**3**	**3**

[1] 'Others' have been recorded under Corporate Performance as more detailed information is not available.

3.3 Reporting of Civil Service and other compensation schemes – exit packages

	2014–15 Departmental Group			2013–14 Departmental Group		
Exit package cost band	**Number of compulsory redundancies**	**Number of other departures agreed**	**Total number of exit packages by cost band**	**Number of compulsory redundancies**	**Number of other departures agreed**	**Total number of exit packages by cost band**
<£10,000	–	–	–	1	1	2
£10,000 – £25,000	1	3	4	–	4	4
£25,001 – £50,000	–	3	3	–	7	7
£50,001 – £100,000	–	6	6	–	5	5
£100,001 – £150,000	–	1	1	–	4	4
£150,001 – £200,000	–	–	–	–	1	1
£200,001+	–	–	–	–	–	–
Total number of exit packages	1	13	14	1	22	23
Total cost £000			**708**			**1,294**

All exit packages above relate to DFID.

3. Staff numbers and related costs (continued)

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. Exit costs are accounted for in full in the year of departure. Where the department has agreed early retirements, the additional costs are met by the Department and not by the Civil Service pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table.

4. Other administration costs

			2014–15		2013–14
		DFID	Departmental Group	DFID	Departmental Group
	Note	£000	£000	£000	£000
Rentals under operating leases		11,942	11,942	12,758	12,758
Charges under finance leases		2,204	2,204	8,742	8,742
		14,146	14,146	21,500	21,500
Other current expenditure		7,132	8,761	21,393	23,163
Non-cash items					
Depreciation: property, vehicles and equipment	7	11,029	11,029	8,459	8,459
Amortisation: intangible assets		6,805	6,805	3,806	3,806
Revaluation of Information Technology	7	–	–	425	425
Revaluation of furniture and fittings	7	–	–	1,011	1,011
(Gain)/loss on disposal of property, vehicles and equipment		(7,530)	(7,530)	1,148	1,148
Loss on disposal of intangible assets		–	–	48	48
Auditors' remuneration and expenses[1]		265	265	265	265
Movement in provisions	14	4,593	4,593	(5,309)	(5,309)
		36,440	38,069	52,746	54,516
Staff costs	3	65,668	65,668	67,548	67,548
Grant in aid – NDPBs		1,654	–	1,761	-
Administration income	6	(1,824)	(1,824)	(6,091)	(6,091)
Total		**101,938**	**101,913**	**115,964**	**115,973**

[1] In addition, the National Audit Office received cash fees indirectly from DFID via other organisations to which it is a sub-contractor for carrying out advisory services. Indirect fees totalled £213,561 in 2014–15 (2013–14: £208,200). Cash fees directly received from DFID during 2014–15 were £Nil (2013–14: £Nil).

5. Programme costs

			2014–15		2013–14
		DFID	Departmental Group	DFID	Departmental Group
	Note	£000	£000	£000	£000
Grants and current expenditure		6,703,849	6,726,911	7,140,277	7,162,587
Contributions to International Financial Institutions: promissory notes	13.2	2,081,361	2,081,361	1,935,517	1,935,517
Loss on foreign exchange		2,895	2,895	3,473	3,473
Non-cash items					
Movements in provisions	14	(74,238)	(74,238)	3,764	3,764
		8,713,867	8,736,929	9,083,031	9,105,341
Staff costs	3	90,405	90,405	78,283	78,283
Grant-in-aid		24,078	–	21,948	–
Programme income	6	(29,934)	(29,934)	(1,144)	(1,144)
Total net programme costs		**8,798,416**	**8,797,400**	**9,182,118**	**9,182,480**

6. Income

		2014–15		2013–14
	DFID	Departmental Group	DFID	Departmental Group
	£000	£000	£000	£000
Administrative income				
Rents from non-government bodies	(1,544)	(1,544)	(5,301)	(5,301)
Other	(280)	(280)	(790)	(790)
Sub-total	**(1,824)**	**(1,824)**	**(6,091)**	**(6,091)**
Programme income				
Non-capital operating income	(235)	(235)	(69)	(69)
Grant-in-aid funding	(450)	(450)	(450)	(450)
Other operating income[1]	(28,458)	(28,458)	(86)	(86)
Loan interest	(791)	(791)	(539)	(539)
Sub-total	**(29,934)**	**(29,934)**	**(1,144)**	**(1,144)**
Total	**(31,758)**	**(31,758)**	**(7,235)**	**(7,235)**

[1] Programme income includes £28.2 million received from the European Investment Bank (EIB). The EIB provides standard multilateral debt relief to ensure that individual country debt is sustainable. DFID decided in 2008 to treat its portion of loans made by EIB to certain countries, known as Heavily Indebted Poor Countries (HIPCs), as bilateral and to apply the UK's principle of providing for 100% debt relief for such loans. DFID reverted to treating HIPC loans as multilateral in 2013 and received a payment from EIB during 2014-15 related to the UK portion of loan repayments accumulated by EIB between 2009 and 2014. This income was passed back to HM Treasury in line with government guidance.

7. Property, vehicles and equipment

Consolidated 2014–15	Land, buildings and dwellings	Leasehold-related assets	Vehicles	Furniture and fittings	Information Technology	Assets under construction	Total
	£000	£000	£000	£000	£000	£000	£000
Cost or valuation							
At 1 April 2014	**69,226**	**49,278**	**8,023**	**18,017**	**19,688**	**20,355**	**184,587**
Additions	108	2,670	2,232	1,039	934	1,536	8,519
Revaluation	–	–	(17)	192	109	–	284
Impairment	(236)	–	–	–	–	–	(236)
Brought into use / reclassifications	21,555	(6,576)	69	(372)	6,154	(18,390)	2,440[1]
Disposals	(12,273)	(3,386)	(532)	(1,135)	(8,851)	(39)	(26,216)
At 31 March 2015	**78,380**	**41,986**	**9,775**	**17,741**	**18,034**	**3,462**	**169,378**
Depreciation							
At 1 April 2014	(4,968)	(26,949)	(5,658)	(11,113)	(15,806)	(1)	(64,495)
Charged in year	(2,287)	(3,336)	(977)	(1,328)	(3,101)	–	(11,029)
Depreciation on revaluation	–	–	6	(72)	(36)	–	(102)
Reclassifications	–	(64)	–	126	(62)	–	–
Disposals	273	3,175	506	870	8,735	–	13,559
At 31 March 2015	**(6,982)**	**(27,174)**	**(6,123)**	**(11,517)**	**(10,270)**	**(1)**	**(62,067)**
Carrying Amount at 31 March 2015	**71,398**	**14,812**	**3,652**	**6,224**	**7,764**	**3,461**	**107,311**
Carrying Amount at 31 March 2014	**64,258**	**22,329**	**2,365**	**6,904**	**3,882**	**20,354**	**120,092**

[1] £2.4 million was brought into use/reclassified from Intangibles during 2014-15

7. Property, vehicles and equipment (continued)

The above relates to assets held by DFID. CSC and ICAI do not hold any assets.

The Department's freehold property in East Kilbride was valued at 31 March 2011 by GVA Grimley LLP International Property Advisers using Royal Institution of Chartered Surveyors (RICS) guidelines. A revised market value based on existing use of £6.2 million (land £1.24 million, buildings £4.96 million) was reported.

Included in buildings is 22/26 Whitehall which was transferred to DFID from Cabinet Office during 2012–13 at a total value of £44.145 million. The valuation was provided by DVS on 12 October 2012. DVS is the property arm of the Valuation Office Agency and provides professional property advice across the public sector. Subsequently, DFID has undertaken refurbishments which were completed by February 2013 to bring the property up to a suitable standard for occupation and use by the Department. Effective from 3 March 2015, the ownership transferred to HM Treasury Sovereign Sukuk Plc, which is wholly owned by HM Treasury with the ownership reverting effective 1 August 2019. The Department leases 22/26 Whitehall from the Department for Local Government and Communities (DCLG) for no consideration. DCLG in turn leases the assets from the HM Treasury UK Sovereign Sukuk plc, for which HMT is paying the lease costs. As the Department retains all the risks and rewards associated with these properties and expects to continue to do so over their remaining economic lives, their value is included in Land, buildings and dwellings column above.

Included in leasehold-related assets at 31 March 2014 is a property held under a finance lease, entered into by a former executive agency of the Department. The property was sublet through an operating lease to the University of Greenwich, which occupied the building and took on the work of this agency. A formal valuation of the property using RICS guidelines was performed at 31 March 2008 by DTZ Debenham Tie Leung Limited and an informal professional valuation was conducted in October 2011. On expiry of the finance lease on 1 July 2014, the asset was reclassified to the land, buildings and dwellings category and was then sold to the University of Greenwich. The remainder of the leasehold-related assets category includes improvements to assets leased under operating leases.

Overseas properties were valued during 2011–12 as follows:

Zambia properties were revalued at 13 February 2012 by Pam Golding Properties; Zimbabwe properties were revalued at 6 February 2012 by SEEF Properties; Uganda property was valued at 17 January 2012 by Eastlands Agency Real Estate; Malawi properties were valued at 9 March 2012 by MPICO Limited; Pakistan property was valued at 22 February 2012 by W W Engineering Services (Pvt) Limited; Ethiopia property was valued at 31 January 2012 by CPMS.

7. Property, vehicles and equipment (continued)

Consolidated 2013–14	Land, buildings and dwellings	Leasehold-related assets	Vehicles	Furniture and fittings	Information Technology	Assets under construction	Total
	£000	£000	£000	£000	£000	£000	£000
Cost or valuation							
At 1 April 2013	**69,018**	**48,278**	**7,580**	**20,787**	**18,369**	**18,246**	**182,278**
Additions	208	1,544	1,176	966	2,478	2,109	8,481
Revaluation	–	–	(387)	(1,530)	(1,000)	–	(2,917)
Brought into use/reclassifications	–	–	–	–	48	–	48
Disposals	–	(544)	(346)	(2,206)	(207)	–	(3,303)
At 31 March 2014	**69,226**	**49,278**	**8,023**	**18,017**	**19,688**	**20,355**	**184,587**
Depreciation							
At 1 April 2013	**(3,062)**	**(25,218)**	**(5,374)**	**(11,466)**	**(14,330)**	**(1)**	**(59,451)**
Charged in year	(1,906)	(2,185)	(776)	(1,391)	(2,201)	–	(8,459)
Depreciation on revaluation	–	–	166	519	575	–	1,260
Reclassifications	–	–	–	–	–	–	–
Disposals	–	454	326	1,225	150	–	2,155
At 31 March 2014	**(4,968)**	**(26,949)**	**(5,658)**	**(11,113)**	**(15,806)**	**(1)**	**(64,495)**
Carrying amount at 31 March 2014	**64,258**	**22,329**	**2,365**	**6,904**	**3,882**	**20,354**	**120,092**
Carrying amount at 31 March 2013	**65,956**	**23,060**	**2,206**	**9,321**	**4,039**	**18,245**	**122,827**
Asset financing							
Owned	64,258	1,073	2,365	6,904	3,882	20,354	98,836
Finance-leased	–	21,256	–	–	–	–	21,256
Carrying amount at 31 March 2014	**64,258**	**22,329**	**2,365**	**6,904**	**3,882**	**20,354**	**120,092**

8. Financial investments

	Development Capital	International Financial Institutions	CDC Group Plc	Total
	£000	£000	£000	£000
At 1 April 2013	–	**3,290,062**	**2,828,000**	**6,118,062**
Additions	26,364	37,951	–	64,315
Revaluations	(359)	(73,669)	120,900	46,872
At 31 March 2014	**26,005**	**3,254,344**	**2,948,900**	**6,229,249**
At 1 April 2014	**26,005**	**3,254,344**	**2,948,900**	**6,229,249**
Additions	45,038	37,905	–	82,943
Revaluations	1,606	69,855	420,200	491,661
Impairment	(10,000)	–	–	(10,000)
Financing cost	605	–	–	605
At 31 March 2015	**63,254**	**3,362,104**	**3,369,100**	**6,794,458**

The above financial investments relate to investments held by DFID. CSC do not hold any assets.

Development Capital

Development Capital (DC) assets are investments made by DFID to achieve defined development objectives while retaining an ongoing, recoverable, interest in the assets funded. These include equity investments and 'returnable grant' arrangements, the terms of which will vary depending on programme circumstances. Such investments are classified as 'available for sale financial assets' and are measured at fair value at the Statement of Financial Position date.

Included within DC assets is the Department's investment in the Asia Climate Partners Fund and the IFC Catalyst Fund. Both investments are denominated in US dollars. The investments were made by way of laying a US dollar promissory note payable on demand. The initial recognition of the investment is at fair value which was the sterling equivalent of the promissory note on the date of deposit (£24.8 million and £9.9 million for the Asia Climate Partners Fund and the IFC Catalyst Fund respectively). Subsequently the investment is carried at fair value and any gains and losses in fair value are recognised in the revaluation reserve. Where the promissory note has been encashed, the fair value of DFID's investment is based on an independent valuation of the Fund at 31 March 2015. The fair value of the unencashed promissory note balance is recorded as the carrying value of the note at the Statement of Financial Position date. At 31 March 2015, US$36.2 million (£24.4 million) and US$13.0 million (£8.7 million) remained as the unencashed promissory note balance for the Asia Climate Partners Fund and the IFC Catalyst Fund respectively (at 31 March 2014, US$Nil (£Nil) and US$14.5 million (£8.7 million) remained as the unencashed promissory note balance for the Asia Climate Partners Fund and the IFC Catalyst Fund respectively). It is expected that the promissory notes for both Funds will be encashed fully by 2018-19.

The investment into the IFC Catalyst Fund was made during 2012–13 and recorded as expenditure in the Statement of Consolidated Net Expenditure. During 2014–15 the Department received approval from HM Treasury to record this investment as a financial investment. As a result the investment has been recognised on the Statement of Financial Position at fair value on the date of investment. No further investment was made during 2014–15.

8. Financial investments (continued)

CDC/Actis

DFID, on behalf of the government, owns 100% of the issued ordinary share capital of CDC Group plc. DFID agrees CDC's high level strategy, but has no involvement in CDC's day-to-day decision making which is carried out by the CDC Board of Directors. All CDC's profits are re-invested in businesses throughout its target emerging markets.

HM Treasury requires that self-financing public corporations achieve a rate of return, described as 'cost of capital', to ensure that the opportunity cost of departments' investments is covered. If the corporation does not meet its rate of return over each Comprehensive Spending Review period, then the shareholding department may face a further charge to the extent that such a return has not been met.

The fair value of the CDC investment is based on the net asset value of CDC per the audited financial statements at 31 December 2014. A post financial statement review of CDC is performed to 31 March 2015. The key financial data from CDC financial statements at 31 December is shown in the table below.

CDC Group plc – Ordinary shares	31 December 2014 £m	31 December 2013 (restated) £m
Portfolio return (before tax)	432.0	101.4
Total return after tax	420.2	107.5
Total net assets (valuation basis)	3,369.1	2,948.9

Actis LLP was established in 2004 to perform certain fund management activities previously undertaken by CDC Group plc. On 30 April 2012, DFID signed a binding sale agreement with Actis management in relation to disposing of its 40% shareholding in Actis LLP. This sale agreement confirmed DFID's intention to dispose of this shareholding to the management of Actis LLP, in exchange for cash payments totalling $13 million and a 10% interest in Actis management's carried interest in Actis Fund 3 and a 7.5% interest in Actis management's carried interest in Actis Fund 4. Carried interest refers to profits generated by the funds over the period only from the sale agreement date until the expiry of the funds. This is based on the performance of the fund as a whole but will only become payable once a predetermined hurdle rate (the minimum rate of return) has been achieved. No carried interest payments have been made to DFID as at 31 March 2015. As any future payments will be subject to the achievement of future investment market performance, the Department do consider that the carried interest element of the sale proceeds can be valued reliably so no value has been ascribed to this investment in the accounts. DFID's investment in Actis has been recorded as a contingent asset at 31 March 2015 and 2014.

The Department is unable to identify a fair value for DFID's ongoing interest in the funds due to a lack of current information, so no value has been ascribed to this investment in the accounts and it is recorded as a contingent asset.

International Financial Institutions

Investments in International Financial Institutions (IFIs) are valued at fair value. There is no market in these investments – all shareholders are sovereign states. Fair value has been assessed as DFID's share of the net assets of the IFIs, based on the number of shares subscribed by DFID. The Articles of Agreement of all the IFIs specify that this is the value that DFID would receive on the dissolution of the IFIs.

All investments in IFIs are denominated in a currency other than sterling. DFID is therefore exposed to currency risk if the value of these currencies was to fall against sterling. DFID is also exposed to market risk, as the value of each investment is dependent upon the net assets of the IFIs.

Base currencies of investments in IFIs are shown below. Figures in US dollars include those bodies for which the US dollar is used as the working equivalent for units of account formally expressed in Special Drawing Rights (SDRs).

8. Financial investments (continued)

		2014–15		2013–14
	Currency		Currency	
	000	£000	000	£000
International Bank for Reconstruction and Development	$1,662,505	1,120,747	$1,688,843	1,012,935
International Finance Corporation	$1,160,123	782,076	$1,121,667	672,754
European Bank for Reconstruction and Development	€1,218,967	891,723	€1,281,677	1,058,874
Asian Development Bank	$347,477	234,245	$351,426	210,778
Inter-American Development Bank	$226,098	152,420	$221,650	132,941
African Development Bank (in Units of Account)	102,868	95,882	98,638	94,981
Caribbean Development Bank	$79,039	53,281	$74,471	44,666
Multilateral Investment Guarantee Agency	$47,068	31,730	$44,041	26,415
		3,362,104		3,254,344

9. Revaluation, impairments and disposals

This note summarises the impact of all revaluations, impairments and disposals on the Statement of Comprehensive Net Expenditure and the revaluation reserve.

				2014–15			2013–14
	Note	Statement of Comprehensive Net Expenditure	Revaluation reserve	Total	Statement of Comprehensive Net Expenditure	Revaluation reserve	Total
		£000	£000	£000	£000	£000	£000
Revaluation of Information Technology	4, 7	–	(73)	(73)	425	–	425
Revaluation of furniture and fittings	4, 7	–	(120)	(120)	1,011	–	1,011
Revaluation of vehicles	7	–	11	11	–	221	221
Impairment of buildings	7	236	–	236	–	–	–
(Gain)/loss on disposal of property, vehicles and equipment	4	(7,530)	–	(7,530)	1,148	–	1,148
Loss on disposal of intangible assets	4	–	–	–	48	–	48
Realised element to General Fund	18	–	–	–	–	1,243	1,243
Revaluation of international financial institutions	8	–	(69,855)	(69,855)	–	73,669	73,669
Impairment/(revaluation) of development capital	8	10,000	(1,606)	8,394	–	359	359
Revaluation of investment in CDC	8	–	(420,200)	(420,200)	–	(120,900)	(120,900)
Total		2,706	(491,843)	(489,137)	2,632	(45,408)	(42,776)

10. Financial instruments

10 (a) Fair values of financial instruments

The fair values of all financial assets and liabilities by class together with their carrying amounts shown in the Statement of Financial Position are as follows:

	Note	Financial assets at amortised cost	Financial liabilities & guarantees at amortised cost	Available-for-sale assets	2014–15 Total Carrying Value
		£000	£000	£000	£000
Financial assets					
Non-current					
Financial investments	8	–	–	6,794,458	6,794,458
Trade and other receivables	12	237,896	–	–	237,896
Current					
Trade and other receivables	12	30,432	–	–	30,432
Cash and cash equivalents	11	5,193	–	–	5,193
Total financial assets		**273,521**	**–**	**6,794,458**	**7,067,979**
Financial liabilities					
Current					
Bank overdraft	11	(7,917)	–	–	(7,917)
Trade and other payables	13	–	(4,695,476)	–	(4,695,476)
Total financial liabilities		**(7,917)**	**(4,695,476)**	**–**	**(4,703,393)**

	Note	Financial assets at amortised cost	Financial liabilities & guarantees at amortised cost	Available-for-sale assets	2013–14 Total Carrying Value
		£000	£000	£000	£000
Financial assets					
Non-current					
Financial investments	8	–	–	6,229,249	6,229,249
Trade and other receivables	12	69,973	–	–	69,973
Current					
Trade and other receivables	12	40,057	–	–	40,057
Cash and cash equivalents	11	24,109	–	–	24,109
Total financial assets		**134,139**	–	**6,229,249**	**6,363,388**
Financial liabilities					
Current					
Trade and other payables	13	–	(3,612,095)	–	(3,612,095)
Total financial liabilities		**–**	**(3,612,095)**	**–**	**(3,612,095)**

10. Financial instruments (continued)

10 (b) Credit risk

Financial risk management

Credit risk is the risk of financial loss to the Department if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Department's receivables from sovereign debt and investment instruments.

Exposure to credit risk

The fair value of financial investments, trade and other receivables and cash and cash equivalents in note 10(a) represents the maximum credit exposure to the Department. The ageing of trade and other receivables at the Statement of Financial Position date was £268.3 million (2013–14: £110.0 million) not past due and £Nil (2013–14: £Nil) past due and not provided against.

Bilateral loans, and loans formerly managed by CDC, are made directly with sovereign states; multilateral loans are made with sovereign states through multilateral bodies such as the European Investment Bank. Assessments of credit risk are performed based on default history, political risks and the potential future granting of debt relief.

Credit risk on the Department's cash balances held within the Government Banking Service is considered to be very low. Imprest balances are held with various institutions, all of which are major global banks with high credit ratings.

Financial investments are made through International Financial Institutions, public sector bodies and managed investment entities.

10 (c) Market risk

Financial risk management

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Department's net expenditure or the value of its holdings of financial instruments.

Exposure to market risk

(i) Foreign currency risk

The Department's exposure to foreign currency risk is as follows. This is based on the carrying amount for monetary financial instruments.

31 March 2015	**Sterling**	**Euro**	**US dollar**	**Other**	**Total**
	£000	**£000**	**£000**	**£000**	**£000**
Financial investment	3,468,091	891,723	2,420,408	14,236	6,794,458
Trade and other receivables	223,629	44,699	–	–	268,328
Cash and cash equivalent	(7,298)	–	1,447	1,676	(4,175)
Trade and other payables	(4,660,900)	–	(34,576)	–	(4,695,476)
Net exposure	**(976,478)**	**936,422**	**2,387,279**	**15,912**	**2,363,135**

10. Financial instruments (continued)

31 March 2014	Sterling £000	Euro £000	US dollar £000	Other £000	Total £000
Financial investment	3,043,881	1,058,874	2,119,932	6,562	6,229,249
Trade and other receivables	64,526	45,504	–	–	110,030
Cash and cash equivalents	17,116	–	640	6,353	24,109
Trade and other payables	(3,602,124)	–	(9,971)	–	(3,612,095)
Net exposure	**(476,601)**	**1,104,378**	**2,110,601**	**12,915**	**2,751,293**

Sensitivity analysis

A 10% strengthening of the following currencies against the pound sterling at 31 March 2015 would have increased taxpayers' equity and net comprehensive income by the amounts shown below. This calculation assumes that the change occurred at the Statement of Financial Position date and had been applied to risk exposures existing at that date.

This analysis assumes that all other variables, in particular other exchange rates and interest rates, remain constant. The analysis is performed on the same basis for 31 March 2014.

		Equity		Profit or loss
	2014–15 £000	2013–14 £000	2014–15 £000	2013–14 £000
€	210,314	122,709	–	5,056
$	265,253	234,511	4,967	(1,037)
	475,567	**357,220**	**4,967**	**4,019**

A 10% weakening of the above currencies against the pound sterling at 31 March 2015 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

(ii) Interest rate risk

The Department's interest rate exposure is limited to loans made at fixed and floating rates and cash balances held overseas. At the Statement of Financial Position date the interest rate profile of the Department's interest-bearing financial instruments was:

	2014–15 £000	2013–14 £000
Fixed rate instruments		
Cash and cash equivalents	–	–
Trade and other receivables	187,351	15,976
	187,351	**15,976**
Variable rate instruments		
Cash and cash equivalents	3,742	7,430
Trade and other receivables	5,510	8,289
	9,252	**15,719**

These financial instruments do not represent a material source of income for the Department.

10. Financial instruments (continued)

(iii) Equity price risk

The Department's exposure to equity price risk arises from its investment in equity securities which are classified as available-for-sale financial assets and are shown on the Statement of Financial Position sheet as other financial assets (see note 8).

Sensitivity analysis

The Department's investments in IFIs are based on share of the net assets of each IFI, which are recorded predominately at fair value. Although there is no public traded market for these investments, changes in the underlying net asset values of the IFIs would impact on the investment value shown in these accounts. As at 31 March 2015, a 10% reduction in net asset values of the IFIs, with all other variables held constant, would result in the Department's net assets being reduced by £336 million (2014: £325 million).

The Department's investment in CDC is based on the net assets. As at 31 March 2015, a 10% reduction in the net asset value of this organisation, with all other variables held constant, would result in the Department's net assets being reduced by £337 million (2014: £295 million).

10 (d) Liquidity risk

Financial risk management

Liquidity risk is the risk that the Department will not be able to meet its financial obligations as they fall due.

Exposure to liquidity risk

The contractual maturities of financial liabilities, including estimated interest payments, are £4,667.6 million (2013–14: £3,520.1 million) due on demand and £27.9 million (2013–14: £92.0 million) due within 1 year, but not on demand. In common with other Government departments, the future financing of DFID's liabilities is to be met by future grants of supply and application of future income, both to be approved annually by Parliament. Such approval for 2014–15 amounts has already been provided and there is no reason to believe the allocation for 2015–16 and beyond will not be forthcoming.

10 (e) Forward currency contracts

During the year ended 31 March 2012 DFID entered into the purchase of forward purchases to cover its forecast net exposures in relation to a significant currency transaction in an area where the department operates. During the period under review the remaining 11 contracts matured (2013-14: 13). The value of these contracts undertaken was 243,103,976 South African Rand (Sterling Equivalent - £18.4 million) (2013-14: 484,677,154 South African Rand (Sterling Equivalent - £38.1 million)) and the losses recognised on these contracts to maturity was £4.8 million (2013-14: £3.9 million). These losses are recognised within the Consolidated Statement of Comprehensive Net Expenditure. DFID does not hold any contracts at 31 March 2015.

11. Cash and cash equivalents

	31 March 2015		31 March 2014	
	DFID	Departmental Group	DFID	Departmental Group
	£000	£000	£000	£000
Balance at 1 April	24,109	24,721	(48,618)	(46,611)
Net change in cash and cash equivalent balances	(28,284)	(27,445)	72,727	71,332
Balance at 31 March	**(4,175)**	**(2,724)**	**24,109**	**24,721**
The following balances at 31 March were held at:				
Government Banking Service – Core Department	(7,917)	(7,917)	16,677	16,677
Government Banking Service – NDPBs	–	1,451	–	612
Commercial banks	3,742	3,742	7,432	7,432
Balance at 31 March	**(4,175)**	**(2,724)**	**24,109**	**24,721**

Cash balances at the Government Banking Service were held in sterling. No interest is earned on cash balances held at the Government Banking Service. Imprest balances are held in a variety of local currencies.

12. Trade and other receivables

12.1 Trade and other receivables – analysis by type

	31 March 2015	31 March 2014
	£000	£000
Amounts falling due within one year		
Development capital loans	–	–
Bilateral and multilateral loans	9,946	12,110
Other loans	1,973	1,871
Deposits and advances	14,332	26,076
Prepayments and accrued income	97,136	97,946
Amounts due from the Consolidated Fund in respect of supply	4,181	–
	127,568	**138,003**
Amounts falling due after more than one year		
Development capital loans	30,159	12,967
Bilateral and multilateral loans	204,042	50,384
Other loans	3,695	6,622
	237,896	**69,973**
Total	**365,464**	**207,976**

12. Trade and other receivables (continued)

12.2 Intra-government balances

		Amounts falling due within one year		Amounts falling due after more than one year
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
	£000	£000	£000	£000
Balances with other central government bodies	6,391	965	–	–
Balances with public corporations and trading funds	0	–	–	–
Sub-total: intra-government balances	6,391	965	–	–
Balances with bodies external to government	121,177	137,038	237,896	69,973
Total receivable	**127,568**	**138,003**	**237,896**	**69,973**

The above relates to assets held by DFID. CSC and ICAI do not hold any assets.

13. Trade payables and other liabilities

13.1 Analysis by type

		31 March 2015		31 March 2014
	DFID	Departmental Group	DFID	Departmental Group
	£000	£000	£000	£000
Amounts falling due within one year				
Taxation	1,563	1,563	2,825	2,825
Other taxation and social security	1,253	1,253	943	943
Other payables	25,050	25,050	19,112	19,112
Accruals and deferred income	243,925	244,023	270,495	270,795
Current part of finance leases	–	–	44,962	44,962
	271,791	271,889	338,337	338,637
Promissory notes: due on demand	4,667,567	4,667,567	3,520,143	3,520,143
Amounts issued from the Consolidated Fund for supply but not spent at year end	–	–	24,107	24,107
Consolidated Fund extra receipts due to be paid to the Consolidated Fund	43	43	2	2
	4,939,401	4,939,499	3,882,589	3,882,889

13. Trade payables and other liabilities (continued)

13.2 Promissory notes payable: movement during the year

	£000	£000
Balance at 1 April 2013		(2,754,093)
Charge to operating costs in 2013–14 – new deposits	(1,903,072)	
Cash drawn down against notes previously issued	1,136,030	
Foreign exchange losses	992	
		(766,050)
Balance at 31 March 2014		(3,520,143)
Charge to operating costs in 2014–15 – new deposits	(2,081,361)	
Cash drawn down against notes previously issued	936,494	
Foreign exchange gains	(2,557)	
		(1,147,424)
Balance at 31 March 2015		(4,667,567)

Promissory notes payable have been classified as financial liabilities measured at amortised cost. They have been shown as due within 1 year, as they are legally payable on demand, so the maturity profile in the Statement of Financial Position, and in note 10, shows the earliest date at which they could be payable. Included within the promissory note payable is an amount of £1,555 million which is expected to be encashed within 1 year and £3,113 million which is expected to be encashed after 1 year based on non-legally binding encashment schedules.

Promissory notes payable: analysis by institution at 31 March 2015

		31 March 2015		31 March 2014
	Capital	Resource	Capital	Resource
	£000	£000	£000	£000
Other capital (Caribbean Development Bank and Asia Development Bank)	28,227	–	23,072	–
International Development Association	–	2,367,963	–	1,957,508
Global Fund to Fight AIDS, TB and Malaria	–	700,000	–	415,000
Environmental Transformation Fund	–	541,088	–	249,113
African Development Fund	–	525,059	–	504,364
International Fund for Agricultural Development	–	154,568	–	122,368
Global Environment Fund	–	145,164	–	127,927
Asian Development Fund	–	98,879	–	88,958
German Development Corporation	–	37,495	–	14,152
Asia Climate Partnership Fund	–	24,380	–	–
Private Infrastructure Development Group	–	19,000	–	–
KFW Group	–	10,000	–	–
IFC Catalyst Fund	–	8,744	–	8,681
Caribbean Development Bank	–	7,000	–	9,000
Total	**28,227**	**4,639,340**	**23,072**	**3,497,071**

13. Trade payables and other liabilities (continued)

13.3 Intra-government balances

		Amounts falling due within one year		Amounts falling due after more than one year
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
	£000	£000	£000	£000
Balances with other central government bodies	(5,635)	(30,096)	–	–
Balances with public corporations and trading funds	(666)	–	–	–
Sub-total: intra-government balances	(6,301)	(30,096)	–	–
Balances with bodies external to government	(4,933,099)	(3,852,493)	–	–
Total payables	**(4,939,400)**	**(3,882,589)**	**–**	**–**

14. Provisions

	IFFIm	AMC	Other	Total
	£000	£000	£000	£000
Balance at 1 April 2013	1,058,128	91,968	18,217	1,168,313
Provided in the year	63,892	72,780	3,538	140,210
Release of provision	–	–	(119)	(119)
Provision utilised in the year	(63,341)	(43,554)	(8,262)	(115,157)
Borrowing costs	(11,720)	(14,293)	(466)	(26,479)
Balance at 31 March 2014	1,046,959	106,901	12,908	1,166,768
Provided in the year	–	–	10,794	10,794
Release of provision	–	–	(556)	(556)
Provision utilised in the year	(73,256)	(71,046)	(5,645)	(149,947)
Borrowing costs/unwinding of discount	57,349	12,715	–	70,064
Balance at 31 March 2015	1,031,052	48,570	17,501	1,097,123

Analysis of expected timing of discounted flows at 31 March 2015[1]	IFFIm	AMC	Other	Total
	£000	£000	£000	£000
No later than 1 year	85,614	40,987	16,323	142,924
Later than 1 year and not later than 5 years	423,382	7,583	1,178	432,143
Later than 5 years	522,056	–	–	522,056
	1,031,052	**48,570**	**17,501**	**1,097,123**

Analysis of expected timing of discounted flows at 31 March 2014[1]	IFFIm	AMC	Other	Total
	£000	£000	£000	£000
No later than one year	75,003	66,500	10,880	152,383
Later than 1 year and not later than 5 years	499,038	40,401	2,020	541,459
Later than 5 years	472,918	–	8	472,926
	1,046,959	**106,901**	**12,908**	**1,166,768**

[1] Only the provisions for International Finance Facility for Immunisations (IFFIm) and AMC have been discounted on the basis that the impact of discounting would not be material on any of the other provisions.

14. Provisions (continued)

Provision for the IFFIm represents the net present value of committed payments to cover the UK share of currently issued bonds. The discount rate used to generate the net present value is the real discount rate adjusted for inflation, set by HM Treasury. IFFIm is an international development financing institution that is supported by sovereign donors. IFFIm will borrow operating funds in the international capital markets up to 2027–28 backed by these pledges. The UK has pledged a total of £1,315 million through to 2026 with a further £250 million through to 2030, representing 45.58% of the total amounts pledged at 31 March 2015. To date, 29 bond issues have now been made, giving a total liability including interest of £1,125 million. The UK is therefore liable for £1,031 million in net present value terms at 31 March 2015 (after deducting payments made), which will be covered by payment obligations through to 2028.

Provision for Advance Market Commitments (AMC) represents the net present value of the UK share of supplier agreements signed. The discount rate used to generate the net present value is the real discount rate adjusted for inflation, set by HM Treasury. The UK has pledged a total of $485 million, through to 2021. At 31 March 2015 this represented 32.0% of commitments made. Supplier agreements to facilitate vaccine demands have been signed with a value of $1,095 million; the UK share of this is $350 million. The net present value of this commitment after deducting payments already made is £48.6m, which will be covered by payment obligations up to 2017.

Other provisions relate to possible back rental demands and staff-related liabilities including certain non-statutory pension obligations, terminal benefit payments to staff appointed in overseas offices and the cost of early retirement payments. Also included within other provisions is DFID's commitment to pay the Export Credits Guarantee Department for interest make-up and insurance premiums under former mixed credit agreements projects and an estimated liability for income tax and social security contributions for independent contractors for whom UK PAYE regulations were not applied.

15. Contingent assets and contingent liabilities

15.1 Contingent assets

The Department has the following contingent assets.

On 30 April 2012, DFID signed a binding sale agreement with Actis management in relation to disposing of its 40% shareholding in Actis LLP. This sale agreement confirmed DFID's intention to dispose of this shareholding to the management of Actis LLP, in exchange for cash payments totalling $13 million and a 10% interest in Actis management's carried interest in Actis Fund 3 and a 7.5% interest in Actis management's carried interest in Actis Fund 4. Carried interest refers to profits generated by the funds over the period only from the sale agreement date until the expiry of the funds. This is based on the performance of the fund as a whole but will only become payable once a predetermined hurdle rate (the minimum rate of return) has been achieved. As this target is based on investment market performance, in the future, it is not felt that the carried interest element of the sale proceeds can be valued reliably. As a result, DFID will recognise carried interest as additional sales revenue only when it has been calculated as payable and confirmed by an external audit of Actis LLP and the associated funds.

15.2 Contingent liabilities

Contingent liabilities of £537.6 million (2013–14: £489.9 million) exist in respect of contributions due to international organisations, subject to certain performance conditions, which have been subject to formal approval by Parliament but which are not yet supported either by promissory notes or cash payments.

In addition to contingent liabilities disclosed above in accordance with IAS 37, the Department discloses for parliamentary reporting and accountability purposes certain contingent liabilities where the likelihood of a transfer of economic benefit is remote. These amount to £12,412.0 million (2013–14: £10,791.8 million) and comprise:

- £12,181.5 million (2013–14: £10,672.8 million) in respect of callable capital on investments in International Financial Institutions.
- £103.6 million (2013–14: £108.3 million) in respect of the UK share of EU member states' collective guarantees of the European Investment Bank's lending under the Lome conventions and the parallel Council decisions on the Association of Overseas Countries and Territories.

15. Contingent assets and contingent liabilities (continued)

- £114.6 million (2013-14: £156.2 million) in respect of a guarantee over a borrowing facility undertaken by a non-UK overseas territory.
- £12.4 million (2013–14: £166.9 million) in respect of other items over £100,000 (or lower, where required by specific statute) that do not arise in the normal course of business and which are reported to Parliament by departmental Minute prior to the Department entering into the arrangement.

15.2.1 Unquantifiable

The Department has entered into a number of unquantifiable or unlimited contingent liabilities relating to:

- maintenance of the value of subscriptions paid to capital stock of regional development banks and funds;
- indemnities in respect of medical insurance for specific development aid.

None of these is a contingent liability within the meaning of IAS 37 since the possibility of a transfer of economic settlement is considered remote. DFID does not expect any liabilities to arise in relation to the contingent liabilities identified.

16. Losses and special payments

16.1 Losses statement

Losses in this context are as defined in HM Treasury's document "Managing Public Money".

	2014–15 Number of cases	2014–15 £000	2013–14 Number of cases	2013–14 £000
Total	**78**	**738**	**52**	**404**
Details of cases over £300,000				
Cash losses	–	–	–	–
Claims abandoned	–	–	–	–
Administrative write-offs	–	–	–	–
Fruitless payments	–	–	–	–
Store losses	–	–	–	–

DFID did not incur any losses greater than £300,000 during the year.

16.2 Special payments

	2014–15 Number of cases	2014–15 £000	2013–14 Number of cases	2013–14 £000
Total value of special payments	**7**	**201**	**1**	**2**

There were no special payments greater than £300,000 during the year.

17. General Fund

The General Fund reflects the realised and unrealised balance of the cumulative difference between net operating costs and financing, provided by Parliament, adjusted for amounts payable to the Consolidated Fund.

	DFID £000	DFID £000	Departmental Group £000	Departmental Group £000
General Fund at 31 March 2013		**(1,723,761)**		**(1,723,078)**
Net operating cost for the year		**(9,298,082)**		**(9,298,453)**
Net Parliamentary Funding	8,699,263		8,699,263	
Net Parliamentary Funding – deemed	(54,370)		(54,370)	
Supply reissued	–		–	
Payable for supply	(24,107)		(24,107)	
Financing provided		**8,620,786**		**8,620,786**
Notional cost within operating costs		265		265
Realised element of revaluation reserve		1,243		1,243
Operating income payable to the Consolidated Fund		(86)		(86)
CFERs payable to the Consolidated Fund		–		–
Net decrease in the General Fund		**(675,874)**		**(676,245)**
General Fund at 31 March 2014		**(2,399,635)**		**(2,399,323)**
Net operating cost for the year		**(8,900,354)**		**(8,899,313)**
Net Parliamentary Funding	8,103,710		8,103,710	
Net Parliamentary Funding – deemed	24,107		24,107	
Supply reissued	–		–	
Payable for supply	4,181		4,181	
Financing provided		**8,131,998**		**8,131,998**
Notional cost within operating costs		265		265
Operating income payable to the Consolidated Fund		(36,658)		(36,658)
Net decrease in the General Fund		**(804,749)**		**(803,708)**
General Fund at 31 March 2015		**(3,204,384)**		**(3,203,031)**

18. Revaluation reserve

	£000
Balance at 1 April 2013	**3,908,049**
Loss on revaluation – International Financial Institutions	(73,669)
Loss on revaluation – Vehicles	(221)
Gain on revaluation – CDC	120,900
Loss on revaluation – Development capital	(359)
Realised element to General Fund	(1,243)
Balance at 31 March 2014	**3,953,457**
Gain on revaluation – International Financial Institutions	69,855
Gain on revaluation – IT equipment	73
Gain on revaluation – Fixtures and fittings	120
Loss on revaluation – Vehicles	(11)
Gain on revaluation – CDC	420,200
Gain on revaluation – Development capital	1,606
Balance at 31 March 2015	**4,445,300**

19. Notes to the statement of cash flows

19.1 Reconciliation of Comprehensive Net Expenditure to operating cash flows

	31 March 2015 £000	31 March 2014 £000
Net operating cost	(8,900,354)	(9,298,082)
Adjustments for non-cash transactions	255,064	162,360
Decrease/ (Increase) in trade and other receivables	6,569	(161,225)
Movement in receivables for items not passing through the Statement of Comprehensive Net Expenditure	–	54,370
Increase/(decrease) in trade payables	1,110,045	795,709
Movement in payables for items not passing through the Statement of Comprehensive Net Expenditure	(28,329)	29,858
Working capital movement: capital items	17,460	(15,704)
Use of provisions	(149,947)	(115,157)
Net cash outflow from operating activities	**(7,689,492)**	**(8,547,871)**

19. Notes to the statement of cash flows (continued)

19.2 Cash flows from investing activities

	31 March 2015 £000	31 March 2014 £000
Purchase of intangible assets	(2,146)	(2,982)
Purchase of property, vehicles and equipment	(8,519)	(8,481)
Proceeds of disposal of property, vehicles and equipment	20,458	1,196
Additions to investments	(82,943)	(63,956)
Additions to loans	(344,000)	–
Repayment from other bodies	12,104	–
Net cash outflow from investing activities	**(405,046)**	**(74,223)**

19.3 Cash flows from financing activities

	31 March 2015 £000	31 March 2014 £000
From the Consolidated Fund (supply) – current year	8,103,710	8,644,893
From the Consolidated Fund (supply) – prior year	–	54,370
Net financing	**8,103,710**	**8,699,263**

19.4 Analysis of capital expenditure, financial investments and associated consolidated funds in excess of receipts (CFERs)

				2014–15
	Property, vehicles and equipment, and intangible assets £000	Investments and loans £000	Appropriations in aid £000	Net total £000
Administration	10,665	–	–	10,665
Programme: long-term loans	–	344,000	(19,706)	324,294
Programme: investments	–	82,943	–	82,943
Other receipts	–	–	(12,926)	(12,926)
Total	**10,665**	**426,943**	**(32,632)**	**404,976**

				2013–14
	Property, vehicles and equipment, and intangible assets £000	Investments and loans £000	Appropriations in aid £000	Net total £000
Administration	11,462	–	–	11,462
Programme: long-term loans	–	–	(28,597)	(28,597)
Programme: investments	–	37,951	–	37,951
Other receipts	–	–	(1,196)	(1,196)
Total	**11,462**	**37,951**	**(29,793)**	**19,620**

20. Third party assets

The Department held the amounts shown below, which relate to cash provided to DFID by other development agencies as part of jointly funded programmes. These funds are held in the capacity of project manager/lead donor and are disbursed when required by the programme. These are not held in DFID's name and as such are not included in cash held by the Core Department, as set out in note 11.

	31 March 2015	31 March 2014
	£000	£000
Amounts held in third party account	1,475	1,469

21. Related parties and entities within the departmental accounting boundary

21.1 Related parties

DFID is the 100% shareholder in CDC Group plc. DFID had no material transactions with CDC during the year.

DFID had a 40% interest in Actis LLP until 30 April 2012 at which point the Department entered into a binding sales agreement to dispose of this interest. DFID is entitled to a fixed amount which was payable on 1 May 2012 and 1 May 2013 plus an element of carried interest dependent on the future performance of certain Actis funds. The carried interest element is reflected as a contingent asset within note 15. DFID had no other transactions with Actis LLP during the financial year to 31 March 2015.

DFID has had a number of transactions with other government departments and other central government bodies. These are undertaken under normal trading circumstances, at arm's length, and are reported within DFID's net resource outturn. Amounts due to and from other government departments are disclosed separately in notes 12 and 13. No amounts have been written off during 2014–15 to or from other government departments. The largest volume of transactions, in frequency and value, have been with the Foreign and Commonwealth Office.

A related party transaction took place during the year between the Department and a staff member who is a related party of the Department by virtue of being a close family member of the Permanent Secretary (Mark Lowcock). The transaction related to salary costs which have been paid in accordance with Civil Service guidelines. To ensure this relationship was managed objectively, Mark Lowcock had no direct or indirect involvement in determining pay, position or promotion for the individual involved. The Department has put in place a process whereby, should a situation arise in which the Accounting Officer would otherwise be involved in a decision that would directly affect this individual, he would play no role, but two Directors General and a senior Cabinet Office official would agree on the course of action.

Further to this, no minister, board member, key manager or other related party has undertaken any material transactions with the Department during the year.

From 1 April 2015 the FCO took over responsibility for most DFID corporate services at 18 overseas posts. A number of properties and other assets were transferred, along with almost 200 staff. An equivalent transfer will take place in a further 9 locations during July 2015.

21.2 Entities within the departmental accounting boundary

DFID income and expenditure incorporated financing of the following non-departmental public bodies (NDPBs), in full or in part, in the current financial year:

Executive NDPB

Commonwealth Scholarship Commission (CSC)

Advisory NDPB

Independent Commission for Aid Impact (ICAI)

For more information please see the Strategic Report.

22. Events after the reporting date

No non-adjusting or adjusting events after the reporting date have been identified. These financial statements were authorised for issue on the same date that the Comptroller and Auditor General signed his certificate.

CHAPTER 7

Analysis of Departmental Expenditure

Common Core tables (unaudited)

The Core tables for DFID can be found on the internet using the following link:

https://www.gov.uk/government/publications/dfid-annual-report-and-accounts-2014-15-core-tables-on-departmental-expenditure

ANNEX A

DFID allocations by programme

Table A.1 DFID allocation by programme

DFID's available programme resources are allocated to country offices or to central departments whose programmes cover a range of countries or regions, in the annual resources and results cycle. This establishes an aid framework allocation, approved by the Secretary of State, which provides divisions within DFID with a firm budget for the current year and indicative budgets for future years.

Table A.1 sets out DFID's actual programme resource outturn for 2014–15, and plans for 2015–16 are represented. These plans may be subject to revision as, by its nature, the Department's work is dynamic. The precise way in which DFID spends will reflect changing demands and the speed at which different projects are implemented and new projects developed, while at the same time protecting ministerial spending commitments.

Some 2015–16 allocations to specific programmes such as the ebola crisis were still to be made at the time of preparing this report.

Front line delivery represents operating costs associated with DFID staff who are directly responsible for implementing aid programmes and are predominantly based overseas. Front line delivery, while forming part of DFID's total operating costs, is contained within DFID's programme budget allocation.

	2014/15	2014/15	2014/15	2015/16
	Total programme outturn	Programme outturn	Of which: Front line delivery outturn	Plans
	(£000)	(£000)	(£000)	(£000)
East & Central Africa Division				
Africa Regional Department	185,101	181,454	3,648	170,030
DFID Ethiopia	340,239	336,355	3,884	306,870
DFID Kenya	98,890	95,921	2,969	162,795
DFID Rwanda	70,079	67,503	2,575	70,670
DFID Somalia	109,168	104,894	4,274	111,975
DFID South Sudan	161,597	158,013	3,584	93,150
DFID Sudan	42,657	40,388	2,269	50,470
DFID Tanzania	141,058	137,369	3,689	221,415
DFID Uganda	102,961	100,443	2,518	96,150
East & Central Africa TOTAL	**1,251,749**	**1,222,340**	**29,409**	**1,283,525**
West & Southern Africa Division				
Africa Directorate	-7,089	-7,943	854	-250
DFID DRC	154,028	148,780	5,248	154,215
DFID Ghana	55,163	53,100	2,064	67,370
DFID Malawi	64,196	61,837	2,358	80,195
DFID Mozambique	71,900	68,736	3,164	59,905
DFID Nigeria	248,268	239,431	8,837	222,205
DFID Sierra Leone and Liberia	46,673	44,687	1,986	62,770
DFID Southern Africa	26,493	23,359	3,134	59,870
DFID Zambia	62,489	59,969	2,520	53,375
DFID Zimbabwe	71,242	68,620	2,621	78,520
West & Southern Africa Total	**793,364**	**760,577**	**32,787**	**838,175**

	2014/15 Total programme outturn (£000)	2014/15 Programme outturn (£000)	2014/15 Of which: Front line delivery outturn (£000)	2015/16 Plans (£000)
Asia, Caribbean and Overseas Territories				
Asia Regional Team	28,485	27,819	667	78,864
Asia Division London	129	0	129	0
DFID Bangladesh	184,428	180,641	3,787	198,732
DFID Burma	67,497	65,736	1,761	88,838
DFID Caribbean	9,632	8,058	1,574	11,229
DFID India	162,662	158,562	4,101	164,236
DFID Indonesia	18,097	17,230	867	17,524
DFID Nepal	87,057	84,558	2,499	104,420
DFID Vietnam	8,105	7,097	1,009	7,205
Global Development Partnerships Programme	8,985	7,613	1,373	1,260
Global Development Partnerships Programme - India	11,017	11,017	0	0
Overseas Territories Department	89,185	86,975	2,210	103,293
Asia, Caribbean and Overseas Territories TOTAL	**675,280**	**655,304**	**19,976**	**775,600**
Western Asia Division				
DFID Afghanistan	192,720	180,384	12,336	154,696
DFID Kyrgyzstan	3,340	3,340	0	7,200
DFID Pakistan	255,401	248,954	6,448	331,350
DFID Tajikistan	9,477	8,695	782	9,580
DFID Ukraine	4,672	4,148	524	525
West Asia Department	270	0	270	199
Western Asia Division TOTAL	**465,881**	**445,521**	**20,360**	**503,550**
Regional Directorate Division				
Ebola Crisis Unit	243,616	240,546	3,070	0
Regional Directorate	748	0	748	1,362
Regional Directorate Division TOTAL	**244,364**	**240,546**	**3,818**	**1,362**
Country/Regional Programme Total	**3,430,638**	**3,324,288**	**106,351**	**3,402,212**
Middle East, Humanitarian & Conflict Division				
Conflict Funds	2,934	2,934	0	8,060
Conflict, Humanitarian and Security Department	400,961	398,359	2,603	299,919
DFID Jerusalem and Palestinian Programme	84,958	83,404	1,554	76,054
DFID MENAD Regional	35,705	32,762	2,943	38,589
DFID Syria	282,910	281,616	1,294	186,577
DFID Yemen	66,946	65,880	1,066	73,213
Iraq Team	-	-	-	21,423
Jordan & Lebanon Team	-	-	-	86,558
Stabilisation Unit	13,294	8,705	4,590	8,900
Middle East, Humanitarian & Conflict TOTAL	**887,709**	**873,660**	**14,049**	**799,293**
Economic Development Division				
Multilateral Effectiveness Department	1,698	1,533	166	1,774
Private Sector Department	135,166	134,705	461	683,252
International Finance Department	1,773,980	1,773,888	92	1,397,557
Trade for Development	10,969	10,929	41	13,043
Growth and Resilience Dept	59,682	58,580	1,103	107,352
Economic Development TOTAL	**1,981,496**	**1,979,633**	**1,863**	**2,202,979**

	2014/15 Total programme outturn (£000)	2014/15 Programme outturn (£000)	2014/15 Of which: Front line delivery outturn (£000)	2015/16 Plans (£000)
International Relations Division				
Commonwealth Scholarship Commission	22,614	22,614	0	18,500
Europe Department	331,710	331,710	0	454,525
European Union	416,000	416,000	-	687,430
Global Partnerships Department	8,811	7,852	959	2,556
United Nations and Commonwealth Dept (UNCD)	266,252	266,104	149	258,000
International Relations Division Total	**1,045,386**	**1,044,279**	**1,108**	**1,421,011**
Global Funds Division				
Global Funds Department	830,579	830,404	175	575,902
Global Funds Division	**830,579**	**830,404**	**175**	**575,902**
Policy Division				
Inclusive Societies Department	189,465	188,661	804	184,294
Governance, Open Societies & Anti-Corruption Dept	38,633	37,547	1,086	40,189
Emerging Policy, Innovation & Capability (EPIC)	13,140	12,932	208	19,223
Human Development Group	296,408	294,022	2,386	258,667
Climate and Environment Group	467,369	465,516	1,853	368,087
Policy Division TOTAL	**1,005,014**	**998,677**	**6,337**	**870,460**
Research and Evidence Division				
Evaluation Department	20,315	19,893	422	16,615
Research and Evidence	306,455	300,591	5,865	325,229
Chief Heads of Profession	3,669	1,723	1,946	7,178
Research and Evidence Division TOTAL	**330,440**	**322,207**	**8,233**	**349,022**
Policy and Global Programmes TOTAL	**3,211,419**	**3,195,566**	**15,853**	**3,216,396**
Corporate Performance Group TOTAL	**72,816**	**68,566**	**4,251**	**66,911**
Central Costs	**-26,368**	**-26,875**	**507**	**0**
TOTAL	**9,557,711**	**9,414,837**	**142,873**	**9,687,790**

Annual reporting of statistical information

B.1 The International Development (Reporting and Transparency) Act 2006 requires the Secretary of State for International Development to report to Parliament on an annual basis. The schedule to the Act sets out the statistical reporting that is required.

B.2 The statistical reporting requirements of the Act are itemised below with the tables within this Annex showing where the corresponding information can be located. Information is included for the most recent relevant period and each of the four periods before. For Table B1, the most recent relevant period is 2014. For Table B2, B3 and B4 the most recent relevant period is 2013, since 2014 data is not currently available at the disaggregated level required. 2014 provisional data is published in the National Statistics publication *Provisional UK Official Development Assistance as a proportion of Gross National Income, 2014* which can be found on the GOV.UK website.[1] Previous years' data together with background information and definitions is published in the National Statistics publication *Statistics on International Development 2014* which can be found on the GOV.UK website.[2]

Act schedule	Table number
Total UK bilateral aid broken down by:	
Debt relief, in turn split by cancelled export credits	Table B.1
Region	Table B.2
Country including humanitarian assistance breakdown	Table B.2
Sector	Table B.3
Country as a percentage of UK bilateral aid	Table B.2
Percentage and amount to low income countries	Table B.2
UK multilateral aid broken down by:	
European Union	Table B.1
World Bank	Table B.1
United Nations and its agencies	Table B.1
Other multilateral organisations	Table B.1
UK imputed share[1] of the aggregate amount of multilateral official development assistance (ODA) provided by the bodies to which the UK contributed such assistance broken down by:	
Country	Table B.4
Percentage and amount to low income countries	Table B.4

[1] UK imputed share is the share of all multilateral expenditure in developing countries which can be attributed to the UK.

1 https://www.gov.uk/government/statistics/provisional-uk-oda-as-a-proportion-of-gni-2014
2 https://www.gov.uk/government/statistics/statistics-on-international-development-2014

Table B.1: Total UK net official development assistance (ODA)

					£ millions
	2010	**2011**	**2012**	**2013**	**2014[1]**
Total bilateral ODA	**5,190**	**5,260**	**5,560**	**6,745**	**6,775**
as a % of GNI	0.35	0.34	0.36	0.42	0.41
of which: Administration costs[2]	238	286	333	231	262
Debt relief	105	113	71	41	3
Export Credit Guarantee Agency[3]	54	91	20	30	3
Total multilateral ODA	**3,339**	**3,369**	**3,242**	**4,686**	**5,000**
as a % of GNI	0.22	0.22	0.21	0.29	0.30
of which: Total European Commission	1,379	1,184	1,135	1,219	1,188
Total World Bank	933	1,086	795	1,210	1,824
Total UN agencies	371	391	418	438	518
Total other organisations[4]	656	708	894	1,818	1,471
TOTAL ODA	**8,529**	**8,629**	**8,802**	**11,431**	**11,775**
as a % of GNI	**0.57**	**0.56**	**0.56**	**0.70**	**0.71**

[1] 2014 data is provisional. Final 2014 ODA will be published in Statistics on International Development 2015 in October.
[2] Includes Front Line Delivery Costs. This is in line with OECD DAC Statistical Reporting Directives.
[3] Export Credits Guarantee Department (operational name: UK Export Finance).
[4] Includes Regional Development Banks and other multilateral agencies on the DAC List of Multilateral Organisations

Figures may not sum due to rounding.

Table B.2: Total UK net ODA and humanitarian assistance by recipient country

		£ thousands					
		2009	2010	2011	2012	2013	Extending agency with majority share of spend in 2013[1]
Africa							
Algeria	UK Net Bilateral ODA	2,314	1,423	901	2,151	3,111	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.05%	0.03%	0.02%	0.04%	0.05%	
Angola	UK Net Bilateral ODA	2,841	10,800	428	352	359	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.06%	0.21%	0.01%	0.01%	0.01%	
Benin	UK Net Bilateral ODA	17	0	45	17	0	Not applicable
	of which Humanitarian Assistance	0	0	45	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
Botswana	UK Net Bilateral ODA	594	684	974	568	788	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.01%	0.01%	0.02%	0.01%	0.01%	
Burkina Faso	UK Net Bilateral ODA	126	62	510	1,077	632	CDC
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.01%	0.02%	0.01%	
Burundi	UK Net Bilateral ODA	9,422	13,041	11,055	734	4,177	Department for International Development
	of which Humanitarian Assistance	1,100	2,283	372	0	0	
	Percentage of Total Net Bilateral ODA	0.20%	0.25%	0.21%	0.01%	0.06%	
Cameroon	UK Net Bilateral ODA	1,446	669	511	1,237	842	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.03%	0.01%	0.01%	0.02%	0.01%	
Cape Verde	UK Net Bilateral ODA	456	581	19	633	41	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.01%	0.01%	0.00%	0.01%	0.00%	
Central African Republic	UK Net Bilateral ODA	1,560	1,956	0	54	1,666	Department for International Development
	of which Humanitarian Assistance	1,513	1,500	0	0	1,666	
	Percentage of Total Net Bilateral ODA	0.03%	0.04%	0.00%	0.00%	0.02%	
Chad	UK Net Bilateral ODA	3,564	1,851	240	58	10	Foreign & Commonwealth Office
	of which Humanitarian Assistance	3,564	1,841	240	0	0	
	Percentage of Total Net Bilateral ODA	0.07%	0.04%	0.00%	0.00%	0.00%	
Comoros	UK Net Bilateral ODA	0	79	75	0	0	Not applicable
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
Congo, Dem Rep[1]	UK Net Bilateral ODA	144,385	162,379	238,946	138,944	161,640	Department for International Development
	of which Humanitarian Assistance	61,975	42,481	31,266	48,441	36,121	
	Percentage of Total Net Bilateral ODA	3.01%	3.13%	4.54%	2.50%	2.40%	
Congo, Rep.	UK Net Bilateral ODA	0	50,988	0	50	0	Not applicable
	of which Humanitarian Assistance	0	750	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.98%	0.00%	0.00%	0.00%	
Cote d'Ivoire[3]	UK Net Bilateral ODA	95	16,808	6,697	47,315	-409	Non-DFID Conflict Pool
	of which Humanitarian Assistance	0	0	7,950	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.32%	0.13%	0.85%	-0.01%	
Djibouti	UK Net Bilateral ODA	1,504	3	12	70	66	CDC
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.03%	0.00%	0.00%	0.00%	0.00%	
Egypt	UK Net Bilateral ODA	22,814	5,818	10,864	8,895	20,999	CDC
	of which Humanitarian Assistance	0	0	24	16	0	
	Percentage of Total Net Bilateral ODA	0.47%	0.11%	0.21%	0.16%	0.31%	
Eritrea	UK Net Bilateral ODA	4,129	3,566	5,220	2,529	4,660	Department for International Development
	of which Humanitarian Assistance	4,082	3,296	5,202	2,425	4,410	
	Percentage of Total Net Bilateral ODA	0.09%	0.07%	0.10%	0.05%	0.07%	
Ethiopia	UK Net Bilateral ODA	219,732	263,499	344,491	265,685	329,467	Department for International Development
	of which Humanitarian Assistance	42,874	28,608	53,630	34,698	50,024	
	Percentage of Total Net Bilateral ODA	4.57%	5.08%	6.55%	4.78%	4.88%	

Table B.2: Total UK net ODA and humanitarian assistance by recipient country
(continued)

		£ thousands					Extending agency with majority share of spend in 2013[1]
		2009	2010	2011	2012	2013	
Gabon	UK Net Bilateral ODA	0	106	126	0	0	Not applicable
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
Gambia	UK Net Bilateral ODA	2,388	1,284	5,502	8,898	10,264	Department for Business, Innovation and Skills
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.05%	0.02%	0.10%	0.16%	0.15%	
Ghana	UK Net Bilateral ODA	98,664	107,858	81,379	52,686	103,627	Department for International Development
	of which Humanitarian Assistance	404	0	0	0	0	
	Percentage of Total Net Bilateral ODA	2.05%	2.08%	1.55%	0.95%	1.54%	
Guinea	UK Net Bilateral ODA	557	0	177	1,644	3,731	Export Credit Guarantee Department
	of which Humanitarian Assistance	115	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.01%	0.00%	0.00%	0.03%	0.06%	
Guinea-Bissau	UK Net Bilateral ODA	85	47	46	57	2	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
Kenya	UK Net Bilateral ODA	84,026	68,136	88,593	101,794	160,150	Department for International Development
	of which Humanitarian Assistance	15,192	4,959	19,513	20,011	14,941	
	Percentage of Total Net Bilateral ODA	1.75%	1.31%	1.68%	1.83%	2.37%	
Lesotho	UK Net Bilateral ODA	5,238	3,120	1,156	3,127	2,725	Department for International Development
	of which Humanitarian Assistance	0	0	0	1,000	1,500	
	Percentage of Total Net Bilateral ODA	0.11%	0.06%	0.02%	0.06%	0.04%	
Liberia	UK Net Bilateral ODA	21,385	16,561	19,659	8,621	8,724	Department for International Development
	of which Humanitarian Assistance	0	0	11,089	1,610	265	
	Percentage of Total Net Bilateral ODA	0.45%	0.32%	0.37%	0.16%	0.13%	
Libya	UK Net Bilateral ODA	598	1,020	10,526	9,893	15,801	Multi-departmental spend
	of which Humanitarian Assistance	0	0	4,713	695	201	
	Percentage of Total Net Bilateral ODA	0.01%	0.02%	0.20%	0.18%	0.23%	
Madagascar	UK Net Bilateral ODA	830	-191	504	1,797	366	Foreign & Commonwealth Office
	of which Humanitarian Assistance	830	877	0	0	5	
	Percentage of Total Net Bilateral ODA	0.02%	0.00%	0.01%	0.03%	0.01%	
Malawi	UK Net Bilateral ODA	71,512	95,848	64,915	124,253	113,375	Department for International Development
	of which Humanitarian Assistance	810	1,057	6,196	17,620	19,464	
	Percentage of Total Net Bilateral ODA	1.49%	1.85%	1.23%	2.23%	1.68%	
Mali	UK Net Bilateral ODA	17	33	9	411	1,029	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.01%	0.02%	
Mauritania	UK Net Bilateral ODA	497	0	904	217	200	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.01%	0.00%	0.02%	0.00%	0.00%	
Mauritius	UK Net Bilateral ODA	13,291	3,689	8,445	21	329	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.28%	0.07%	0.16%	0.00%	0.00%	
Morocco	UK Net Bilateral ODA	3,040	2,083	2,730	5,438	3,832	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.06%	0.04%	0.05%	0.10%	0.06%	
Mozambique	UK Net Bilateral ODA	35,147	67,613	116,278	81,780	78,732	Department for International Development
	of which Humanitarian Assistance	499	617	1,250	0	0	
	Percentage of Total Net Bilateral ODA	0.73%	1.30%	2.21%	1.47%	1.17%	
Namibia[3]	UK Net Bilateral ODA	438	362	-452	190	250	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.01%	0.01%	-0.01%	0.00%	0.00%	
Niger	UK Net Bilateral ODA	3,970	2,061	368	38	0	Not applicable
	of which Humanitarian Assistance	2,073	2,061	368	0	0	
	Percentage of Total Net Bilateral ODA	0.08%	0.04%	0.01%	0.00%	0.00%	

Table B.2: Total UK net ODA and humanitarian assistance by recipient country
(continued)

						£ thousands	
		2009	**2010**	**2011**	**2012**	**2013**	**Extending agency with majority share of spend in 2013[1]**
Nigeria	UK Net Bilateral ODA	121,277	171,335	186,428	197,313	248,759	Department for International Development
	of which Humanitarian Assistance	0	500	0	0	0	
	Percentage of Total Net Bilateral ODA	2.52%	3.30%	3.54%	3.55%	3.69%	
Rwanda	UK Net Bilateral ODA	57,600	68,747	84,569	28,242	103,394	Department for International Development
	of which Humanitarian Assistance	0	0	0	0	1,923	
	Percentage of Total Net Bilateral ODA	1.20%	1.32%	1.61%	0.51%	1.53%	
Senegal[3]	UK Net Bilateral ODA	4,172	-536	1,243	3,205	960	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.09%	-0.01%	0.02%	0.06%	0.01%	
Seychelles	UK Net Bilateral ODA	38	28	46	1,143	307	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	4	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.02%	0.00%	
Sierra Leone	UK Net Bilateral ODA	51,389	54,902	45,885	62,812	69,990	Department for International Development
	of which Humanitarian Assistance	0	141	0	1,113	957	
	Percentage of Total Net Bilateral ODA	1.07%	1.06%	0.87%	1.13%	1.04%	
Somalia	UK Net Bilateral ODA	28,011	40,359	94,907	89,754	107,274	Department for International Development
	of which Humanitarian Assistance	13,790	23,572	73,294	43,018	43,671	
	Percentage of Total Net Bilateral ODA	0.58%	0.78%	1.80%	1.61%	1.59%	
South Africa[3]	UK Net Bilateral ODA	43,113	25,442	29,074	-13,708	36,455	Department for International Development
	of which Humanitarian Assistance	0	7	0	0	0	
	Percentage of Total Net Bilateral ODA	0.90%	0.49%	0.55%	-0.25%	0.54%	
South Sudan	UK Net Bilateral ODA	0	0	51,774	108,512	136,478	Department for International Development
	of which Humanitarian Assistance	0	0	0	50,291	64,784	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.98%	1.95%	2.02%	
St. Helena and Dependencies	UK Net Bilateral ODA	24,703	34,740	49,433	106,156	83,783	Department for International Development
	of which Humanitarian Assistance	2,400	471	0	0	0	
	Percentage of Total Net Bilateral ODA	0.51%	0.67%	0.94%	1.91%	1.24%	
Sudan	UK Net Bilateral ODA	189,450	77,104	98,146	51,758	69,206	Department for International Development
	of which Humanitarian Assistance	82,257	31,656	60,938	24,803	49,394	
	Percentage of Total Net Bilateral ODA	3.94%	1.49%	1.87%	0.93%	1.03%	
Swaziland[3]	UK Net Bilateral ODA	-2,424	11	18	4,834	1,287	CDC
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	-0.05%	0.00%	0.00%	0.09%	0.02%	
Tanzania	UK Net Bilateral ODA	138,690	156,006	99,134	157,760	152,115	Department for International Development
	of which Humanitarian Assistance	3,750	4,271	4,000	4,302	8,734	
	Percentage of Total Net Bilateral ODA	2.89%	3.01%	1.88%	2.84%	2.26%	
Togo[3]	UK Net Bilateral ODA	6,668	-55	1,196	33	0	Not applicable
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.14%	0.00%	0.02%	0.00%	0.00%	
Tunisia	UK Net Bilateral ODA	2,446	1,622	3,741	7,103	4,816	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.05%	0.03%	0.07%	0.13%	0.07%	
Uganda	UK Net Bilateral ODA	75,130	116,074	89,188	94,161	58,156	Department for International Development
	of which Humanitarian Assistance	12,773	649	2,966	1,125	10,300	
	Percentage of Total Net Bilateral ODA	1.56%	2.24%	1.70%	1.69%	0.86%	
Zambia	UK Net Bilateral ODA	51,410	51,346	57,760	53,177	59,942	Department for International Development
	of which Humanitarian Assistance	3,018	8	0	0	0	
	Percentage of Total Net Bilateral ODA	1.07%	0.99%	1.10%	0.96%	0.89%	
Zimbabwe	UK Net Bilateral ODA	71,309	69,936	48,357	138,831	93,836	Department for International Development
	of which Humanitarian Assistance	15,831	1,129	1,953	10,957	8,000	
	Percentage of Total Net Bilateral ODA	1.48%	1.35%	0.92%	2.50%	1.39%	

Table B.2: Total UK net ODA and humanitarian assistance by recipient country
(continued)

		£ thousands					
		2009	**2010**	**2011**	**2012**	**2013**	**Extending agency with majority share of spend in 2013[1]**
North of Sahara, Regional	UK Net Bilateral ODA	928	22	13,372	2,410	4,020	Department for International Development
	of which Humanitarian Assistance	0	0	13,246	197	19	
	Percentage of Total Net Bilateral ODA	0.02%	0.00%	0.25%	0.04%	0.06%	
South of Sahara, Regional	UK Net Bilateral ODA	28,745	106,188	59,304	61,677	104,840	Department for International Development
	of which Humanitarian Assistance	0	0	696	37,519	67,847	
	Percentage of Total Net Bilateral ODA	0.60%	2.05%	1.13%	1.11%	1.55%	
Africa, Regional	UK Net Bilateral ODA	153,603	113,134	90,863	147,656	142,016	Department for International Development
	of which Humanitarian Assistance	4,934	24,258	8,215	0	0	
	Percentage of Total Net Bilateral ODA	3.20%	2.18%	1.73%	2.66%	2.11%	
Asia and Middle East							
Afghanistan	UK Net Bilateral ODA	208,251	152,053	264,129	273,801	211,852	Department for International Development
	of which Humanitarian Assistance	6,750	6,503	0	6,037	-65	
	Percentage of Total Net Bilateral ODA	4.33%	2.93%	5.02%	4.92%	3.14%	
Armenia	UK Net Bilateral ODA	646	315	226	832	827	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.01%	0.01%	0.00%	0.01%	0.01%	
Azerbaijan	UK Net Bilateral ODA	905	559	598	1,335	2,650	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.02%	0.01%	0.01%	0.02%	0.04%	
Bangladesh	UK Net Bilateral ODA	160,478	147,839	229,947	196,120	272,005	Department for International Development
	of which Humanitarian Assistance	2,081	2,447	1,346	440	3,288	
	Percentage of Total Net Bilateral ODA	3.34%	2.85%	4.37%	3.53%	4.03%	
Bhutan	UK Net Bilateral ODA	0	0	0	7	1	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
Cambodia	UK Net Bilateral ODA	20,917	16,839	3,806	14,574	10,962	Department for International Development
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.44%	0.32%	0.07%	0.26%	0.16%	
China	UK Net Bilateral ODA	75,074	56,152	40,461	27,234	-17,781	Foreign & Commonwealth Office
	of which Humanitarian Assistance	1,166	582	0	0	0	
	Percentage of Total Net Bilateral ODA	1.56%	1.08%	0.77%	0.49%	-0.26%	
Georgia	UK Net Bilateral ODA	6,320	2,223	1,989	4,275	4,504	Foreign & Commonwealth Office
	of which Humanitarian Assistance	1,898	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.13%	0.04%	0.04%	0.08%	0.07%	
India	UK Net Bilateral ODA	408,034	421,092	283,111	292,065	268,706	Department for International Development
	of which Humanitarian Assistance	12	0	0	0	2,233	
	Percentage of Total Net Bilateral ODA	8.49%	8.11%	5.38%	5.25%	3.98%	
Indonesia[3]	UK Net Bilateral ODA	44,407	17,273	-4,257	6,236	22,076	Department for International Development
	of which Humanitarian Assistance	16,336	2,499	25	16	165	
	Percentage of Total Net Bilateral ODA	0.92%	0.33%	-0.08%	0.11%	0.33%	
Iran	UK Net Bilateral ODA	466	0	265	735	357	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.01%	0.00%	0.01%	0.01%	0.01%	
Iraq	UK Net Bilateral ODA	31,093	20,060	8,346	6,873	7,008	Foreign & Commonwealth Office
	of which Humanitarian Assistance	8,000	3,800	1,500	0	0	
	Percentage of Total Net Bilateral ODA	0.65%	0.39%	0.16%	0.12%	0.10%	
Jordan	UK Net Bilateral ODA	974	1,709	1,654	4,748	16,692	Department for International Development
	of which Humanitarian Assistance	0	0	0	196	3,492	
	Percentage of Total Net Bilateral ODA	0.02%	0.03%	0.03%	0.09%	0.25%	
Kazakhstan	UK Net Bilateral ODA	4,433	220	1,703	3,292	1,788	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.09%	0.00%	0.03%	0.06%	0.03%	

Table B.2: Total UK net ODA and humanitarian assistance by recipient country
(continued)

		£ thousands					
		2009	2010	2011	2012	2013	Extending agency with majority share of spend in 2013[1]
Korea, Dem. Rep.	UK Net Bilateral ODA	32	264	378	756	1,309	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	4	98	
	Percentage of Total Net Bilateral ODA	0.00%	0.01%	0.01%	0.01%	0.02%	
Kyrgyz Republic	UK Net Bilateral ODA	5,724	4,732	7,425	4,047	5,367	Department for International Development
	of which Humanitarian Assistance	650	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.12%	0.09%	0.14%	0.07%	0.08%	
Laos	UK Net Bilateral ODA	194	37	1,006	930	946	Department for International Development
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.02%	0.02%	0.01%	
Lebanon	UK Net Bilateral ODA	3,456	2,565	1,646	4,327	8,035	Multi-departmental spend
	of which Humanitarian Assistance	0	0	0	16	1,731	
	Percentage of Total Net Bilateral ODA	0.07%	0.05%	0.03%	0.08%	0.12%	
Malaysia[3]	UK Net Bilateral ODA	2,672	-486	4,468	6,490	3,918	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.06%	-0.01%	0.08%	0.12%	0.06%	
Maldives	UK Net Bilateral ODA	244	170	167	221	154	Non-DFID Conflict Pool
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.01%	0.00%	0.00%	0.00%	0.00%	
Mongolia	UK Net Bilateral ODA	455	538	111	2,933	427	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.01%	0.01%	0.00%	0.05%	0.01%	
Myanmar	UK Net Bilateral ODA	33,996	28,599	38,803	30,324	99,659	Department for International Development
	of which Humanitarian Assistance	17,565	3,933	6,571	4,024	10,445	
	Percentage of Total Net Bilateral ODA	0.71%	0.55%	0.74%	0.55%	1.48%	
Nepal	UK Net Bilateral ODA	66,092	68,110	64,917	69,502	93,330	Department for International Development
	of which Humanitarian Assistance	10,400	75	0	5,047	0	
	Percentage of Total Net Bilateral ODA	1.38%	1.31%	1.23%	1.25%	1.38%	
Oman	UK Net Bilateral ODA	410	602	0	0	0	Not applicable
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.01%	0.01%	0.00%	0.00%	0.00%	
Pakistan	UK Net Bilateral ODA	139,326	193,282	206,849	189,218	338,220	Department for International Development
	of which Humanitarian Assistance	29,103	102,481	72,136	28,859	30,922	
	Percentage of Total Net Bilateral ODA	2.90%	3.72%	3.93%	3.40%	5.01%	
Philippines	UK Net Bilateral ODA	2,813	377	1,294	1,664	35,072	Department for International Development
	of which Humanitarian Assistance	500	0	3	2	32,814	
	Percentage of Total Net Bilateral ODA	0.06%	0.01%	0.02%	0.03%	0.52%	
South Asia, Regional	UK Net Bilateral ODA	1,975	1,258	859	1,247	1,920	Multi-departmental spend
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.04%	0.02%	0.02%	0.02%	0.03%	
Sri Lanka[3]	UK Net Bilateral ODA	11,893	-5,503	2,633	5,460	9,256	Foreign & Commonwealth Office
	of which Humanitarian Assistance	8,921	3,772	383	0	0	
	Percentage of Total Net Bilateral ODA	0.25%	-0.11%	0.05%	0.10%	0.14%	
Syria	UK Net Bilateral ODA	672	1,260	1,268	39,547	138,750	Department for International Development
	of which Humanitarian Assistance	7	0	0	36,565	126,193	
	Percentage of Total Net Bilateral ODA	0.01%	0.02%	0.02%	0.71%	2.06%	
Tajikistan	UK Net Bilateral ODA	2,865	8,108	10,290	8,627	7,756	Department for International Development
	of which Humanitarian Assistance	600	257	7	102	396	
	Percentage of Total Net Bilateral ODA	0.06%	0.16%	0.20%	0.16%	0.11%	
Thailand[3]	UK Net Bilateral ODA	6,295	4,671	-4,756	-13,397	-945	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.13%	0.09%	-0.09%	-0.24%	-0.01%	
Timor-Leste	UK Net Bilateral ODA	70	0	46	131	71	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	

Table B.2: Total UK net ODA and humanitarian assistance by recipient country
(continued)

		£ thousands					Extending agency with majority share of spend in 2013[1]
		2009	2010	2011	2012	2013	
Turkmenistan	UK Net Bilateral ODA	218	39	92	416	512	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.01%	0.01%	
Uzbekistan	UK Net Bilateral ODA	1,183	797	524	1,636	1,539	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.02%	0.02%	0.01%	0.03%	0.02%	
Vietnam	UK Net Bilateral ODA	60,868	53,222	21,832	51,664	23,209	Department for International Development
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	1.27%	1.03%	0.42%	0.93%	0.34%	
West Bank and Gaza Strip	UK Net Bilateral ODA	61,036	63,214	75,549	42,884	69,478	Department for International Development
	of which Humanitarian Assistance	22,140	7,352	1,736	1,508	520	
	Percentage of Total Net Bilateral ODA	1.27%	1.22%	1.44%	0.77%	1.03%	
Yemen	UK Net Bilateral ODA	23,429	41,387	39,057	39,555	95,146	Department for International Development
	of which Humanitarian Assistance	1,683	7,875	16,446	18,469	36,457	
	Percentage of Total Net Bilateral ODA	0.49%	0.80%	0.74%	0.71%	1.41%	
Middle East, Regional	UK Net Bilateral ODA	3,843	6,513	3,447	32,472	182,172	Department for International Development
	of which Humanitarian Assistance	0	0	0	14,034	148,311	
	Percentage of Total Net Bilateral ODA	0.08%	0.13%	0.07%	0.58%	2.70%	
Asia, Regional	UK Net Bilateral ODA	7,466	23,960	29,202	19,967	33,157	Department for International Development
	of which Humanitarian Assistance	650	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.16%	0.46%	0.56%	0.36%	0.49%	
Rest of the World							
Albania	UK Net Bilateral ODA	1,402	560	425	643	759	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.03%	0.01%	0.01%	0.01%	0.01%	
Anguilla	UK Net Bilateral ODA	136	58	244	347	1,805	Foreign & Commonwealth Office
	of which Humanitarian Assistance	11	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.01%	0.03%	
Antigua and Barbuda	UK Net Bilateral ODA	4	3	2	3	20	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
Argentina	UK Net Bilateral ODA	632	350	743	2,041	946	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.01%	0.01%	0.01%	0.04%	0.01%	
Barbados	UK Net Bilateral ODA	290	52	0	0	0	Not applicable
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.01%	0.00%	0.00%	0.00%	0.00%	
Belarus	UK Net Bilateral ODA	392	238	77	554	650	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.01%	0.00%	0.00%	0.01%	0.01%	
Belize	UK Net Bilateral ODA	33	51	322	142	1,664	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.01%	0.00%	0.02%	
Bolivia	UK Net Bilateral ODA	345	54	90	644	611	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.01%	0.00%	0.00%	0.01%	0.01%	
Bosnia and Herzegovina	UK Net Bilateral ODA	6,156	6,268	2,990	2,256	1,839	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.13%	0.12%	0.06%	0.04%	0.03%	
Brazil	UK Net Bilateral ODA	8,396	26,376	30,796	46,836	5,477	Foreign & Commonwealth Office
	of which Humanitarian Assistance	5	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.17%	0.51%	0.59%	0.84%	0.08%	
Chile	UK Net Bilateral ODA	383	428	344	886	1,973	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	317	1	4	0	
	Percentage of Total Net Bilateral ODA	0.01%	0.01%	0.01%	0.02%	0.03%	

Table B.2: Total UK net ODA and humanitarian assistance by recipient country
(continued)

		£ thousands					
		2009	2010	2011	2012	2013	Extending agency with majority share of spend in 2013[1]
Colombia	UK Net Bilateral ODA	4,967	1,709	2,720	25,051	7,187	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	2	1	0	
	Percentage of Total Net Bilateral ODA	0.10%	0.03%	0.05%	0.45%	0.11%	
Costa Rica	UK Net Bilateral ODA	1,640	497	196	657	111	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.03%	0.01%	0.00%	0.01%	0.00%	
Croatia	UK Net Bilateral ODA	1,200	679	0	0	0	Not applicable
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.02%	0.01%	0.00%	0.00%	0.00%	
Cuba	UK Net Bilateral ODA	612	250	166	1,449	1,096	Foreign & Commonwealth Office
	of which Humanitarian Assistance	250	0	0	850	35	
	Percentage of Total Net Bilateral ODA	0.01%	0.00%	0.00%	0.03%	0.02%	
Dominica	UK Net Bilateral ODA	1	195	18	34	32	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
Dominican Republic	UK Net Bilateral ODA	64	36	96	145	243	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	5	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
Ecuador	UK Net Bilateral ODA	148	-22	138	340	434	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.01%	0.01%	
El Salvador[3]	UK Net Bilateral ODA	21	-31,612	6	-82	289	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	-0.61%	0.00%	0.00%	0.00%	
Fiji	UK Net Bilateral ODA	373	343	130	667	953	Foreign & Commonwealth Office
	of which Humanitarian Assistance	5	100	6	24	0	
	Percentage of Total Net Bilateral ODA	0.01%	0.01%	0.00%	0.01%	0.01%	
Grenada	UK Net Bilateral ODA	17	1	1	11	2	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
Guatemala	UK Net Bilateral ODA	463	149	58	9,478	49,271	CDC
	of which Humanitarian Assistance	0	100	0	0	0	
	Percentage of Total Net Bilateral ODA	0.01%	0.00%	0.00%	0.17%	0.73%	
Guyana	UK Net Bilateral ODA	1,379	1,047	367	563	406	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.03%	0.02%	0.01%	0.01%	0.01%	
Haiti	UK Net Bilateral ODA	5,101	16,944	9,714	3,264	9,585	Department for International Development
	of which Humanitarian Assistance	5,085	15,912	6,723	2,954	9,585	
	Percentage of Total Net Bilateral ODA	0.11%	0.33%	0.18%	0.06%	0.14%	
Honduras	UK Net Bilateral ODA	63	16,354	12	6,875	39	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.32%	0.00%	0.12%	0.00%	
Jamaica	UK Net Bilateral ODA	5,341	2,540	6,446	8,979	12,434	Department for International Development
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.11%	0.05%	0.12%	0.16%	0.18%	
Kiribati	UK Net Bilateral ODA	22	36	16	17	14	Department for International Development
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
Kosovo	UK Net Bilateral ODA	6,609	6,142	7,607	10,291	5,932	Non-DFID Conflict Pool
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.14%	0.12%	0.14%	0.19%	0.09%	
Macedonia, FYR	UK Net Bilateral ODA	1,250	743	620	1,373	1,923	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	13	0	
	Percentage of Total Net Bilateral ODA	0.03%	0.01%	0.01%	0.02%	0.03%	

Table B.2: Total UK net ODA and humanitarian assistance by recipient country (continued)

		2009	2010	2011	2012	2013	Extending agency with majority share of spend in 2013[1]
		£ thousands					
Marshall Islands	UK Net Bilateral ODA	0	0	7	5	2	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
Mexico	UK Net Bilateral ODA	7,451	6,093	3,590	3,713	5,726	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.16%	0.12%	0.07%	0.07%	0.08%	
Moldova	UK Net Bilateral ODA	2,059	9,365	1,516	1,181	1,072	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	46	0	0	0	
	Percentage of Total Net Bilateral ODA	0.04%	0.18%	0.03%	0.02%	0.02%	
Montenegro	UK Net Bilateral ODA	292	135	203	488	540	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.01%	0.00%	0.00%	0.01%	0.01%	
Montserrat	UK Net Bilateral ODA	23,858	10,736	27,744	21,265	31,222	Department for International Development
	of which Humanitarian Assistance	35	88	0	587	0	
	Percentage of Total Net Bilateral ODA	0.50%	0.21%	0.53%	0.38%	0.46%	
Nauru	UK Net Bilateral ODA	0	8	0	0	0	Not applicable
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
Nicaragua	UK Net Bilateral ODA	4,520	4,695	18	11,404	52	Foreign & Commonwealth Office
	of which Humanitarian Assistance	393	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.09%	0.09%	0.00%	0.21%	0.00%	
Palau	UK Net Bilateral ODA	0	12	0	0	0	Not applicable
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
Panama	UK Net Bilateral ODA	48	26	123	434	421	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	10	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.01%	0.01%	
Papua New Guinea[3]	UK Net Bilateral ODA	625	669	-200	1,328	1,023	Department for Business, Innovation and Skills
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.01%	0.01%	0.00%	0.02%	0.02%	
Paraguay	UK Net Bilateral ODA	27	7	29	76	75	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
Peru	UK Net Bilateral ODA	684	820	372	2,717	2,208	Foreign & Commonwealth Office
	of which Humanitarian Assistance	2	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.01%	0.02%	0.01%	0.05%	0.03%	
Samoa[1]	UK Net Bilateral ODA	115	150	254	0	174	Department for International Development
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
Serbia	UK Net Bilateral ODA	5,875	3,498	1,517	3,280	3,234	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.12%	0.07%	0.03%	0.06%	0.05%	
Solomon Islands	UK Net Bilateral ODA	146	144	116	227	431	Multi-departmental spend
	of which Humanitarian Assistance	0	0	0	0	150	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.01%	
St. Kitts-Nevis	UK Net Bilateral ODA	1	1	0	2,354	57	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.04%	0.00%	
St. Lucia	UK Net Bilateral ODA	8	11	230	161	100	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	209	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
St. Vincent and the Grenadines	UK Net Bilateral ODA	0	10	27	48	31	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	

Table B.2: Total UK net ODA and humanitarian assistance by recipient country
(continued)

		£ thousands					Extending agency with majority share of spend in 2013[1]
		2009	2010	2011	2012	2013	
Tonga	UK Net Bilateral ODA	6	99	21	19	22	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
Trinidad and Tobago	UK Net Bilateral ODA	282	157	0	0	0	Not applicable
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.01%	0.00%	0.00%	0.00%	0.00%	
Turkey	UK Net Bilateral ODA	1,423	2,429	3,438	8,617	5,454	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	215	224	0	
	Percentage of Total Net Bilateral ODA	0.03%	0.05%	0.07%	0.15%	0.08%	
Tuvalu	UK Net Bilateral ODA	0	28	31	20	2	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	2	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
Ukraine	UK Net Bilateral ODA	1,517	543	829	3,041	2,535	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	20	
	Percentage of Total Net Bilateral ODA	0.03%	0.01%	0.02%	0.05%	0.04%	
Uruguay	UK Net Bilateral ODA	26	43	59	123	357	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	7	16	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.01%	
Vanuatu	UK Net Bilateral ODA	62	58	67	20	57	Department for International Development
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
Venezuela	UK Net Bilateral ODA	1,384	705	487	1,007	1,989	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	14	9	0	
	Percentage of Total Net Bilateral ODA	0.03%	0.01%	0.01%	0.02%	0.03%	
North and Central America, Regional	UK Net Bilateral ODA	1,002	304	3,477	1,412	1,001	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.02%	0.01%	0.07%	0.03%	0.01%	
West Indies, Regional	UK Net Bilateral ODA	17,177	16,133	13,363	11,190	10,766	Department for International Development
	of which Humanitarian Assistance	3,219	801	100	66	4	
	Percentage of Total Net Bilateral ODA	0.36%	0.31%	0.25%	0.20%	0.16%	
America, Regional	UK Net Bilateral ODA	0	6,330	89	57	95	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.12%	0.00%	0.00%	0.00%	
Europe, Regional	UK Net Bilateral ODA	2,564	6,106	131	139	122	Foreign & Commonwealth Office
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.05%	0.12%	0.00%	0.00%	0.00%	
Oceania, Regional	UK Net Bilateral ODA	2,363	2,956	2,045	3,292	2,890	Department for International Development
	of which Humanitarian Assistance	100	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.05%	0.06%	0.04%	0.06%	0.04%	

Table B.2: Total UK net ODA and humanitarian assistance by recipient country
(continued)

		2009	2010	2011	2012	2013 £ thousands	Extending agency with majority share of spend in 2013[1]
Total Africa	UK Net Bilateral ODA	1,802,937	1,989,678	2,126,292	2,174,060	2,508,822	
	Percentage of Total Net Bilateral ODA	37.53	38.34	40.43	39.10	37.20	
	Percentage of Gross National Income	0.13	0.13	0.14	0.14	0.16	
Total Asia	UK Net Bilateral ODA	1,399,224	1,334,050	1,339,085	1,372,750	1,950,102	
	Percentage of Total Net Bilateral ODA	29.13	25.71	25.46	24.69	28.91	
	Percentage of Gross National Income	0.10	0.09	0.09	0.09	0.12	
Unspecified Region	UK Net Bilateral ODA	1,480,921	1,742,603	1,670,526	1,811,814	2,108,240	
	Percentage of Total Net Bilateral ODA	2.52	2.37	2.36	3.62	2.63	
	Percentage of Gross National Income	0.01	0.01	0.01	0.01	0.01	
TOTAL UK NET BILATERAL ODA	UK Net Bilateral ODA	4,804,033	5,189,070	5,259,832	5,559,707	6,744,519	
	Percentage of Total Net Bilateral ODA	100	100	100	100	100	
	Percentage of Gross National Income	0.34	0.35	0.34	0.36	0.42	
LOW INCOME COUNTRIES[2]	UK Net Bilateral ODA	1,814,250	1,830,736	2,241,295	2,172,324	2,541,993	
	Percentage of Total Net Bilateral ODA	37.77	35.28	42.61	39.07	37.69	
	Percentage of Gross National Income	0.13	0.12	0.15	0.14	0.16	
TOTAL UK NET MULTILATERAL ODA	UK Net Multilateral ODA	2,496,943	3,339,147	3,368,791	3,242,212	4,685,995	
	Percentage of Gross National Income	0.18	0.22	0.22	0.21	0.29	

[1] Where there is not a single government department with a majority share of spend to a country, 'mulit-departmental spend' is reported. A detailed breakdown of bilateral ODA by country and extending agency can be found in Table A4f of Statistics on International Development 2014.

[2] Income groups are classified using 2012 GNI per capita thresholds. Low income countries are based on those with a GNI per capita in 2012 of US$1,035 or less. Figures for previous years have been revised on this basis.

[3] ODA can be negative as it is reported net of any inflows. Percentages were not previously shown when net ODA was negative. In this table, they have been shown to ensure that percentages total 100%.

Table B.3: UK gross bilateral ODA by sector[1]

					£ thousands
Sector description	**2009**	**2010**	**2011**	**2012**	**2013**
Social Infrastructure and Services					
Education	523,321	486,350	651,385	632,140	917,873
Health	393,393	452,243	552,338	654,090	973,790
Population policies/programmes and reproductive health	303,602	333,604	395,976	425,541	331,288
Water supply and sanitation	73,183	101,616	109,680	107,735	139,152
Government and civil society	761,568	734,528	725,612	792,705	836,337
Other social infrastructure and services	204,053	260,949	241,238	210,226	318,316
Economic Infrastructure and Services					
Transport and storage	90,284	115,836	88,432	170,427	208,059
Communications	47,629	72,899	59,219	21,584	18,930
Energy	51,782	86,461	161,115	291,420	164,722
Banking and financial services	450,989	127,781	148,657	155,691	157,549
Business and other services	18,010	35,806	116,814	30,854	52,079
Production sectors					
Agriculture, forestry and fishing	91,748	98,991	141,237	182,734	188,238
Industry, mining and construction	22,428	101,877	107,277	51,459	68,930
Trade policies and regulations	47,321	135,108	46,038	60,298	76,629
Tourism	807	10,497	1,811	1,745	1,003
Multi-sector/cross cutting					
General environmental protection	360,117	577,807	123,565	286,360	358,366
Other multi-sector	139,476	187,016	229,410	210,288	302,284
Non-sector allocable					
General budget support	346,086	420,637	278,966	220,033	135,080
Developmental food aid/food security assistance	9,224	107,001	94,908	65,555	94,071
Action relating to debt	27,266	118,472	113,281	70,958	53,311
Humanitarian assistance	484,464	369,243	423,505	426,250	825,736
Administrative costs of donors	254,186	237,811	286,146	333,254	358,759
Support to non-governmental organisations	197,114	168,874	254,072	246,738	296,789
Refugees in donor countries	7,355	11,700	19,527	28,370	32,325
Non-sector allocable	31,497	62,868	102,428	83,789	100,254
Total UK gross bilateral ODA	**4,936,903**	**5,415,976**	**5,472,637**	**5,760,241**	**7,009,871**

[1] DFID projects can be allocated up to eight input sector codes. In this table, only one sector code per project is included. This is in line with OECD DAC Statistical Reporting Directives.

Table B.4: Imputed UK share of multilateral net ODA by country[1],[2],[3],[4]

					£ thousands
Country	**2009**	**2010**	**2011**	**2012**	**2013**
Afghanistan	42,331	55,968	44,391	36,353	49,736
Albania	8,416	12,912	11,606	10,327	9,117
Algeria	5,994	10,173	5,478	3,976	5,164
Angola	2,266	10,845	5,999	8,092	15,035
Anguilla	-	-	2	292	359
Antigua and Barbuda	476	1,313	412	54	142
Argentina	1,698	3,662	2,359	7,646	2,179
Armenia	13,284	4,898	12,832	7,850	13,255
Azerbaijan	4,975	7,269	8,773	4,657	12,858
Bangladesh	23,928	79,981	56,815	63,897	115,608
Barbados	256	2,196	-	-	-
Belarus	1,904	3,768	2,625	2,112	3,470
Belize	2,831	3,514	901	1,105	1,529
Benin	13,450	25,873	17,950	14,888	36,403
Bhutan	1,020	4,437	4,850	3,783	1,507
Bolivia	7,059	7,950	8,579	8,066	14,885
Bosnia-Herzegovina	11,900	23,015	25,166	24,372	28,061
Botswana	7,520	1,865	2,342	812	2,260
Brazil	3,944	3,492	14,154	13,910	9,436
Burkina Faso	18,167	36,099	42,366	33,900	46,785
Burundi	13,926	16,800	20,823	18,770	28,705
Cambodia	4,182	21,200	16,329	9,392	14,184
Cameroon	19,607	25,182	23,439	23,477	36,450
Cape Verde	2,191	3,966	3,350	2,231	3,138
Central African Rep.	12,153	10,125	13,025	9,395	8,052
Chad	11,589	22,484	17,622	15,241	23,109
Chile	220	1,473	7,067	583	1,712
China	21,768	24,503	31,032	22,453	21,639
Colombia	3,354	11,575	5,975	4,767	9,063
Comoros	3,544	2,472	2,399	4,471	12,034
Congo, Dem. Rep.	63,825	88,195	84,579	67,669	123,208
Congo, Rep.	3,246	6,429	6,128	5,569	7,158
Cook Islands	105	53	251	120	42
Costa Rica	886	1,613	2,163	707	1,500
Cote d'Ivoire	21,939	21,432	45,279	128,499	39,856
Croatia	15,754	21,283	-	-	-
Cuba	4,334	2,030	1,815	1,377	3,356
Djibouti	713	2,331	2,654	2,463	4,378
Dominica	6	778	1,176	355	976
Dominican Republic	4,549	14,744	4,807	5,372	6,839
Ecuador	4,191	2,148	3,212	3,528	4,051
Egypt	17,327	29,033	9,743	51,173	10,288
El Salvador	5,938	4,866	3,625	2,128	4,775
Equatorial Guinea	491	134	427	296	224
Eritrea	9,005	5,380	7,143	3,754	7,092
Ethiopia	70,522	105,665	127,094	88,414	194,350
Fiji	564	1,992	1,505	1,081	1,674
Gabon	1,286	2,585	1,793	1,135	1,398
Gambia	2,070	7,945	6,023	5,358	7,117
Georgia	20,044	18,583	19,867	17,940	25,632
Ghana	35,418	52,059	63,190	53,875	66,821
Grenada	797	745	450	321	665
Guatemala	5,008	4,888	5,347	2,990	4,617

Table B.4: Imputed UK share of multilateral net ODA by country[1],[2],[3],[4]
(continued)

					£ thousands
Country	**2009**	**2010**	**2011**	**2012**	**2013**
Guinea	1,645	2,684	20,920	83,685	18,645
Guinea-Bissau	4,054	4,761	25,987	2,931	6,359
Guyana	2,810	4,865	2,716	2,354	3,315
Haiti	35,598	43,543	22,111	16,017	22,093
Honduras	2,917	11,633	17,384	10,384	18,466
India	33,085	273,161	180,190	63,440	161,608
Indonesia	23,989	17,359	22,294	15,649	28,103
Iran	1,110	2,057	1,528	1,267	2,042
Iraq	7,276	6,202	5,611	10,076	13,432
Jamaica	2,614	7,314	2,696	1,464	6,046
Jordan	7,929	10,911	17,274	20,826	23,096
Kazakhstan	1,677	5,190	4,394	2,262	4,000
Kenya	46,288	67,636	58,816	60,072	120,031
Kiribati	582	708	388	296	1,204
Democratic People's Republic of Korea	1,211	4,832	3,716	2,278	4,005
Kosovo	25,302	24,135	23,790	15,530	19,796
Kyrgyzstan	4,871	11,716	15,486	9,223	14,051
Lao People's Democratic Republic	2,662	11,248	8,917	7,600	10,650
Lebanon	5,440	7,859	12,305	11,887	19,384
Lesotho	4,236	14,246	9,301	5,427	12,160
Liberia	16,528	17,005	17,946	12,880	19,015
Libya	70	1,833	3,946	2,342	4,851
Former Yugoslav Republic of Macedonia	8,897	13,538	9,894	6,736	10,109
Madagascar	2,439	11,328	15,830	12,405	27,451
Malawi	27,200	40,549	26,182	32,159	46,629
Malaysia	363	1,556	1,270	386	1,606
Maldives	726	1,478	1,026	1,454	1,194
Mali	25,794	14,640	34,039	16,337	54,032
Marshall Islands	496	128	78	35	386
Mauritania	595	4,721	11,233	8,479	9,740
Mauritius	12,090	2,128	6,106	6,254	7,315
Mayotte	-	-	-	-	-
Mexico	1,837	5,967	12,180	4,666	7,421
Micronesia	821	-	251	53	98
Moldova	9,335	38,444	17,463	17,549	14,801
Mongolia	2,222	6,488	7,519	3,807	3,010
Montenegro	3,596	4,817	6,287	4,182	6,118
Montserrat	2	6	147	413	444
Morocco	17,064	23,527	28,837	32,536	42,305
Mozambique	12,757	41,569	29,802	39,697	63,649
Myanmar	4,998	13,113	6,512	10,202	60,828
Namibia	563	14,384	4,973	3,949	6,660
Nauru	278	-	71	133	90
Nepal	14,091	27,723	28,342	18,937	33,068
Nicaragua	5,185	8,077	9,239	7,246	13,300
Niger	5,599	16,213	27,392	27,312	36,969
Nigeria	81,790	52,330	84,392	63,193	154,421
Niue	372	3	84	44	44
Oman	23	20	-	-	-
Pakistan	94,459	69,800	106,112	69,680	96,461
Palau	274	-	204	15	17

Table B.4: Imputed UK share of multilateral net ODA by country[1],[2],[3],[4]
(continued)

					£ thousands
Country	**2009**	**2010**	**2011**	**2012**	**2013**
Panama	1,473	241	1,865	536	1,109
Papua New Guinea	3,096	9,731	4,864	5,753	9,636
Paraguay	602	1,823	2,447	1,665	2,594
Peru	9,103	2,694	3,595	3,270	4,672
Philippines	8,728	13,079	8,244	5,754	9,146
Rwanda	21,655	46,524	52,768	26,003	49,715
Samoa	1,911	3,806	3,157	1,871	3,802
Sao Tome and Principe	1,923	342	2,766	1,193	2,705
Senegal	18,644	19,179	37,065	24,683	33,818
Serbia	46,061	28,945	75,151	60,849	54,242
Seychelles	2,144	231	818	1,158	863
Sierra Leone	5,114	21,642	16,664	15,006	18,033
Solomon Islands	1,217	3,793	1,481	1,780	1,745
Somalia	9,603	8,746	15,818	14,128	16,148
South Africa	14,811	29,147	25,686	21,477	26,210
South Sudan	-	-	3,346	7,332	21,417
Sri Lanka	13,094	17,795	25,638	15,194	21,815
Saint Helena	-	-	309	-	554
Saint Kitts and Nevis	1,318	2,811	1,208	1,275	1,034
Saint Lucia	124	513	1,914	1,645	1,937
Saint Vincent and the Grenadines	202	990	988	678	878
Sudan	14,520	27,805	18,848	21,401	30,448
Suriname	2,013	389	746	484	802
Swaziland	3,269	5,015	4,262	1,838	6,621
Syrian Arab Republic	5,840	9,810	6,762	6,906	15,631
Tajikistan	4,587	11,247	7,856	6,668	10,818
Tanzania	86,433	87,596	61,342	66,110	140,312
Thailand	4,159	3,741	7,245	3,366	8,796
Timor-Leste	1,299	7,537	2,354	3,880	3,189
Togo	7,485	15,136	66,651	7,734	13,112
Tokelau	13	9	9	3	4
Tonga	198	1,462	1,919	577	1,585
Trinidad & Tobago	1,222	4,826	-	-	-
Tunisia	9,460	13,083	32,807	38,510	36,768
Turkey	58,526	95,661	191,053	193,054	204,567
Turkmenistan	127	2,718	910	694	1,235
Tuvalu	507	219	506	145	420
Uganda	42,388	35,868	47,369	44,019	71,522
Ukraine	19,372	22,349	19,362	18,621	35,480
Uruguay	187	233	1,816	825	1,304
Uzbekistan	7,993	9,252	7,182	7,231	10,082
Vanuatu	990	60	297	417	491
Venezuela	1,649	467	957	919	698
Vietnam	55,770	87,161	118,725	83,921	144,884
Wallis and Futuna	-	-	499	400	219
West Bank & Gaza	67,369	77,309	45,206	47,196	39,726
Yemen	12,015	21,851	11,205	14,409	33,521
Yugoslavia, Sts Ex-Yugo.	-	233	93	21	17
Zambia	10,563	18,779	24,532	20,020	46,004
Zimbabwe	7,519	10,185	12,103	16,862	30,395

Table B.4: Imputed UK share of multilateral net ODA by country[1],[2],[3],[4]
(continued)

					£ thousands
Region	**2009**	**2010**	**2011**	**2012**	**2013**
North of Sahara, Regional	24,134	21,469	9,724	6,743	3,554
South of Sahara, Regional	63,789	42,212	40,662	42,751	29,322
Africa, Regional	133,601	38,581	57,392	39,877	45,251
North & Central America, Regional	6,243	1,499	5,387	5,285	8,710
West Indies, Regional	142	4,210	2,793	2,988	1,302
South America, Regional	3,482	11,405	7,272	5,448	6,472
America, Regional	17,334	30,535	7,299	4,647	9,962
Middle East, Regional	2,037	7,234	2,400	3,383	7,565
Central Asia, Regional	3,609	3,866	2,014	1,726	3,146
South & Central Asia, Regional	1,018	2,702	1,658	2,231	1,564
South Asia, Regional	450	12	792	504	1,172
Far East, Regional	-	2,787	314	619	1,832
Asia, Regional	33,410	26,266	14,198	14,894	66,579
Europe, Regional	43,002	56,887	27,851	23,365	38,714
Oceania, Regional	3,270	7,391	3,803	2,367	4,471
Unspecified country/region					
Unspecified	476,824	521,020	421,424	721,160	1,013,245
Total net multilateral ODA	**2,516,372**	**3,357,468**	**3,343,498**	**3,242,212**	**4,685,995**
Low Income Countries					
Total imputed multilateral ODA to Low Income Countries	752,703	1,184,484	1,219,535	1,051,806	1,596,420
% of country specific total	44.2%	45.9%	44.5%	44.0%	46.4%

Key

– Nil

[1] UK funding to multilateral organisations cannot be directly attributed to any country; the estimates above are imputed shares based on each multilaterals distribution of Official Development Assistance and the UK's total core funding for each organisation.

[2] ODA is defined as flows administered with the promotion of economic development and welfare of developing countries as their main objective, that are concessional in character and convey a grant element of at least 25 per cent. Aid to countries on the DAC list of ODA Recipients is eligible to be recorded as ODA.

[3] Only some multilaterals provide the DAC with detailed information about their distribution of funds and the list of multilateral organisations that provide detailed information to the DAC may change from year to year. Assumptions have been made for other multilaterals recognised by the DAC and funding has been allocated to regions or 'unspecified country' if necessary.

[4] Countries are defined as low income based on their Gross National Income (GNI) per head. In the table above countries are defined as low income if they have a GNI per capita of less than US$1,035 in 2012. Figures for previous years have been revised on this basis.

ANNEX C

Multilateral organisations DFID works with

African Development Bank (AfDB) www.afdb.org/en/

Asian Development Bank (AsDB) www.adb.org/

Caribbean Development Bank (CDB) www.caribank.org/

Central Emergency Response Fund (CERF) www.unocha.org/cerf/

Climate Investment Funds (CIFs) www.climateinvestmentfunds.org/cif/

Development Programmes of the Commonwealth Secretariat http://thecommonwealth.org/

European Bank for Reconstruction and Development (EBRD) www.ebrd.com/home

European Commission http://ec.europa.eu/index_en.htm

European Commission Humanitarian Organisation (ECHO) http://ec.europa.eu/echo/

European Development Fund (EDF) www.welcomeurope.com/european-funds/edf-european-development-fund-350+250.html#tab=onglet_details

Food and Agriculture Organization (FAO) www.fao.org/home/en/

Global Alliance for Vaccines and Immunisation (Gavi, the Vaccine Alliance) www.gavi.org/

Global Environment Facility (GEF) www.thegef.org/gef/

Global Facility for Disaster Reduction and Recovery (GFDRR) www.gfdrr.org/

Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM) www.theglobalfund.org/en/

Global Partnership for Education (GPE) www.globalpartnership.org/

Inter-American Development Bank (IADB)
www.iadb.org/en/inter-american-development-bank,2837.html

International Bank for Reconstruction and Development (IBRD)
www.worldbank.org/en/about/what-we-do/brief/ibrd

International Committee of the Red Cross (ICRC) www.icrc.org/en

International Development Association (IDA, World Bank) www.worldbank.org/ida/

International Federation of the Red Cross (IFRC) www.ifrc.org/

International Finance Corporation (IFC)
www.ifc.org/wps/wcm/connect/corp_ext_content/ifc_external_corporate_site/home

International Fund for Agricultural Development (IFAD) www.ifad.org/

International Monetary Fund (IMF) www.imf.org/external/index.htm

International Organization for Migration (IOM) http://unitedkingdom.iom.int

Office for the Coordination of Humanitarian Affairs (OCHA, UN) www.unocha.org/

Office of the High Commissioner for Human Rights (OHCHR, UN)
www.ohchr.org/EN/Pages/WelcomePage.aspx

Office of the United Nations High Commissioner for Refugees (UNHCR)
www.unhcr.org/cgi-bin/texis/vtx/home

Private Infrastructure Development Group (PIDG) www.pidg.org/

UN Children's Fund (UNICEF) www.unicef.org/

UN Development Programme (UNDP) www.undp.org/

UN Educational, Scientific and Cultural Organization (UNESCO) http://en.unesco.org/

UN Peacebuilding Fund (PBF) www.unpbf.org/

UN Population Fund (UNFPA) www.unfpa.org/

UN Women www.unwomen.org/en

UNAIDS www.unaids.org/

UNITAID www.unitaid.eu/en/

World Food Programme (WFP) www.wfp.org/

World Health Organization (WHO) www.who.int/en/

ISBN 978-1-4741-1929-0

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