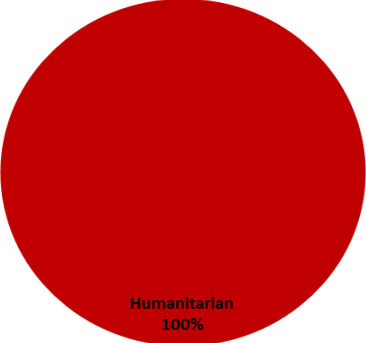




The Department for International Development (DFID) leads the UK's global efforts to end extreme poverty, deliver the Global Goals for Sustainable Development (SDGs) and tackle a wide range of global development challenges. The UK's focus and international leadership on economic development is a vital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

Planned Budget for 2017/18	£40m
Planned Budget for 2018/19	£20m
<b>Sector breakdown of 2017/18 Bilateral Plans</b>  	<b>Planned spending programme in 2017/18 (as at June 2017)</b>  Supporting the Response to the Humanitarian Emergency in Iraq £40m

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

We are working to build peace, justice and strong institutions in Iraq (global goal 16) by helping local government to plan reconstruction, supporting the rehabilitation of vital infrastructure such as schools and water treatment facilities, and encouraging reconciliation. Throughout our work in Iraq we promote global goal 5, gender equality.

**Headline deliverables**

- **Humanitarian assistance:** We are responding to the urgent needs of the most vulnerable people in Iraq. As the lead donor to the Iraq Humanitarian Pooled Fund. We have helped to ensure that people affected by the humanitarian crisis in Iraq have access to food, healthcare, water and sanitation: our support has provided emergency cash transfers to 54,000 people, provided basic sanitary items to 66,000 people, helped 42,000 people access emergency lifesaving medical care, and provided safe drinking water, toilet and shower facilities to more than 200,000 people. We are challenging United Nations (UN) agencies to reform and ensure they deliver effectively for the world's most vulnerable and are value for money for the UK tax payer.
- **Building stability:** We are supporting the restoration of stability in areas liberated from Daesh control. Our assistance will continue to support local government reconstruction plans, restoration of basic services and job creation. Over 1 million displaced people have already returned to their homes in Iraq.
- **Economic development:** We are assisting the government of Iraq's economic reform programme through a £300 million loan guarantee as part of a coordinated package of International Monetary Fund, World Bank and G7 donor support. The loan is linked to key economic reforms, reducing the vulnerability of the Iraqi economy to volatile oil prices.

**Why DFID is investing in Iraq**

The current humanitarian crisis in Iraq remains one of the most volatile in the world. The Iraqi-led military

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

operation to defeat Daesh has already affected significant numbers of the Iraqi population, and over half a million people have fled Mosul city. This is on top of the existing 3 million people already displaced from their homes due to Daesh. The UN estimates that as many as 11 million people in Iraq will require some form of humanitarian assistance in 2017. Minorities are under threat and Iraq's deteriorating security situation has had a major impact on women and children's rights.

Instability in Iraq goes deeper than the current conflict. A history of weak and sectarian governance has continued community divisions, undermined the development of effective state functions, stunted economic development and led to increased poverty for civilians caught up in conflict. Iraq has struggled to diversify its economy (oil exports provide 90% of government revenue) and the country is highly vulnerable to the effects of changes in oil prices. The government of Iraq has struggled to achieve progress on reconciliation and reform, and needs continued international support to address the immediate humanitarian crisis and deliver longer-term reform. It is important for the UK to support the government of Iraq to deliver its vision of an inclusive, prosperous and stable country in a fragile region.

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

Together with international partners and the government of Iraq, the UK will support Iraqi military operations to defeat Daesh, support Iraqi political reform and reconciliation, and unlock Iraq's economic potential for UK companies by supporting economic reform.

DFID will respond to the most urgent needs of the most vulnerable people in Iraq, particularly women and girls; reduce the need for future international humanitarian financing by building up the government of Iraq's capacity to respond to crises; support the restoration of stability in areas liberated from Daesh control; and assist the government of Iraq's economic reform programme as part of a coordinated package of international support.

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

The fight against Daesh in Iraq will take time and patience. DFID's efforts will help to ensure this is done in a way that allows for the long term defeat of Daesh, minimises the humanitarian impact, and supports political reconciliation. This will support regional stability, reduce potential migration flows and the potential for terrorist attacks against the UK, and help to create better opportunities for UK trade and prosperity.

### **Partners**

- We are working closely with the government of Iraq and the Kurdistan Regional Government to make sure our programmes support the government led humanitarian and stabilisation response.
- The majority of DFID's funding goes through UN agencies.
- We are contracting an independent monitoring service, which will verify the results of our programmes in Iraq to make sure they are achieving the planned results in areas we cannot visit ourselves.