



Department  
for International  
Development



Department for  
International Development

# Annual Report and Accounts 2019-20



# **Department for International Development Annual Report and Accounts 2019-20**

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This is part of a series of departmental publications which, along with the Main Estimates 2020-21 and the document Public Expenditure: Statistical Analyses 2019, present the government's outturn for 2019-20 and planned expenditure for 2020-21

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# Performance Report

## Overview

The Overview section of this report sets out information about the Department for International Development (DFID)'s role and activities, how the department delivers, who we work with, how we ensure effective cross-government coordination to achieve our aims, and DFID's headline results and achievements for 2019-20.

# Foreword by the Secretary of State for International Development



Since the beginning of 2020, we have witnessed the rapid spread of COVID-19, the greatest health threat the world has been subjected to in decades. This global pandemic does not respect national borders and is having a devastating impact at home and overseas.

COVID-19 has created a health crisis, an economic crisis, a humanitarian crisis and a rights crisis. The reality is that no one is safe until we are all safe in our interconnected world. We know the secondary impacts on many aspects of our lives – economies, education, livelihoods, food systems, as well as gender and broader inclusion issues – will be felt for some time and that it is the poorest people who are disproportionately affected.

The humanitarian picture is bleak: we have the threat of famines in East Africa, exacerbated by the worst locust plague for 70 years; weak health and monitoring systems allowing the spread of COVID-19; economic disruptions hitting the world's poorest; a global recession; and conflict and insecurity increasing.

As this report shows, DFID, together with British innovation, technology and expertise, is at the forefront of the global response. The needs will be many and great in the coming months and years, and the UK will do whatever we can to make sure vaccines, treatments and technologies are available, to save lives and help the most vulnerable countries endure and, eventually, end the pandemic. We know from our experience tackling Ebola that stopping the spread of COVID-19 in developing countries will help the world's most vulnerable and keep Britain, and the world, safe from a second wave of infection, as well as reduce preventable deaths from the impact of overwhelmed health services and fear of attending medical spaces.

In response to COVID-19, we are using the full breadth of UK Government policy levers and expertise, working with the private sector, our world-class universities, civil society, and non-governmental organisations to tackle the pandemic.

It is a whole-of-mission effort at post with DFID and Foreign Office staff supporting each other's immediate and essential objectives. COVID-19 will only be defeated by strong global collaboration so perhaps most importantly of all, we are using our significant influence in the world's leading international organisations, and through the G7 and G20, to ensure international partners work together to support the global effort.

On 29 April 2020, I announced new UK support to Gavi, the Vaccine Alliance to protect up to 75 million children against deadly diseases. Then, in June, the UK hosted the Global Vaccine Summit bringing together representatives of 62 countries, including 42 heads of state, to co-ordinate international investment efforts for Gavi. When a vaccine is developed, it needs to be available for, and deliverable to, developed and developing countries, and Gavi is integral to this being possible.

Work on other main priorities, including our manifesto commitments, continues. At the UN General Assembly (UNGA) in September 2019, the Prime Minister made a number of very significant announcements, demonstrating the government's commitment to delivering 12 years of quality education for girls all around the globe and to tackling the dangerous levels of climate change, catastrophic environmental degradation and loss of biodiversity the world is facing. We also remain committed to ending preventable deaths, the eradication of malaria and Ebola, and enabling developing countries to grow towards economic self-sufficiency, alongside continued commitment to peace building and stabilisation of vulnerable communities.

This report sets out the progress we made in 2019-20 towards achieving the Global Goals through the objectives in DFID's single departmental plan. DFID provided – and continues to provide – life-saving supplies to people around the world in the most desperate need. Examples of our support in 2019-20 include providing more than 1 million people in Syria and more than 1 million people in Yemen with access

to clean drinking water; providing more than 1.4 million people in Afghanistan and more than 2 million people across the Sahel with emergency humanitarian assistance; and 150,000 children in the Democratic Republic of the Congo under the age of 5 with urgent nutritional assistance.

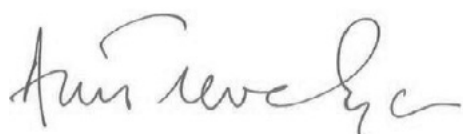
In addition to UNGA, the UK's prominence and global leadership in development was exemplified by two other major international events during the financial year. Our substantial efforts to achieve the Global Goals were presented at the UK's first Voluntary National Review at the UN High Level Political Forum, in July 2019.

Then in January this year, DFID took a leading role, alongside the Foreign and Commonwealth Office and the Department for International Trade, as the UK hosted the UK-Africa Investment Summit. There we agreed new lasting partnerships between the UK and African countries to deliver more investment, jobs and growth. The summit delivered results that will benefit people and businesses across Africa and the UK. This was reflected in commercial deals between UK companies and African partners announced at the summit worth over £6.5 billion, spanning sectors including infrastructure, energy, retail and technology. They include agreements with well-known British firms such as Rolls Royce, GSK and Diageo. As the Prime Minister noted, the summit demonstrated how we are supporting vital economic development and reform, helping countries build well regulated, competitive markets sector by sector, and establish mutually beneficial and prosperous partnerships with countries across the globe.

We continue to tackle climate change, the dangers of catastrophic environmental degradation and loss of biodiversity. Like COVID-19, these pose enormous risks to the Global Goals and to UK interests. Since 2011, UK aid has helped to significantly reduce greenhouse gas emissions globally, assisted 57 million people to cope with the effects of climate change, and provided access to clean energy for 26 million people. When COP26 takes place next year, we will use it to drive greater global ambition and action to implement the Paris Agreement and tackle climate change.

On 16 June 2020, the Prime Minister announced that, from 1 September, DFID and the Foreign Office will form a new department, the Foreign, Commonwealth and Development Office. It will unite development and diplomacy to for to deliver an even greater impact and influence on the world stage as we recover from the COVID-19 pandemic, prepare to hold the G7 presidency and host COP26 in 2021.

There is much uncertainty about the year ahead, but the new department, supported by this government's commitment to spending 0.7% of our gross national income on international development, will work ever harder to ensure that the world's poorer nations become stronger, safer and more resilient.



**The Rt Hon Anne-Marie Trevelyan MP**

Secretary of State for International Development, June 2020



# Lead Non-Executive Director's introduction to the Annual Report 2019-20

The financial year 2019-20 was a historic year, marked by two era-defining events: the United Kingdom's departure from the European Union (EU) on 31 January 2020, and the spread of a global pandemic, unlike anything the world has seen for a hundred years.

Throughout 2019, DFID ensured it was prepared for the possibility of departing the EU without a deal. Up to 169 members of staff stepped up to support the preparations in other government departments.

In the face of the COVID-19 outbreak, DFID has responded with characteristic resilience and pragmatism. The welfare of staff in the UK and overseas has been paramount and systems were quickly put in place to allow effective homeworking for the entire department. The Executive Committee led a rapid reprioritisation process to ensure the department was responding in the most effective way to support developing countries as they deal with the impact of the outbreak. Acting early has also enabled the Executive Committee to lift its sights from the immediate response to develop a long-term strategy for response and recovery, all the time challenging itself hard on the best interventions to achieve the biggest outcomes and value for money for the UK's official development assistance. The new Foreign, Commonwealth and Development Office will ensure aid spending is in line with the UK's priorities overseas, harnessing the skills, expertise and evidence that have earned the UK's reputation as a leader in the international development community.

This report sets out DFID's activities and achievements during the financial year 2019-20. Throughout the year, non-executive directors (NEDs) contributed to the department's progress. Sally Jones-Evans, in addition to her involvement in the Audit and Risk Assurance Committee (until October 2019), provided support to the People and Operations Committee and joined a panel at a very well-attended event on women in leadership, and Alan Johnson continued to provide strong chairmanship of the Audit and Risk Assurance Committee.

Tim Robinson left his non-executive director role in November 2019, after more than 6 years providing excellent advice. I am very grateful for all his hard work, particularly his expert chairing and leadership of DFID's Digital Advisory Panel.

I have been liaising with Lead NEDs across Whitehall. This included leadership of a piece of work to share NEDs' views on ways to achieve greater strategic alignment of the UK's international work.

The department has seen much change in leadership during the year but has maintained a clear focus on its fundamental work to end extreme poverty. On Penny Mordaunt's departure in April 2019, Rory Stewart was appointed Secretary of State. Following Rory's resignation in July, Alok Sharma led the department and retained his position after the General Election until the Cabinet reshuffle in February. Anne-Marie Trevelyan was then appointed to the role. Since then, all members of the junior ministerial team have held joint positions with the Foreign Office, achieving closer alignment between the two departments.

In October 2019, we welcomed Moazzam Malik back to the department, as Director General for Country Programmes, succeeding George Turkington, who took on the role in an interim capacity, following the departure of Lindy Cameron. Nick Dyer, Juliet Chua and Richard Clarke continued in their roles as Directors General for Economic Development and International Relations; Finance and Corporate Performance; and Policy, Research and Humanitarian, respectively.

Matthew Rycroft transferred from his role as DFID Permanent Secretary to Permanent Secretary at the Home Office on 20 March 2020. I would like to thank him for more than two years of outstanding leadership of the department and wish him well in his new role. Nick Dyer moved into the role of Acting Permanent Secretary on Matthew's departure, with Rachel Turner stepping into his shoes, as Acting Director General, Economic Development and International Relations. That arrangement will continue until the new department is formed.

A handwritten signature in blue ink, appearing to read 'Bolland', with a large, sweeping underline.

**Marc Bolland**

Lead Non-Executive Director for the Department for International Development, June 2020

# DFID’s purpose, performance and activities in 2019-20 and how we deliver

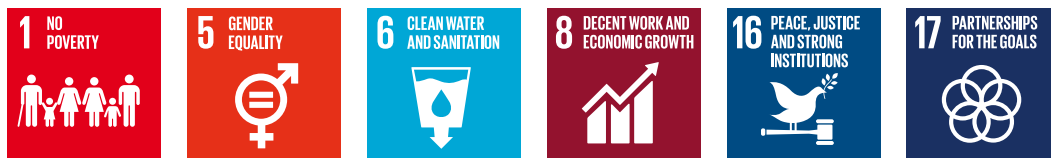
In 2019-20, the Department for International Development (DFID) led the UK’s work to end extreme poverty. The UK’s leadership in the work to eradicate poverty, end instability and create a safer and more prosperous world is at the heart of the UK’s foreign policy. Our work contributes to a secure and prosperous United Kingdom with global reach and influence. DFID’s Secretary of State had Cabinet level responsibility and overall oversight for the Global Goals (also known as the Sustainable Development Goals or SDGs), and the department was responsible for tackling global challenges, in line with the government’s UK Aid Strategy.<sup>1</sup>

This report provides an overview of DFID’s work in 2019-20. DFID’s activities and spending contributed to the strategic objectives of the UK Aid Strategy and to delivery of the Global Goals. Other departments that spend Official Development Assistance (ODA) to deliver the UK Aid Strategy will set out details in their own annual reports and accounts as appropriate.

DFID’s single departmental plan 2019-20 set out our objectives for the year:

- Strategic Objective 1: **PEACE: Strengthen global peace, security and governance.**

Sustainable development is all but impossible without peace and security. We are working to build greater stability and more effective and accountable governance through addressing the underlying causes of conflict and insecurity; maintaining a sharp focus on prevention; tackling crime and corruption; and supporting transparency, capability and trust in institutions.



- Strategic Objective 2: **PLANET: Strengthen resilience and response to crisis.**

We face climate threats that could undermine all our efforts. We are helping to make countries and populations more resilient in the face of the climate crisis and better able to anticipate and manage risks and shocks. We are mitigating the impact of climate change including through low carbon growth supported by innovation and technology; and providing stronger protection of biodiversity and the environment.



<sup>1</sup> <https://www.gov.uk/government/publications/uk-aid-tackling-global-challenges-in-the-national-interest>

- Strategic Objective 3: **PROSPERITY: Promote global prosperity.**

Inclusive, sustainable and job-creating economic development is central to reducing poverty and enhancing global prosperity. We are working to help increase investment, trade, productivity and build better tax systems to raise incomes, improve jobs and spread benefits across society.



- Strategic Objective 4: **PEOPLE: Tackle extreme poverty and help the world's most vulnerable.**

People must be at the heart of everything we do. We are working to meet basic needs through strong national systems where reform delivers better and more inclusive health, education and wider services that enable people to survive and thrive. We are building a more effective humanitarian system to improve preparedness, resilience and protection.



- Strategic Objective 5: **PARTNERSHIP: Support a strong and resilient international system.**

We must work for a world that is more united – to address shared challenges. This is particularly true of our partnerships with multilateral agencies. We are working to build a stronger and more resilient international system and multilateral institutions that deliver to the highest standards, tackle global challenges and achieve greater impact. We have also been developing a stronger DFID focus on building local partnerships on the ground, engaging with new global development partners and strengthening the global financial system.



In addition, all of DFID's work is driven by the following overarching corporate objective:

- Strategic Objective 6: **QUALITY: Improve the value for money and transparency of UK aid.**

Underpinning all of the above, we want to drive excellence and value for money in design, delivery and monitoring, with strong staff engagement in DFID-funded programmes and expertise across our country network, grounded in thorough understanding of local contexts.



DFID works closely with other UK Government departments, bilateral and multilateral development partners, civil society and UK businesses harnessing world-leading skills and innovative thinking to achieve these objectives and to support developing countries' exit from poverty.

DFID's single departmental plan (SDP) includes the measures we use to track progress (see page 29). This reflects the fact that the programme spend often contributes to more than one strategic objective and that the strategic objectives themselves are mutually supportive and cross-cutting.

### Global Goals for Sustainable Development

The government is fully committed to promoting and implementing the 2030 Agenda for Sustainable Development and helping to deliver the 17 Global Goals. DFID has put the Global Goals at the heart of all its work, embedding them in its SDP, and working with a range of organisations and countries to help deliver them at the global, country and sectoral level. This means that the achievements and results set out in this Annual Report reflect a significant element of the department's 2019-20 contribution to the delivery of the Global Goals by 2030.

DFID has worked closely with the rest of government on this universal agenda and, in July 2019, the UK presented its first Voluntary National Review (VNR) of Global Goal progress to the UN High Level Political Forum. The UK's VNR was an important milestone towards delivery of the Goals, providing a comprehensive account of our action so far and identifying next steps.

This year marks the beginning of the Decade of Action to deliver the Goals by 2030. The impacts of the COVID-19 pandemic will mean that the UK and our development partners around the world will have to redouble our efforts if this target is to be hit. Low- and middle-income countries are particularly vulnerable to COVID-19 because of their weaker health systems and lower health baselines. We are already seeing economic and health impacts, and while the extent and duration of these impacts is unclear, they are likely to pose serious challenges to development and prosperity.

# Working in partnership

## Working bilaterally with partner countries

At its core, the mission of UK aid is to create a prosperous world for the people who live in it today and for future generations. We remain committed to delivering change that supports the achievement of the Global Goals, working with partners in a coherent and co-operative way, and responding to international challenges effectively.

In the context of an ever-changing global picture, a flexible, responsive development offer is more important than ever. We adapt our targets and resources to meet the current and future needs of partner countries based on our analysis and in-country feedback. Our development efforts are bound by our determination to deliver value for money and effective aid spend worldwide.

The UK's leadership in international development demonstrates its global influence, both in supporting the world's most vulnerable and promoting our national interests. It is critical in the campaign for a Global Britain, building partnerships in support of the rules-based international system, and harnessing potential for economic and social development. Our focus on supporting and enhancing sustainable growth in the world's poorest countries continues to play a significant part in reducing the number of those living in absolute poverty.

Countries within Africa, Asia and the Middle East remain our priority. Many of these countries exist in states of fragility or poverty, and many are subjected to setbacks due to their geographical location as our climate crisis evolves. We implement regional programmes in Africa, Asia and the Caribbean, as well as focusing on our development relationships with 3 of our Overseas Territories – St Helena, the Pitcairn Islands and Montserrat.

## Working with private sector suppliers

The private sector continues to play a pivotal role in our delivery of aid by providing the expertise, resource and flexibility that enables DFID to help economies grow, respond quickly to humanitarian crises, and reach some of the most dangerous places in the world.

UK aid also benefits the UK economy both directly through UK aid spending on British organisations, and indirectly by generating opportunities in developing countries for UK business. UK-based businesses are very successful in their pursuit of DFID contracts, increasing employment here in the UK. As of 1 February 2020, 88% of the value of our active contracts were held by UK-based businesses. This is worth approximately £1 billion per year to these businesses.

The commercial measures we introduced in recent years continue to enhance the development impact of our programmes and have enabled DFID to realise efficiency savings of £101 million in the financial year 2019-20. Through effective procurements, DFID made savings of £594 million between 2015-16 and 2019-20, against the single department plan target of £400 million. The measures included:

- The Supply Partner Code of Conduct, which outlines the minimum requirements from our supply partners with a central focus on ethical behaviour, including safeguarding and modern slavery, and value for money. It covers the vast majority of DFID's contract spend. We worked extensively with civil society organisations throughout the year to pilot the code prior to its introduction to DFID's Accountable Grants in 2020.
- Our market data and analysis are improving, and contracts are performing better. The introduction of DFID's Strategic Relationship Management programme to 42 supply partners and 80% of DFID's grant and contract spend has helped encourage improvements in supply partner performance and accountability.

- We have introduced a new generation of funding frameworks to make procurement quicker and easier and give more opportunities to small- and medium-sized businesses.
- We held our first UK Aid Supply Partner Conference in September 2019, in partnership with other aid spending government departments. Around 200 supply partners attended.
- DFID values small- and medium-sized enterprises (SMEs) for their innovation, flexibility, niche expertise, value for money and quick response times. Over 45% of DFID's procurement spend is with SMEs, the highest proportion in government.<sup>2</sup> A new SME Action Plan sets out how we will continue to draw on the skills, energy and expertise of small businesses, both in the UK and in our partner countries.
- UK aid connects the UK to developing markets through trade and investment. DFID has developed a suite of interventions that can help reduce barriers to trade for businesses, including from the UK, and ensures they can take full advantage of growing opportunities in these markets. This includes programmes such as DFID's Growth Gateway which will provide a service offer for businesses including from the UK, who want to trade with and invest in African markets. This cross-governmental initiative will help businesses access the UK government's trade, investment and finance offer for Africa all in one place. See page 49-50 for further information on how UK aid reduces poverty whilst strengthening UK trade and investment opportunities around the world.

A more detailed account of DFID's commercial practice and performance is set out in DFID's Annual Procurement and Commercial Report.<sup>3</sup>

## Working with multilateral organisations

A strong, well-functioning multilateral system is vital to UK interests. Only by working with multilateral organisations can we achieve the scale of action and co-ordination needed to achieve our Strategic Objectives and the Global Goals, and to tackle global challenges that impact the UK – most urgently the global response to COVID-19, but also issues such as addressing climate change and tackling instability overseas.

Our multilateral investments complement our bilateral portfolio, expanding our reach into countries we do not operate in ourselves, delivering vital services at scale, leveraging additional funding and providing world-class specialist expertise to make UK taxpayers' money go further. They give us significant influence to shape the international system in line with UK values, and a platform to build alliances and work with other donors on the issues that matter to the UK.

## Working with civil society

DFID works with a range of civil society actors and institutions, from traditional development organisations and faith groups to diaspora communities and social movements. Working with civil society forms an integral part of DFID's approach to reducing poverty and achieving the Global Goals. Civil society also plays a crucial role in creating open, accountable and inclusive societies and is a vital partner in our humanitarian work.

DFID is implementing a package of reforms that will maximise value for money and results from civil society programmes and engagement. We have rationalised our approach to central funding for civil society by simplifying funding mechanisms for the activities that make the biggest difference to the poorest and most vulnerable. We are also diversifying the range of partners we work with through increasing accessibility for small and southern based partners in the UK and in DFID priority countries, and contributing to the strength of the sector overall through improved capacity building.

DFID's central funding to civil society is provided primarily through:

- **UK Aid Match:** which matches public donations to charity appeals and gives the UK public a say in how money is spent.

<sup>2</sup> 45.5% is the spend for 2018-19. SME spend in 2019-20 is currently being assessed and is projected to be approximately 34% of total contract spend.

<sup>3</sup> <https://www.gov.uk/government/organisations/department-for-international-development/about/procurement>

- **UK Aid Direct:** DFID's main competitive fund for small- and medium-sized civil society organisations, including the dedicated Small Civil Society Challenge Fund.
- **UK Aid Connect:** supports coalitions of civil society organisations, think tanks and public, private and third sector (voluntary) organisations to help find solutions to current complex situations and tomorrow's challenges.
- **UK Aid Volunteers:** includes the International Citizen Service for young people and the Volunteering for Development programme for skilled professionals.

In addition to these central funding mechanisms, we are establishing focused programmes to support gender and disability organisations. We also support country offices in their work with civil society partners in a range of ways, including to deliver programmes that contribute to the Global Goals and respond to the specific priorities, needs and opportunities in each country.

## Our work with UK Government partners

The Prime Minister has been clear that all aspects of the government's international operations should be integrated fully to promote Global Britain. DFID and the Foreign and Commonwealth Office (FCO) already work together in 32 bilateral posts, 9 multilateral missions and 8 FCO-DFID Joint Units. With the merger of the two departments, the UK's global leadership on development and our world-class diplomatic network will combine to ensure the UK acts as a force for good in an uncertain world, delivering impact more effectively and efficiently.

UK aid draws on cross-government expertise on issues that are of growing importance for the development agenda and of direct interest to developing countries. We work closely with our partners across government to show international leadership in delivering the Global Goals. The drivers and impact of poverty, fragility and exclusion are broad ranging and often overlap with the UK's prosperity and national security agendas.

Through DFID's seat on the National Security Council, in 2019-20, DFID continued to ensure that development priorities were fully considered alongside other strands of foreign policy and national security priorities. We are shifting our approach to ensure that we achieve 'win-wins' where our work to reduce poverty also contributes to wider government objectives. For example, work to tackle poverty, build stability and deliver economic growth can also help to address the upstream causes of violent extremism, and, in turn, aids our counter terrorism objectives.

In 2019-20, DFID worked closely with the Department for Business, Energy and Industrial Strategy (BEIS) on climate change, the Department of Health and Social Care (DHSC) on global health security and the Department for International Trade (DIT) on trade. DFID also provided support to other government departments that spend development assistance through access to learning and development opportunities, staff secondments, technical advice and access to DFID systems.

DFID's work directly contributed to the objectives of other government departments. For example, in 2019-20, DFID worked closely with the Department for Environment, Food and Rural Affairs (DEFRA) to tackle the illegal wildlife trade, support food security, and tackle waste and pollution.

Cross-government work on Official Development Assistance (ODA) in 2019-20 was overseen by a senior officials group with recourse to a ministerial group, if needed, to consider issues of coherence and value for money across the entire ODA budget. While individual departments are ultimately accountable for their own ODA spending, these groups promote a consistent and collaborative approach to ODA.

The cross-government funds are an important way for us to ensure that ODA and non-ODA work is aligned. The Conflict, Stability and Security Fund and the Prosperity Fund both give the flexibility for ODA and non-ODA to be blended to alleviate poverty and respond to the priorities of the National Security Council, including addressing conflict and insecurity. They also offer a flexible model for cross-government working on some of the most difficult issues that we face.



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## COVID-19 response

From January 2020, DFID has been a leading contributor to the international response to the COVID-19 outbreak. Using our expertise in humanitarian response, science and technology and our global influence, DFID has used UK aid to its full effect to help counter the health, humanitarian, economic, rights, governance and security impact and risks of this pandemic in the developing world. If we do not tackle the health impacts in developing countries, the risk to the UK will remain.

The pandemic affects us all, but it particularly threatens those in extreme poverty, the displaced and those in conflict-affected states where livelihoods are more fragile and health and other basic services weaker. The disease threatens to undermine the significant gains made towards achieving the Global Goals. In February and March 2020, we undertook a range of actions to help stop the spread of the disease, save lives and prevent economies from collapsing. We intervened rapidly to maximise impact and agreed early action:

- To find a vaccine, the UK has already gone beyond its share by committing £250 million to the Coalition for Epidemic Preparedness Innovations (CEPI).
- In support of the World Health Organisation's (WHO's) emergency flash appeal.
- To help prevent the poorest countries, which represent a quarter of the world's population, from collapse by supporting their economies and access to skills and education through the International Monetary Fund's Catastrophe Containment and Relief Trust.
- To support community-level response through the International Federation of the Red Cross and Red Crescent Societies.
- To support infection prevention and access to safe water with UNICEF.
- In partnership with Unilever to inform 1 billion people around the world about the importance of hygiene in tackling COVID-19 and distribute more than 20 million hygiene and cleaning products, including in areas where there is little or no sanitation.

In addition, we have urgently redirected existing support and programmes to respond to COVID-19 and worked with UN agencies, global leaders, commercial partners and civil society to ensure a strong and coordinated international response.

The COVID-19 pandemic is an education crisis as well as a health crisis: 1.5 billion children are out of school, putting the most disadvantaged girls at risk of dropping out permanently. DFID is adapting its bilateral education programmes in 18 countries in the face of the epidemic and in April 2020 we announced an additional £5m in emergency aid to Education Cannot Wait for its COVID-19 response, as part of the UK's broader global humanitarian response. Up to 26 countries stand to benefit.

# DFID's contribution to global development

Alongside our response to the impact of COVID-19, in a world of serious threats to UK and global stability, DFID's resources are focused on where the need is greatest, providing support in fragile and conflict-riven states, protecting lives and reducing poverty. Examples of where DFID has played a strong global leadership role in 2019-20 include:

- **Humanitarian relief (see page 39-43):** As a world leader, the UK's 24/7 monitoring and readiness means we can act quickly and flexibly to save lives when a disaster strikes. In 2019-20, DFID played a leading role in the response to humanitarian emergencies, including:
  - In Syria, from April to September 2019, UK aid provided 365,000 vaccines and gave more than 1 million people access to clean drinking water;
  - In Afghanistan, DFID provided more than 1.4 million people with assistance, including water and sanitation, food assistance, nutrition, protection, shelter or non-food items, cash, and health services;
  - In Bangladesh, we provide support to over 1 million Rohingya refugees and host communities, including food, healthcare, water and sanitation;
  - In the Democratic Republic of the Congo, we reached over half a million people with food aid, cash and voucher transfers, 150,000 children under the age of 5 with urgent nutritional assistance, and 800,000 people with access to clean drinking water;
  - In Yemen, from April 2019 to March 2020, DFID provided over 400,000 children and pregnant and breastfeeding women with nutrition interventions.

(This contributes to Global Goals 3, 8, 10 and 13.)

- **Girls' education (see page 53):** The UK stands up for the right of every girl in the world to have 12 years of quality education and the Prime Minister has appointed DFID and FCO minister Baroness Sugg as his Special Envoy on this theme. Examples of our work include:
  - Our flagship Girls' Education Challenge is supporting up to 1.5 million girls and young women to access quality education.
  - In Pakistan's Khyber Pakhtunkhwa province, we are providing stipends to enable more than 444,750 girls to attend secondary school and supporting over 2,200 girls' community schools.
  - In Ethiopia, DFID support to government planning has seen gender parity rise from 0.63 in 2017 to 0.69 in 2019.

(This contributes to Global Goals 4 and 5.)

- **Ending preventable deaths (see page 51-53):** We are building on our efforts to end preventable deaths of mothers, new-born babies and children by supporting achievement of universal health coverage, promoting healthier environments for healthier lives, and championing the rights of women and girls. For example:
  - As part of our efforts to eradicate COVID-19, malaria and Ebola, we have supported the development of 7 new drugs for malaria, more than 20 diagnostics for faster and more reliable detection of tuberculosis, malaria and sleeping sickness, a novel child-friendly treatment for tuberculosis and new vaccines for rotavirus.
  - We are on track to deliver the UK results target through Gavi (Vaccine Alliance) to immunise 76 million children and save 1.4 million lives between 2016 and 2020.

- We will prevent more than 5 million unplanned pregnancies per year and save an estimated 9,000 women's lives per year from complications in pregnancy or childbirth by providing over 20 million women and girls with access to family planning per year from 2020-25.
- It is estimated that research through the DFID supported Medicines for Malaria Venture has saved at least 1.5 million lives to date.

(This contributes to Global Goal 3.)

- **Leading the global fight against climate change (see page 37-39):** Climate change is a challenge that faces us all and it is having wide-ranging effects on economies, livelihoods, access to education and natural resources. The poorest communities, and girls and women within them, are likely to be hardest hit, which is why we are investing in building the resilience of the world's poorest by doubling the UK's International Climate Finance which, since 2011, has:

- Helped 57 million people cope with the effects of climate change.
- Provided access to clean energy for 26 million people.
- Supported reductions of 16 million tonnes of greenhouse gas emissions globally.

The UK will be hosting COP26 next year, where we will continue to build momentum and engage with all involved to increase climate ambition, build resilience and lower emissions, and protect our natural environment. (This contributes to Global Goal 13.)

- **Building productive and sustainable economies (see page 44-50):** Poverty reduction and economic development are intrinsically linked. We recognise that women's economic empowerment is critical to achieving genuinely inclusive growth and our leadership on women's economic empowerment and gender smart investing continues. For example:

- We are on track to reach 300,000 women through the Work and Opportunities for Women programmes.
- 'Better Work Bangladesh' is an initiative to improve the working conditions and safety standards in the ready-made garments sector. There were over 600,000 workers in Better Work-registered factories in Bangladesh, 56% of whom were women, by the end of March 2020.
- In Nigeria, DFID's Propcom Mai-karfi programme raised the incomes of 190,000 poor farmers and small-scale rural entrepreneurs, 60,000 of whom were women.
- Since 2018, the SheTrades Commonwealth Programme has helped over 3,200 women-owned businesses build stronger brands, develop export strategies and grow their client base.
- At the UK-Africa Investment Summit in January 2020, we agreed new lasting partnerships between the UK and African countries to deliver even more investment, jobs and growth. The UK's development finance institution, CDC, made new investment commitments totalling more than £1.6 billion and had an investment portfolio of some £4.7 billion invested across 66 countries.

(This contributes to Global Goals 10 and 17.)

- **Peacebuilding, stability and justice (see pages 32-36):** The UK was instrumental in securing Global Goal 16 on peace, justice and institutions and DFID has spent over 50% of its budget in fragile states since 2015. DFID has been scaling up work and new programming to address drivers of instability, including conflict prevention, violent extremism and terrorism, security and justice, and serious and organised crime. For example:

- The UK is a global leader in tackling violence against women and girls around the world, in all its forms, by pioneering approaches that have reduced violence by around 50%. The UK is at the forefront of international efforts to end child, early and forced marriage.
- We support programmes registering and educating women as voters and working with female candidates to promote women's political empowerment.
- In 2019-20, DFID delivered programmes dedicated to reducing vulnerability to radicalisation and recruitment, including a 5-year programme in Kenya to improve relationships between vulnerable communities and security services.

- DFID support released over 133 million square metres of land and delivered mine risk education sessions to more than 946,000 men, women, boys and girls.

(This contributes to Global Goals 1 and 16.)

- **Disability inclusion (see page 56):** In its report in July 2019 the International Development Committee commended DFID's leadership in disability inclusion. It recognised the impact of the Global Disability Summit in 2018 for highlighting disability rights worldwide and praised the ambition set out in DFID's first Disability Inclusion Strategy. We have made significant progress, with 74% of commitments underway, and 10% already completed. For example:

- In Jordan, assistive technology is being integrated into humanitarian programming, with people with disabilities provided with assistive devices such as crutches, wheelchairs and prosthetic limbs.
- Through the Girls' Education Challenge, we have helped over 46,000 girls with disabilities receive an education.

(This contributes to Global Goal 10.)

- **Safeguarding (see page 24):** DFID has led the way galvanising action across the aid sector to drive up standards on safeguarding against sexual exploitation and abuse and sexual harassment (SEAH). We continue to drive action across the sector on the commitments presented at the UK-hosted 2018 International Summit. For example, in 2019-20:

- The SEAH Reference Group of the Development Assistance Committee (DAC) of the OECD, which the UK co-chairs, achieved agreement amongst the world's 30 major global bilateral donors to adopt the DAC Recommendation on Ending SEAH.
- We began implementing a project with Interpol which aims to strengthen criminal record checks and information sharing between law enforcement agencies and aid sector organisations.
- We are supporting the development and rollout of the Misconduct Disclosure Scheme, which, in its first pilot year, stopped more than 10 individuals with a record of sexual misconduct from moving around the sector undetected.

(This contributes to Global Goals 5 and 10.)

- **Supporting a rules-based international response to global challenges (see page 57-58):** As a global leader in development and top donor to many of the world's leading international organisations, DFID has a respected voice and significant influence to shape the international system in line with UK values. Examples of our work in 2019-20, include:

- Our influence helped achieve a 27.5% overall increase in funding allocated to conflict-affected and fragile states, through the World Bank's International Development Association (IDA).
- Also, through the IDA, we secured more support for governments to tackle violent conflict and assist refugees and host communities.
- Our influence helped secure public commitments by the African Development Bank to significantly strengthen its approach to fragile countries.

Our investment and relationships with the UN and multilateral system are playing a central role in the UK's push to galvanise a stronger global response to the COVID-19 crisis. (This contributes to Global Goal 17.)

- **Transparency (see page 62):** DFID is committed to transparency and is consistently ranked amongst world leaders in Publish What You Fund's Aid Transparency Index. DFID scored as "very good" in the UK Aid Transparency Review released in January 2020. (This contributes to Global Goal 17.)

# Leaving the European Union

On 31 January 2020, the UK left the EU. This does not change the UK's commitment to supporting the world's poorest and most vulnerable people. We will now be able to make our own decisions about where, when and how we invest Official Development Assistance that would have been channelled through the EU.

The revised Withdrawal Agreement and Political Declaration were agreed at the European Council meeting on 17 October 2019. Under the Withdrawal Agreement, the UK will meet its share of obligations to EU development programmes made during the period of membership at a declining rate until 2027, and UK organisations will remain eligible to implement those programmes until completion. UK Overseas Territories will also continue to receive EU development funding under current programmes. For DFID, this means that we will meet our commitments to all EU development programmes approved by 31 December 2020 until their closure. In the longer term, EU rules mean that UK organisations will still be eligible to bid for programmes delivered in Least Developed Countries and Highly Indebted Poor Countries.

The Political Declaration sets out the parameters of a future relationship with the EU. On development it presents a joint commitment to “promote sustainable development and the eradication of poverty and to continue to support the implementation of the United Nations Global Goals and the European Consensus on Development”.

DFID is also working with the Department for International Trade to unlock even more opportunities for developing countries. An independent trade policy will allow the UK to improve our offer to developing countries over time. This includes a new unilateral preferences scheme creating more trading opportunities for around 70 developing countries; agreeing, implementing and then looking to deepen our Economic Partnership Agreements with around 30 African Caribbean and Pacific countries; and integrating development interests into UK trade policy, including Free Trade Agreements and tariff arrangements.

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## DFID's legislative framework

DFID operates in accordance with the International Development Act 2002, which provides the main legal basis for UK development assistance. The International Development (Reporting and Transparency) Act 2006 requires DFID to report annually to Parliament on development policies and programmes, the provision of development assistance and the way it is used. This report discharges DFID's responsibilities under the International Development (Reporting and Transparency) Act for 2019-20.

The International Development (Official Development Assistance Target) Act 2015 enshrined in law the UK's commitment to spend 0.7% of gross national income on Official Development Assistance (ODA). Section 5 of the Act requires the Secretary of State to make arrangements for the independent evaluation of the extent to which ODA provided by the UK represents value for money in relation to the purposes for which it is provided, and to report on how the Secretary of State has complied with that duty. This information can be found on page 63.

In accordance with the International Development (Gender Equality) Act 2014 (which amends the 2002 and 2006 Acts), the Secretary of State must have regard to gender equality when providing development or humanitarian assistance. The Gender Act provisions have been incorporated into DFID's programme management rules and all DFID business cases and humanitarian submissions (which do not have an associated business case) are required to provide evidence of the due regard given to gender equality.

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## DFID's people

In 2019-20, the average number of whole-time equivalent persons employed by DFID was 3,535 (3,526 in 2018-19<sup>4</sup>), including 2,198 in the UK and 1,337 overseas.

DFID's overall workforce decreased during the year to 3,412 in March 2020 (3,563 in March 2019<sup>5</sup>). Home civil servant numbers decreased during the year by 5% (from 2,762<sup>6</sup> to 2,628) whilst the numbers of staff appointed in-country remained relatively stable (796<sup>7</sup> in March 2019, and 773 in March 2020).

DFID has continued to invest in building the capability of its workforce and in engaging with other government departments to ensure alignment of priorities and programmes achieve maximum impact of overall cross-government ODA spend.

During 2019-20, DFID was responsible for 2 non-departmental public bodies (NDPBs):

- the Commonwealth Scholarship Commission in the United Kingdom, which manages the UK contribution to the Commonwealth Scholarship and Fellowship Programme; and
- the Independent Commission for Aid Impact, which provides independent scrutiny of UK Government aid.

More information on DFID's staffing, governance structure and NDPBs can be found in section 2 of this report.

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4 This figure is not a direct comparator as the methodology used to calculate has been changed to align with other external reporting.

5 This figure is different to that stated in the 2018-19 report (3,638) as the methodology used to calculate has been changed to align with other external reporting.

6 This figure is different to that stated in the 2018-19 report (2,761) as the methodology used to calculate has been changed to align with other external reporting.

7 This figure is different to that stated in the 2018-19 report (872) as the methodology used to calculate has been changed to align with other external reporting.

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# DFID's approach to risk management

We strive for the highest standards of integrity and accountability. We are committed to the appropriate and responsible use of public funds, transparency, and the requirements of relevant legislation. We manage risks to achieve our objectives in a way which maximises development impact and value for money, while keeping people safe.

We operate in highly challenging environments. We are willing to take carefully considered and well-managed risks to deliver UK objectives and achieve development outcomes for the poorest and most vulnerable. We undertake higher-risk activities where the situation (for example, a humanitarian emergency) or the expected results justify them. We also accept risk to innovate, build the evidence base and work in new and transformative ways. When undertaking higher-risk activities, we ensure we are comfortable that the mitigating actions keep the risk to an acceptable level. In judging what is an acceptable level of residual risk, we demonstrate flexibility to adapt our approach to the context and available evidence base.

The rapidly changing external context in 2019-20 has seen our risk profile rise, and we have further strengthened our risk management framework and approach to respond effectively. We closed the year by managing through new risks around ongoing uncertainty about the global impact of COVID-19, and its impact on our objectives and our partnerships with our stakeholders.

We managed the risks associated with the impact of COVID-19 through robust prioritisation of our portfolio to ensure a rapid response to save lives and livelihoods and in-depth partner engagement.

We managed risks to delivery of ambitious UK priorities like girls' education, the Global Goals, and climate and environment, including by showing global leadership, investing across our diverse portfolio and strengthening our technical capabilities.

We managed risks to our capability to respond to humanitarian crises quickly and effectively, including by investing in the international humanitarian system and flexible, rapid funding mechanisms and close engagement with our delivery partners.

We have sustained momentum on controlling risks of fraud and aid diversion, and sexual exploitation and abuse and sexual harassment, maintaining a strong focus on ensuring we operate the controls to prevent abuse and investigate thoroughly if it occurs. This is in line with our public commitments and delivering against our medium-term strategy which is designed to improve prevention and response in our own work and that of all others involved in the aid sector.

Further detail of the main strategic risks DFID has responded to in 2019-20 is set out in the performance analysis (page 65).



# Safeguarding

Since February 2018, DFID has taken a lead in pushing for improved global standards and performance in safeguarding against sexual exploitation and abuse and sexual harassment (SEAH) in the aid sector. We continue to deliver the commitments made at the October 2018 London Safeguarding Summit to: prevent SEAH from occurring; listen to those who are affected; respond sensitively but robustly when harm or allegations of harm occur; and learning from every case. We need to continue to tackle the underlying power imbalances, including gender inequality, that can lead to SEAH.

Our work in 2019-20 has built on that strong platform and is starting to deliver results. We are driving collective action by convening and chairing multiple groups across the sector, including the SEAH Reference Group of the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD), whose work saw, in July 2019, the world's 30 major global bilateral donors agree to adopt the DAC Recommendation on ending SEAH.

We consult victims and survivors as we develop policy and initiatives, including via an independent reference group. We have upped our engagement with representatives of groups at higher risk such as people with disabilities, children and those who self-identify as LGBT+.

We have made strong progress on closing the loop on individuals who work in the sector but abuse others, including through our chairmanship of a steering group that is developing an aid worker registration scheme. A pilot is due to launch by the end of 2020, which will also equip those who conduct themselves appropriately with a trusted source of evidence that details their positive work history. We began implementing Project Soteria with Interpol, which aims to strengthen criminal record checks and information sharing between law enforcement agencies and aid sector organisations. We are also supporting the development and rollout of the Misconduct Disclosure Scheme, which, in its first pilot year, stopped more than 10 individuals with a record of sexual misconduct from moving around the sector undetected.

We continue to hold ourselves to at least the same high standards we expect of our partners. DFID's Management Board sets overall strategy on an annual basis and receives monthly updates on the main strategic safeguarding risks faced by DFID. Vigilance in every programme and project will help our beneficiaries and the UK public be confident that we are spending aid effectively and keeping people safe. A Safeguarding Delivery Board, chaired by our director general safeguarding champion, meets quarterly to monitor progress against the strategy.

We have a strong focus on building staff capability. Mandatory training on safeguarding for all staff is now in place to build confidence and ensure everyone knows their responsibilities. We deliver bespoke training and events for country offices and have launched a network of over 50 staff across all our spending departments to strengthen frontline safeguarding capability.

DFID saw an increase in the number of internal SEAH cases reported, up from under 5 in 2018-19, to 26 this year. This followed a strong internal communications campaign that drew attention to DFID's Safeguarding Investigations Team and encouraged staff to report any concerns.

Internal SEAH cases are categorised as any case where the survivor, or the subject of complaint, is a DFID staff member. DFID concluded 14 cases in 2019-20 where the survivor or subject of complaint was a DFID staff member. In 11 cases the allegations were upheld. In all cases where an investigation concluded that the allegations against a DFID staff member were upheld, disciplinary action was taken up to and including dismissal (fewer than 5 staff were dismissed and fewer than 5 were issued warnings).<sup>8</sup>

Since setting clear expectations in early 2018 that DFID partners must report credible suspicions and actual allegations of abuse, we have seen an increase in the number of safeguarding concerns being

<sup>8</sup> In some cases, the survivor was a DFID staff member and the subject of complaint was not a DFID staff member. The disciplinary outcome for these cases has not been included in DFID's Annual Report. In line with standard practice, when the number is below 5, we state it as that rather than giving an actual number.

reported by DFID's implementing partners, from 73 in 2017-18, to 260 in 2018-19 and 452 in 2019-20. DFID receives reports of different types of safeguarding concerns. The most common in 2019-20 were SEAH (60%), discrimination and harassment (20%), physical abuse (10%) and child exploitation (10%). The 3 most common outcomes in cases were disciplinary action or dismissals (34%), other partner action taken (24%), and no evidence (16%).

# Financial summary

## Expenditure

**DFID's total expenditure in 2019-20 was £10,830 million.** As in previous years, the majority of this was spent on programme expenditure. Of total programme expenditure, 63% was spent on bilateral programmes and 37% on multilateral programmes. DFID spent £324 million (2018-19: £326 million) on operating costs, 3.0% of total spend (2018-19 3.0%). A machinery of government change on 1 April 2019 saw the Government Equalities Office and Equality and Human Rights Commission transferred from DFID to the Cabinet Office, therefore revising the 2018-19 comparatives to £305 million operating costs, 2.8% of total spend (£20.8 million total operating costs, £15.9 million programme). The increase of 0.2% is due to Africa Strategy costs included for the first time in 2019-20, and an increase in the cost to DFID of the shared government overseas platform.

**DFID continues to drive value for money in everything we do,** ensuring we utilise our budget in the most effective and efficient way through good financial management, and by continually improving our commercial and programme management.

The UK Aid Strategy makes it clear that delivering our development goals, including meeting the government's commitment to spend 0.7% of gross national income (GNI) on development, requires a whole-of-government approach. DFID supports other departments and funds to ensure their spend complies with the Organisation for Economic Co-operation and Development (OECD) Official Development Assistance (ODA) rules. We continue to share our experience and best practice in programme delivery with ODA-spending departments and funds. It is their responsibility to ensure all their ODA offers value for money for the UK taxpayer and that it complies with OECD rules.

Further information on DFID's expenditure is set out in sections 1.2, 2 and 3 of this report.

## Trends in Total Managed Expenditure

Since 2015-16, departmental spending has increased by £0.9 billion to meet the 0.7% target of GNI. The table below shows how spending has changed over the past five years. Note 2018-19 figures include the Government Equalities Office and the Equalities and Human Rights Commission, responsibility for which transferred to the Cabinet Office as of 1 April 2019. The department's capital expenditure decreased in 2019-20 due to the reduced level of multilateral commitments, and therefore funding moved to Resource Departmental Expenditure Limit (RDEL) programming. The increase in Capital Annual Managed Expenditure (CAME) from 2017-18 to 2019-20 is a result of the new strategic framework that CDC and DFID agreed in 2017 for the 5 years to 2021, to support DFID's economic development policy.

	2015-16 Outturn £m	2016-17 Outturn £m	2017-18 Outturn £m	2018-19 Outturn £m	2019-20 Outturn £m
<b>Departmental Expenditure Limit</b>					
Programme	6,896	7,143	7,278	6,870	7,678
Capital	2,125	2,591	2,713	3,105	2,036
Total Operating Costs*	241	264	279	326	324
<b>Total DEL</b>	<b>9,263</b>	<b>9,998</b>	<b>10,271</b>	<b>10,301</b>	<b>10,038</b>
<b>Annually Managed Expenditure</b>					
Resource	173	159	303	(155)	(163)
Capital	450	285	395	736	955
<b>Total AME</b>	<b>623</b>	<b>444</b>	<b>698</b>	<b>581</b>	<b>792</b>
<b>Total Managed Expenditure</b>	<b>9,886</b>	<b>10,442</b>	<b>10,969</b>	<b>10,882</b>	<b>10,830</b>

\*Figures include all DFID's Arm's Length Bodies and depreciation.

## Going concern

On 16th June 2020, the Prime Minister announced that from September 2020, DFID and the Foreign and Commonwealth Office would merge into a new department called the Foreign, Commonwealth and Development Office (FCDO), which will be led by the Foreign Secretary. All functions of the two existing departments will transfer into the FCDO. It is not possible at this stage to make an accurate estimate of the financial effect of the creation of the FCDO. As a merger, it is expected that DFID's existing activities will continue within the public sector, and the department will continue to receive funding through future grants of supply and by the application of future income, both to be approved annually by Parliament. Such approval for amounts required for 2020-21 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 and there is no reason to believe that future approvals will not be forthcoming. Any further adjustments to the new department's required funding is expected to be addressed through the Supplementary Estimates process. It has accordingly been considered appropriate to adopt a going concern basis for the preparation of these financial statements.



# Performance Report

## Performance Analysis

### 1.1 Single Departmental Plan

DFID's Single Departmental Plan (SDP) 2019-20,<sup>9</sup> published in June 2019, set out DFID's 6 strategic objectives (SOs) for 2019-20. These were structured around the UK's efforts to reduce poverty and deliver the Global Goals in line with the UK Aid Strategy and help deliver the UK Government's wider national security objectives.

We invested in People, Peace, the Planet, Prosperity and Partnerships – all underpinned by a focus on quality, value for money and transparency. All of DFID's operating segments contributed to each of the strategic objectives.

The global disruption caused by COVID-19, and the reprioritisation of DFID's efforts to help tackle the crisis in developing countries, has impacted the capacity of our country offices and partners to adequately quality assure our latest results data for 2019-20. Therefore, considering the Office for Statistics Regulation's guidance on statistical practice during the coronavirus outbreak, and our voluntary commitment to the Code of Practice for Statistics, the Chief Statistician has decided to delay publication of updates for some results estimates until August 2020. Results for which it has been possible to quality assure to an appropriate standard have been published in this report and on the results estimates webpages.<sup>10</sup> These are results where the data comes entirely from specific DFID centrally managed programmes, from DFID corporate systems or are provided to DFID by multilateral organisations.

The latest available data was published on DFID's results estimates webpages.<sup>11</sup> It shows that DFID achieved the following results towards its single departmental plan commitments:

- Supported 14.3 million children to gain a decent education, between April 2015 and March 2019.
- Reached 32.6 million people, including at least 10 million women and girls, with humanitarian assistance between April 2015 and March 2019.
- Reached 50.6 million children under 5, women of childbearing age and adolescent girls through our nutrition-relevant programmes from April 2015 to March 2019.
- Supported 23.5 million women and girls to use modern methods of family planning between April 2018 and March 2019.
- Supported 51.8 million people to access clean water and/or better sanitation between April 2015 and March 2019.
- Continuously supported 26 countries to manage their public finances more transparently since 2016, and 40 countries in 2018-19 alone.

Results for the above indicators will be updated in August 2020 and made available through the results estimates webpages. The following tables show the results which we have been able to quality assure. They cover the period April 2015 to March 2020, except where otherwise stated.

Strategic risks to DFID's performance are described on page 65.

Activities and achievements under the 6 strategic objectives are covered in pages 29-64. Where achievements relate to an individual year (ie 2019), this refers to the calendar year.

<sup>9</sup> <https://www.gov.uk/government/publications/department-for-international-development-single-departmental-plan/department-for-international-development-single-departmental-plan--2>

<sup>10</sup> <https://www.gov.uk/guidance/dfid-results-estimates>

<sup>11</sup> <https://www.gov.uk/government/collections/dfid-results-2018-to-2019>

## 2019-20 progress against single departmental plan indicators and other headline results

### Strategic Objective 1

	2015	2016	2017	2018	2019
DFID spend on fragile states	53%	57%	57%	54% <sup>12</sup>	Data not yet available <sup>13</sup>

### Strategic Objective 2

	2015-16	2016-17	2017-18	2018-19	2019-20
International climate finance to build the resilience of vulnerable people to the impacts of climate change and support low carbon development <sup>14</sup>	£827,000,000	£755,000,000	£586,000,000	£807,000,000	£761,000,000

	2015-16	2016-17	2017-18	2018-19	2019-20
Development capital investment level to create more and better jobs that benefit people across society, including women (cumulative)	£505,000,000	£819,000,000	£1,247,000,000	£2,029,000,000	£3,039,000,000

### Strategic Objective 3

	2015	2016	2017	2018	2019
Spend on improving tax systems	£32,600,000	£26,000,000	£27,200,000	£23,300,000	£29,000,000
Investments mobilised by Private Infrastructure Development Group (PIDG) <sup>15</sup>	£1,700,000,000	£1,600,000,000	£1,600,000,000	£2,000,000,000	£1,600,000,000
Investment mobilised by CDC <sup>16</sup>	US\$ 1,500,000,000	US\$ 1,100,000,000	US\$ 700,000,000	US\$ 576,000,000	US\$ 876,000,000
Development impact portfolio score for CDC (out of a maximum of 4) <sup>17</sup>	3.15	3.04	3.01	2.95	2.94

12 As of 2020 DFID updated its methodology for calculating spend in fragile states adopting the [OECD fragility framework](#). Calculation of the latest figure for 2018 uses this new definition. Using the previous definition, the figure would be 56%.

13 Calculation of spend in fragile states requires breakdown of multilateral contributions by country, which are only available for final statistics on ODA in autumn each year. The next final statistics on ODA will be published in autumn 2020, therefore, spend in fragile states for 2019 will be published in 2021.

14 DFID, along with other donors, has made commitments to multilateral climate funds such as the Climate Investment Funds, Green Climate Fund and Global Environment Facility. These bodies run on multi-annual rather than annual replenishment models. The value and timing of DFID's contributions therefore fluctuates year on year depending on the financing needs of each fund.

15 PIDG figures represent total commitments for private sector investment reaching financial close in each of the calendar years shown. Figures are rounded to the nearest £0.1 billion.

16 CDC figures here are calculated based on OECD methodology.

17 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. CDC is incentivised to make investments in low income countries where private sector capital is scarce, and in business sectors which create the most jobs in an economy. Individual investments are scored by the difficulty of the geography where the investment is to be made and by its propensity to create employment. These results are well above the target score of 2.4, out of a maximum of 4. Although there is a slight year on year fall in the score, the performance indicates that CDC investments over the last 3 years are steered towards challenging countries and job-creating sectors. This is in line with the Investment Policy that DFID has set for CDC, alongside its Code of Responsible Investing. Further details on investment selection can be found on the CDC website at <https://www.cdcgroup.com/en/how-we-invest/investment-strategy/>

## Strategic Objective 4

	2015-16	2016-17	2017-18	2018-19	2019-20
Number of people reached with treatment or care for one or more neglected tropical diseases (cumulative)	No data	No data	109,200,000	140,600,000	166,100,000

	2015	2016	2017	2018	2019
Number of children immunised (cumulative)	20,000,000	37,430,000	56,420,000	74,310,000	Data not yet available <sup>18</sup>
Number of lives saved by immunisation (cumulative)	250,000	610,000	990,000	1,450,000	Data not yet available
Number of cases of wild poliovirus globally (Global Polio Eradication Initiative to eradicate polio)	74	37	22	33	175

## Strategic Objective 5

	2015	2016	2017	2018	2019
UK's investment in the multilateral system (core multilateral ODA) compared with other Development Assistance Committee donors	£4,473m Rank 1	£4,843m Rank 1	£5,256m Rank 1	£5,289m Rank 1	£5,061m <sup>19</sup> Rank not yet available

## Strategic Objective 6

	2015-16	2016-17	2017-18	2018-19	2019-20
Portfolio Quality Index	103	104	102.36	102.4	104.5 <sup>20</sup>

	2015	2016	2017	2018	2019
International commitment to spend 0.7% of gross national income on Official Development Assistance	0.7%	0.7%	0.7%	0.7%	0.7% <sup>21</sup>

<sup>18</sup> The 2019 figures for the number of children immunised and lives saved will not be confirmed until later in 2020, since Gavi publish its data after our ARA publication, resulting in a reporting lag. The 2018 data here is the latest available data, updated from last year, and 2019 data will be published in 2021.

<sup>19</sup> The value for 2019 is provisional and OECD data on donor rankings for 2019 is not yet available.

<sup>20</sup> Annual fluctuations on PQI are expected, but there remains a positive overall trend. More information on DFID statistics and the impact DFID programmes are having in the world can be found at [www.gov.uk/dfid](http://www.gov.uk/dfid)

<sup>21</sup> This is based on provisional statistics on ODA available at the time of publication. Final statistics on 2019 ODA will be published in autumn 2020.



## Strategic Objective 1 PEACE: Strengthen global peace, security and governance

DFID’s work under SO1 is fundamental to poverty reduction overseas and to our national security. Peace, security and good governance are the building blocks of stable, prosperous societies. Over the last 15 years, we have seen extraordinary reductions in the number of people living in extreme poverty, but in the future, on pre-COVID-19 trends, 80% of the world’s poor will live in fragile contexts by 2030. Conflict, violence, insecurity, injustice and weak governance are likely to become even stronger causes of poverty over the coming years, with poverty and fragility becoming increasingly interlinked.

DFID works to promote the conditions that encourage development and address the root causes of instability: strengthening the rule of law; promoting conflict resolution; tackling extremism, corruption, serious and organised crime and illicit financial flows; and helping to build open, accountable institutions. This work promotes the UK’s values of democracy and freedom of speech. Stable, peaceful, prosperous developing countries are better placed to tackle violent extremism and serious organised crime before they become a problem for the UK.

### Global Goals

DFID’s work under SO1 is contributing particularly to the following Global Goals, amongst others:



### Activities and achievements

#### Tackle the causes of instability, insecurity and conflict

##### Fragile states and regions

Based on the latest available data, DFID continued to meet its Strategic Defence and Security Review commitment to spend at least 50% of our budget on fragile states in 2019-20. A considerable proportion of our spending is in extremely fragile countries across the Middle East, Africa and Asia, including additional funding to deal with the impacts of the Syrian crisis.

Throughout the year, we worked at international, national and community levels. For example, in Somalia, DFID continued to support programmes aimed at resolving conflict between communities and political actors, building the capacity and legitimacy of Federal Member State institutions, and ensuring that women were represented in political decision making. In Central Asia, DFID programmes supported regional stability, including by helping to improve trade and connectivity between countries. Internationally, we have supported delivery of the Global Goals by continuing our engagement with the UN and the World Bank to focus their attention and resources on prevention of conflict.

##### Promote effective, accountable and inclusive institutions and championing British values around the globe: freedom, democracy, tolerance and the rule of law

DFID’s Partnerships for Development programme is strengthening selected institutions in around 20 developing countries through peer-to-peer partnerships with UK counterpart institutions. Over the past year, new partnerships have been agreed with the Government Digital Service, to help build digital platforms for transparency and equitable service provision; the Department for Education, to help education policy reform in pilot countries; and the National Audit Office to strengthen Supreme Audit Institutions in pilot countries. Established partnerships are performing well, including with the UK legal sector, the British Geological Survey and the National Crime Agency.

The Supporting Open Government and Transparency programme aims to drive open government reforms in specific countries. It enables the Open Government Partnership to scale up, strengthen its global influence and deepen open government reform implementation and transparency results in developing countries. The programme responds to increased demand from countries for support to design and implement locally owned open government reforms through their National Action Plans.

### **Tackle violent extremism**

DFID's work on countering and preventing violent extremism delivered on the commitments set out in the 2018 CONTEST Strategy and National Security Capability Review. DFID agreed to deliver upstream preventative work in fragile countries to address the long-term drivers of terrorism and violent extremism, alongside piloting new work focused on addressing the drivers of radicalisation and recruitment in specific high-risk communities.

Between 1 April 2019 and 31 March 2020, DFID delivered programmes dedicated to reducing vulnerability to radicalisation and recruitment, including a 5-year programme in Kenya to improve relationships between vulnerable communities and security services; a 5-year programme in north-east Nigeria to strengthen the accountability between communities and government; and a 4-year programme portfolio in Central Asia including support to returning labour migrants and developing youth relationships with local authorities. DFID also continued to design a centrally managed programme to test innovative solutions and strengthen the evidence base on building individuals' resilience to radicalisation and recruitment in overseas communities of high concern.

It is likely that violent extremist organisations will take advantage of the COVID-19 pandemic to radicalise vulnerable individuals. In our response to the pandemic, the UK Government will do everything possible not to exacerbate the drivers of radicalisation and recruitment in affected areas. We will explore opportunities to limit and reverse the influence of violent extremist organisations in vulnerable communities.

### **Commonwealth**

At the Commonwealth Heads of Government Meeting (CHOGM) held in London in 2018, leaders agreed a range of actions to build a Commonwealth that is fairer, more sustainable, more prosperous, and more secure. As current chair-in-office of the Commonwealth, the UK has continued to play an active role. A report on progress was placed in the Library of the House in May 2019.<sup>22</sup> Further information on some of the UK-funded programmes and projects is provided in other chapters of this report (see pages 36, 46, 52 and 53). The next CHOGM has been postponed due to the COVID-19 pandemic, but will be hosted by Rwanda, with the theme 'Delivering a Common Future: Connecting, Innovating, Transforming'.

### **Demining**

More than 60 million people still live with the daily threat of injury or death from landmines. In 2019-20, DFID continued to deliver the Global Mine Action Programme 2 (GMAP2) in Afghanistan, Angola, Cambodia, Iraq, Laos, Lebanon, Myanmar, Sri Lanka, Somalia, South Sudan, Sudan, Syria, Vietnam, Yemen and Zimbabwe. GMAP2 includes mine clearance, risk education for communities at risk and capacity development to help national authorities manage the landmine threat. Between April and December 2019, DFID support released over 120 million square metres of land and delivered mine risk education sessions to more than 850,000 men, women, boys and girls.

### **Democracy and countries facing state-based threats**

We are working to identify new ways in which Official Development Assistance (ODA) can be deployed to strengthen democracy and counter hostile state activity, including via 3 new central programmes in media freedom and civic space: Protecting Independent Media for Effective Development (in Bangladesh, Ethiopia and Sierra Leone); Protecting Rights, Openness and

<sup>22</sup> <https://www.parliament.uk/documents/commons-committees/foreign-affairs/Correspondence/2017-19/190508-FAC-Mid-Term-Report-on-Commonwealth-Delivery.pdf>

Transparency – Enhancing Civic Transformation (in Kenya, Malawi and Myanmar); and Aswat Horra ('Free Voices' – in the Middle East and North Africa region).

DFID supports inclusive and accountable political processes, including through the Westminster Foundation for Democracy, which supports the transparency and accountability of parliaments, for example through parliamentary committees and engaging women's networks. All of DFID's democratic governance work promotes women's political empowerment, by registering and educating women as voters, working with female candidates, supporting women's rights organisations, and by combatting violence against women and girls.

We have recently supported electoral processes in Zimbabwe, Pakistan, DRC, Mozambique and Sierra Leone, amongst others.

## **Tackle crime, corruption and violation of basic human rights**

### **Anti-corruption**

The government is determined to make the UK a hostile environment for corruption and all forms of economic crime and illicit finance. DFID continued to work with domestic and international partners, including developing countries, to boost global efforts to tackle corruption, increase transparency, and promote anti-corruption measures in procurement systems and free trade agreements, delivering DFID's commitments in the UK Anti-Corruption Strategy (2017-22).

DFID leads a cross-government Business Integrity Initiative to help businesses guard against bribery, corruption and human rights abuses when trading with developing countries. More than 70 companies have so far used the Business Integrity Initiative's services in the UK and 3 pilot countries (Kenya, Mexico and Pakistan).

The UK works to make secret companies a thing of the past. With support from DFID, 7 million owners from 170 jurisdictions are now registered on the Global Open Ownership Register making it harder for corrupt individuals to hide stolen assets behind secret corporate structures.

DFID continued to support the National Crime Agency (NCA) and Crown Prosecution Service to reduce incentives for corrupt individuals in developing countries to use the UK to launder money, or for UK business and UK nationals to pay bribes in developing countries. Since DFID started funding this in 2006, 30 people and companies have been convicted of corruption offences and almost £1 billion of assets stolen from developing countries have been restrained, recovered or returned to developing countries. The NCA has also used new unexplained wealth orders to good effect, including against the wife of an Azerbaijani banker, jailed for corruption offences, who spent £16 million in Harrods.

### **Tackle the root causes of violence against people due to their faith, gender or sexuality**

DFID, with the FCO, continued to work to prevent violence against people because of their faith, gender or sexuality by raising individual cases with partner countries to challenge discriminatory legislation and practices through targeted support. Three UK Aid Connect projects focus on tolerance and freedom of religion or belief and LGBT+ inclusion. These projects have brought together human rights defenders, civil society organisations, academia and the private sector in 15 countries in Africa and Asia.

The UK is recognised as a global leader in tackling violence against women and girls (VAWG) in all its forms by pioneering approaches around the world that have reduced violence by around 50% in under 3 years. The year 2019-20 marked the culmination of DFID's ground-breaking 'What Works to Prevent Violence' programme, which has generated an extensive body of evidence across 16 countries in Africa and Asia. It revealed the vast scale and severity of VAWG in conflict and crisis affected settings. It also indicated that such violence is preventable. The evidence is a global public good to help the UK, other governments and international partners improve the effectiveness of efforts to prevent gender-based violence (GBV).

In May 2019, DFID Minister Baroness Sugg represented the UK at the Oslo Conference on Ending Sexual and Gender Based Violence in Emergencies, where the UK announced funding for UNFPA's humanitarian operations within Syria. We also provided support to women's rights organisations on the frontlines through our long-term partnership with the UN Trust Fund to End Violence Against Women.

'The UK National Action Plan on Women, Peace and Security 2018-2022: Annual Report to Parliament 2019' showcases the UK's achievements during 2019, and highlights work towards delivering 7 strategic outcomes in our 9 focus countries. In the DRC, DFID has supported 5,685 GBV survivors and 2,218 victims of conflict-related trauma and Conflict Related Sexual Violence. The UK also continues to provide prophylaxis kits to survivors of sexual violence. In 2019, our projects in Sudan and Colombia focused on strengthening local capacities to prevent and respond to GBV. In Iraq, DFID is the largest donor to the UN's Iraq Humanitarian Fund. In 2019, over 1.5 million women and girls received humanitarian assistance through the fund – 100,000 more than in the previous year. This includes ensuring access to GBV services for survivors and those at risk.

### **End the subjugation and mutilation of women**

Globally, more than 650 million girls and women alive today were married before their 18th birthday. The UK is at the forefront of international efforts to end child, early and forced marriage. In 2014, the UK hosted a Girl Summit with UNICEF which galvanised global commitment and supported southern-led efforts to end both female genital mutilation (FGM) and child, early and forced marriage within a generation. Since the London Girl Summit, Uganda, Bangladesh, Nepal and Ethiopia have held national Girl Summits; and the African Union hosted its second Africa Girl Summit on child marriage in Ghana in 2018. Through the UNFPA-Unicef Global Programme 'Accelerating Action to End Child Marriage', the UK is supporting efforts in 12 high prevalence countries to end child marriage.

This is a multisectoral programme, seeking results for adolescent girls at risk of getting married, or who are already married or widowed.

### **Serious and organised crime**

DFID continued to progress the vision laid out in the Prime Minister's ODA review for how UK aid can contribute to wider UK Government efforts on tackling Serious and Organised Crime (SOC), as well as delivering our commitment to the government's Serious and Organised Crime Strategy (2018).

In 2019-20, we supported the design of new SOC programming as part of the Global Protect and Prepare Programme. A SOC Adviser was deployed to Albania to design a pilot programme that will address the socio-economic, governance and criminal justice factors that drive and enable SOC. DFID has also been developing a crime sensitivity guidance tool that will support programmes to better understand and manage risks associated with SOC.

We continued to work closely with partners across government to tackle SOC internationally through the Upstream Transformation Programme. This included DFID support to a new overseas SOC policy network and contribution to a series of regional SOC Joint Analysis and Strategies. Both will help shape a unified UK Government policy on tackling the drivers of SOC overseas. In addition, we are strengthening the evidence base on SOC through two Rapid Evidence Assessments that are designed to directly inform UK Government approaches to tackling SOC.

## **Reduce irregular migration and associated vulnerabilities, tackle modern slavery, and harness regular migration**

### **Safe, orderly and regular migration**

The UK supports the Global Compact for Safe, Orderly and Regular Migration (GCM) and the Global Compact on Refugees (GCR) adopted at the end of 2018. The GCR embeds long-term, sustainable solutions for refugees and host communities, while the GCM sets out what a well-managed global system of migration looks like, and the policy and operational mechanisms that states may draw from

to achieve this. Taken together, the Compacts offer an internationally agreed, cohesive and forward-leaning framework to improve the way the international community responds to large movements of people.

The UK works to reduce the causes of irregular migration and harness the development benefits of regular migration, through long-term development programming. Our Safety Support and Solutions programme supports vulnerable migrants, and communities affected by migration, across the 'whole route' from West Africa via the Sahel to North Africa. The programme provides humanitarian assistance and protection to people on the move, informs migrants about the risks of their journey and supports those that return home.

### **End forced labour, modern slavery and human trafficking**

DFID's work tackles the root causes and enablers of modern slavery and supports victims, creating legitimate jobs and livelihoods, working with businesses to clean up supply chains, and build the capacity of law enforcement agencies. New programming announced in 2019 included work to reduce the exploitation of boys and girls in Africa's rapidly expanding agricultural industries.

The UK launched the Call to Action to End Forced Labour, Modern Slavery and Human Trafficking in 2017. Since then over 90 countries have made endorsements. In July 2019, the UK presented its first Voluntary National Review on the Global Goals at the UN High-Level Political Forum in New York, which included the UK's own progress against the goal on combatting modern slavery (Goal 8.7).

The government also published its Modern Slavery Statement which sets out the government's efforts towards eradicating modern slavery from its own supply chains.

In October 2019, the government appointed Jennifer Townson as the UK's Migration and Modern Slavery Envoy to advocate for tackling modern slavery globally. In addition to working with partner governments, DFID continued to deliver innovative modern slavery programming including research, through our country network, the multi-lateral system, the private sector and civil society.

## Strategic Objective 2 PLANET: Strengthen resilience and response to crises

The World Bank estimates that an additional 100 million people could be in poverty by 2030 if climate change is not addressed. We recognise that poverty reduction and climate change are intrinsically linked, and that climate considerations must be embedded throughout our work – in our engagement with partner countries, other donors and international organisations, and across our development portfolio – to drive sustainable decision making and protect livelihoods in developing countries. The UK's International Climate Finance (ICF) aims to encourage transformational change in country resilience to climate change and disaster risk management; in sustainable management of natural resources such as forests, land and water; and in access to clean energy and low carbon infrastructure.

Humanitarian crises are becoming increasingly complex and lasting longer. Currently, 2% of the global population needs humanitarian assistance to survive. The impact of climate change and environmental degradation on humanitarian need will likely be vast and varied; not only as extreme climate events cause discrete humanitarian emergencies, but also as climate change can in some cases amplify existing social, political and economic drivers of conflict, fragility and displacement. At present, climate-related disasters cost \$520 billion and push 26 million people into poverty, annually.

DFID continued to provide life-changing humanitarian support for major crises around the globe, including to improve the capacity of the poorest people to cope with natural disasters and climate change. This includes our investment in Science for Humanitarian Emergencies and Resilience which supports world-leading research and innovation in regions prone to climate and natural disasters. We are also currently working to improve the anticipation and management of risk and collaborating with partners in International Financial Institutions, International Climate Financing and the private sector to develop financial instruments that contribute to better disaster risk management.

Reducing poverty and tackling global challenges like disease pandemics and climate change is good for the UK, it increases our global influence, allows us to shape the world around us and keeps us safe.

### Global Goals

DFID's work under SO2 is contributing particularly to the following Global Goals, amongst others:



### Activities and achievements

#### Support efforts to mitigate and adapt to climate change and prevent environmental degradation

##### Lead international action against climate change

At the UN General Assembly in September 2019, the Prime Minister announced that the UK would be doubling its ICF to £11.6 billion over the period 2021-22 to 2025-26. This includes up to £1 billion for the Ayrton Fund to develop and test new clean energy technologies targeted at tackling climate

change in developing countries. This made the UK the first country to commit to a post-2020 climate finance goal and set a benchmark for other donors in the run up to United Nations Climate Change Conference (COP26).

In December 2019 the UK was officially confirmed as host of COP26, in partnership with Italy. We are working closely with the Cabinet Office on the 5 COP themes: resilience and adaptation, nature, energy transition, clean road transport, and finance. COP26 was due to take place in November 2020 but has now been postponed to 2021 due to COVID-19.

At the UN Climate Action Summit, DFID was the UK Government lead on resilience and adaptation and, working closely with partner countries (Egypt, Malawi, Bangladesh, St Lucia and the Netherlands), created a Call for Action to adapt to climate impacts and build resilience for the future which has been endorsed by 118 countries and 86 organisations and institutions. Initiatives launched include improving early warning systems and increasing capacity of communities to act upon them to protect livelihoods during disasters; to allow climate vulnerable countries to attract resilient infrastructure investment and reduce their climate risk; and to shift to climate resilient, sustainable food production and land use to protect food security and livelihoods.

In 2019 the UK (represented by DFID) held the developed country chair of the Green Climate Fund (GCF) Board. During this period, 32 projects worth US\$3.6 billion of GCF funding were approved by the GCF Board. The GCF also completed its first replenishment, totalling US\$9.8 billion from 28 donors.

### **Low carbon growth and greater country resilience**

We support developing countries to anticipate and adapt to the impacts of climate change to protect livelihoods in the event of climate extremes. In 2019-20, DFID partnered with Germany to fund the Global Risk Financing Facility, which provides finance to support governments to use risk financing instruments, like insurance, to access more rapid finance in emergencies and to strengthen preparedness of local systems for disaster response and recovery. DFID also provided direct cash transfers to approximately 24,000 households living in arid and semi-arid areas of Kenya and has contributed to building a shock responsive system that now enables up to 374,000 households to be reached with cash in times of extreme drought emergencies.

Global energy-related carbon emissions flattened in 2019 following 2 years of increases,<sup>23</sup> and it is vital that emissions begin to reduce if the global aim to limit temperature increases to 1.5°C, or even 2°C, are to be achieved. A cleaner energy mix can also improve energy security and electricity access. The UK aims to accelerate the adoption and competitiveness of clean energy, improve energy efficiency and encourage energy system planning in developing countries towards a low carbon development pathway that directly contributes to Global Goal 7, ensuring access to affordable, reliable, sustainable and modern energy for all. The Results Based Financing (RBF) for Low Carbon Energy Access programme has, since 2012, delivered energy access to at least 5.7 million people. A particularly successful model has been the Off-Grid Appliances RBF which has involved a bulk procurement incentive to distributors to deliver quality tested super-efficient off-grid appliances like fridges, solar water pumps, and fans. This has led to the sale of over 250,000 efficient appliances in East Africa and Bangladesh through over 100 distributors to date. DFID support has enhanced Nepal's technical and negotiating capacity with a mix of homegrown expertise and international specialists to unlock investment in its hydropower export potential. Nepal is now set to double its current generation capacity. See page 47 for details of CDC's investments in renewable energy.

### **Environmental degradation and loss of species**

During 2019-20, DFID and Defra together commenced work on the £100 million Biodiverse Landscapes Fund and hosted an information event in February 2020. The fund aims to alleviate poverty and tackle biodiversity at a landscape scale which could include interventions to manage protected areas, improve natural resource governance outside protected areas, and restore

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<sup>23</sup> Source: International Energy Agency (IEA).

degraded areas. Design work is also underway on the Blue Planet Fund, a £500 million joint DFID, Defra and FCO fund to protect ocean health and those whose livelihoods depend on it.

Deforestation accounts for nearly 20% of all greenhouse gas emissions and reduces capacity to absorb carbon dioxide. Forests protect soil and soak up rainwater, as well as providing vital habitats to endangered species. We aim to drive a transformation towards sustainable management of these natural resources and protect the livelihoods of those who depend on them. In 2019-20, DFID funding to the Forests Governance, Markets and Climate programme informed the development of a new law in China to ban buying, transporting or processing illegally sourced timber, a major milestone in tackling illegal deforestation.

### **Clean energy research, development and demonstration**

In the past year, DFID's clean energy research and development portfolio has continued to deliver innovations that impact people's lives and the climate. The Transforming Energy Access programme has now reached a total of 5.2 million people with improved clean energy access via technologies including household solar systems, village-scale renewable mini-grids, and efficient appliances like solar refrigerators. Innovators supported in the past year include Midlands-based energy storage pioneer Aceleron, which has developed new battery condition monitoring equipment and a Lithium Ion battery pack which can be maintained in Africa as part of a circular economy approach, minimising damaging electronic waste. The UK aid-supported Energise Africa investment platform has now enabled investments of more than £15 million in working capital loans from more than 1,400 investors into solar businesses delivering energy access to 425,000 people in Africa, saving around 100,000 tonnes of CO<sub>2</sub> per year. Our research into addressing the deforestation and respiratory health impacts of firewood and charcoal cooking, particularly on women, was expanded in 2019 with the launch of the Modern Energy Cooking Services programme. UK innovator Gamos recently received follow-up support to take their Electric Pressure Cooker concept to market in partnership with a Nairobi based manufacturer and the Kenyan national utility.

### **Humanitarian response**

The UK is a world leader in humanitarian response. Our 24/7 monitoring and readiness means we can act quickly and flexibly to save lives when a disaster strikes. We hold dedicated stockpiles of humanitarian supplies in the UK and Dubai, so we can respond quickly across the globe. We proactively work through our country offices to build preparedness; we pre-deploy experts in advance of emergencies; and we coordinate across the UK Government during emergencies to ensure effective responses. The UK also seeks to prevent and resolve conflicts that are, in many cases, the root causes of humanitarian need.

DFID continued to operate a ringfenced ODA crisis reserve. In 2019-20 allocations were made in response to unforeseen crises and spikes in humanitarian need, including in Yemen, Somalia and South Sudan, and in response to COVID-19 and to rapid-onset crises such as Cyclone Idai which struck southern Africa in 2019. In addition to the international COVID-19 response (see page 16), DFID has played a leading role in many ongoing humanitarian crises around the globe:

#### **Syria**

Around 11 million people need humanitarian assistance in Syria, with 5.9 million people internally displaced and a further 5.5 million Syrians who have fled the country and are living as refugees in the region. The UK is one of the largest donors to the crisis. From April to September 2019 alone, UK aid in Syria provided 365,000 vaccines and gave 1.13 million people access to clean drinking water. UK aid also provided 90,000 relief packages and 8,000 food rations. Up to 35,000 people benefitted from psychosocial support and 2,000 people benefitted from cash-for-work activities.

During the year, the UK continued to use its global influence to work with partners, and its position on the UN Security Council, to press the regime and its backers for unfettered access, to ensure humanitarian aid reaches those with the greatest needs, and to protect civilians and aid workers. Maintaining access will become even more critical if COVID-19 begins to spread in the area, whose health services are already severely strained.



In north-east Syria we have focussed on reaching those in most acute need, providing lifesaving supplies such as food, water, shelter and healthcare; as well as helping communities recover from life under Daesh rule, for example by supporting farmers and businesses.

In north-west Syria, where the Syrian regime and Russian military offensive resulted in almost 1 million newly displaced people in 2 months (80% of them women and children), we are funding organisations delivering aid cross-border, including into Idlib. This has helped to provide hundreds of thousands of vulnerable people with food, clean water, shelter and health services, including psychosocial support.

## **Yemen**

Yemen remains the world's largest humanitarian crisis, with nearly 80% of the entire population – over 24 million people – requiring some form of humanitarian assistance. In 2019-20, DFID provided vital food assistance across the country to those most at risk of dying from starvation and disease. We provided 3 million cash transfers and vouchers to vulnerable Yemenis, so they could buy food and household essentials, provided over 400,000 children and pregnant and breastfeeding women with nutrition interventions, and supplied over 1 million people with improved water supply and basic sanitation. DFID also funded 25% of the costs of Oral Cholera Vaccination campaigns in 2019, which have helped to vaccinate more than 2 million Yemenis since 2018.

## **Iraq**

The UK is the largest donor to the UN Iraq Humanitarian Pooled Fund, providing food assistance, shelter kits, upgrades to camps and household items, lifesaving health services, and water, sanitation, and hygiene facilities to over 5.9 million vulnerable Iraqis since 2015. We have provided cash payments to almost 400,000 people and supported the clearance of explosive hazards from schools, hospitals and roads. DFID has also provided support through the Conflict, Stability and Security Fund to the UN Development Programme's managed Funding Facility for Stabilisation. As a result, by the end of January 2020, 8.5 million Iraqis (including 4.25 million women) were benefitting from health, education, water, housing, municipality, road, sewerage and electricity projects.

The UK was also the first donor to the World Bank's Iraq Reform, Recovery and Reconstruction Fund which supports Iraqi-led reconstruction efforts and provides expertise to the government as it pursues essential economic and governance reforms that will enable more sustainable and inclusive growth.

## **Afghanistan**

Afghanistan remains one of the world's most complex humanitarian emergencies. In 2019, civilian casualties exceeded 10,000 people for the sixth consecutive year; 9.4 million people need humanitarian assistance; and the effects of drought and poor economic performance have left more than 14 million people with acute or emergency levels of food insecurity. Over 450,000 people returned from Iran in 2019, putting increased pressure on the government's provision of basic services (health, education, etc). This is likely to be further stretched as a result of COVID-19.

In 2019, DFID provided more than 1.4 million people with humanitarian assistance, including water and sanitation, food assistance, nutrition, protection, shelter or non-food items, cash, and health services, including the most vulnerable returnees from Iran. DFID also invested in the removal of explosive hazards to reduce civilian casualties and reached 370,000 people with mine risk education.

## **Pakistan**

In 2019, DFID provided 2.3 million people affected by drought with food security and livelihoods, 117,067 received water, sanitation and hygiene services while 339,620 people were provided with nutrition sensitive health advice. We helped around 200,000 people affected by snow and flash floods with winter and hygiene kits, food, animal sustenance and shelter items. In addition, we provided 369,000 internally displaced persons in Khyber Pakhtunkhwa Merged Districts with protection measures.

DFID also supported over a million households to manage the impact of climate change and natural disasters by providing timely agricultural advice on sustainable livelihoods; access to safe drinking water; and implementing community-level schemes. During the last year, 61,000 people benefitted from improved disaster resilient infrastructure schemes and shelters, and 41,700 people were provided with safe drinking water facilities. DFID assisted 18,000 farmers to address the imminent threat of desert locusts to ensure food security, nutrition and sustainable agriculture.

### **Rohingya**

DFID continued to play a leading role in the humanitarian response to the Rohingya crisis in Bangladesh, providing support to over 1 million refugees in camps and host communities, including food, healthcare, water and sanitation. Tensions with the host community have increased in the past year and, in response, we have evolved our support to help stimulate the local economy, rehabilitate the environment, and promote stability and social cohesion for host and refugee communities. For example, DFID support provided skills training for refugees, cooking gas to help stop further deforestation, and access to livelihoods for thousands of already vulnerable Bangladeshi families in Cox's Bazar district.

The UK has also continued to support around 600,000 Rohingya who are still living in Rakhine State, Myanmar. UK aid provides the 128,000 Rohingya confined to camps in central Rakhine since 2012 with water, sanitation, and hygiene facilities, health services, protection, and food aid. We are reaching the remaining 470,000 Rohingya confined to their areas in both central and northern Rakhine with food aid as needed, and financial services, health, education, and skills development where we have access.

The situation in Rakhine is extremely complex and fragile. Fighting over the last year has caused further displacement of 60,000 people, and the violence is likely to make voluntary returns less likely. We are pressing through all channels for an end to violence, improved access in conflict-affected areas and action to tackle the underlying causes of conflict.

### **Sahel region**

The Sahel is one of the poorest and most unstable regions in the world. This is driven by challenges such as weak governance, conflict and displacement, migration, as well as climate change and rapid population growth. The UK is increasing its engagement in the Sahel as part of a cross-government scale up in the region. The Joint Sahel Department (FCO and DFID) focuses on building stability and increasing resilience. In 2019-20, DFID supported people with lifesaving humanitarian aid as well as dealing with the effects of climate change and other major shocks.

In 2019, DFID supported 2.4 million people across the region, providing communities with emergency life-saving assistance, protection activities, food security, and nutrition support, including treatment to 280,000 malnourished children.

### **South Sudan**

Despite a ceasefire and peace agreement, South Sudan is experiencing a manmade humanitarian catastrophe and continued violence. As of March 2020, 3.9 million people were displaced in the largest refugee crisis in Africa and 6 million people (over half the population) were classified as severely food insecure. The situation is likely to become even worse if COVID-19 takes hold in the country. The UK is the leading contributor to the health and education sectors and the second largest humanitarian donor. Where possible, we also support longer-term resilience work to help communities prepare for and cope with shocks, be they weather, or conflict related.

The solution to South Sudan's multiple crises is political stability. In parallel with humanitarian and resilience support, our pilot peacebuilding funding works to improve security, reduce and address root causes of conflict, and support national and local peace processes to rebuild communities and enhance stability.

## Somalia

The UK continues to lead international efforts in Somalia to prevent the worst effects of more frequent and intense droughts, floods and disease outbreaks and build longer-term resilience. By putting in place multi-year humanitarian programming that promotes a largely cash-based response and by building on the longer-term community driven resilience programmes operating in Somalia, DFID has been able to deliver impressive results. Since 2015-16, DFID Somalia has provided emergency food or cash for 3.6 million people; emergency health services for 500,000 people; nutritional treatment for 1 million starving children and pregnant women; shelter and non-food items for 150,000 people; and clean water and sanitation for 600,000 people. Humanitarian delivery in Somalia is underpinned by a robust monitoring system including a call centre, third-party monitoring and impact survey.

The UK continues to be the international ‘champion’ for Somalia’s ambition to achieve debt relief. On 26 March 2020, the country reached ‘Decision Point’ under the Heavily Indebted Poor Countries initiative. This means that all its arrears to the World Bank, IMF and African Development Bank have now been cleared and Somalia can again start to receive significant volumes of development support from those institutions to fund its economic reform and poverty reduction programmes, including the response to COVID-19.

## Nigeria

As of January 2020, the conflict in north-east Nigeria had left 7.9 million people in need of urgent life-saving assistance, and over 1.8 million people were displaced. In 2019-20, the UK was one of the leading international donors to the humanitarian response, providing urgent aid to save lives and reduce suffering. In parallel, DFID also supported the Government of Nigeria to address the root causes of the conflict to stabilise the region and rebuild communities in the longer term.

## Democratic Republic of the Congo (DRC)

The DRC is one of the poorest countries in the world and faces one of the largest and most critical humanitarian crises. DFID remains one of the largest donors in the country and provides vital support such as food, healthcare, education and access to clean water to over 3 million people.

In addition to the potential disastrous consequences of COVID-19, the DRC is already suffering from a cholera outbreak and the world’s worst measles epidemic, alongside the second largest Ebola outbreak on record globally. DFID has played a leading role in tackling these deadly diseases (see page 52).

Since 2015-16, DFID has reached at least 923,000 people with humanitarian assistance (food aid, cash and voucher transfers) and 3.9 million people with access to clean drinking water. DFID DRC’s education programme, at its peak year, supported 319,000 children to gain access to a decent education. DFID’s support has also helped increase the incomes of over 850,000 people, including over 260,000 women since its private sector development programme began.

## Venezuela

The humanitarian situation in Venezuela and neighbouring countries continues to deteriorate within a wider political and economic crisis. Access to food, medicine and other basic goods is limited and the health sector has collapsed. As a result, around 7 million people inside Venezuela need humanitarian assistance and more than 4.9 million people have fled to countries across the region. In 2019-20, working through trusted and established partners, DFID helped to provide food for 22,000 children and give over 1 million people access to safe drinking water alongside other crucial support.

## Disaster risk financing

The UK is a leader in disaster risk financing, which provides early action rapid financial support and response when a disaster strikes. DFID was the founding member of all the regional risk pools, including the African Risk Capacity, which saw a payout of US\$25 million in December 2019 in response to the severe drought being experienced in Senegal. This included US\$10.6 million for Start

Network, a consortium of international NGOs that collaborates with the government and is the biggest ever funding allocation to civil society for early humanitarian action. In addition to this, DFID announced funding to support the Global Risk Financing Facility in 2019 which will help cut the costs of disaster risk insurance and also support governments and humanitarian agencies to access funding quicker, ensuring a faster and more effective response in emergencies. DFID also established the Centre for Disaster Protection to work with developing country governments to understand the risks they face and find solutions to best manage that risk.

### Humanitarian reform

DFID's Humanitarian Reform Policy<sup>24</sup> sets out our firm commitment to supporting a more efficient and effective humanitarian system. The UK is the fourth largest humanitarian donor overall, and the largest to the Central Emergency Response Fund, which provides rapid funding for humanitarian responses. We recognise our duty as donors to use the power and influence we have to deliver a more effective system to support humanitarian needs worldwide. From 2018, 30% of the UK's core funding to humanitarian agencies is performance based, dependent on the delivery of vital reforms agreed at the World Humanitarian Summit in 2016.

Our experience suggests that our 'payment by results' approach is making a difference and agencies are stepping up to the challenge to deliver better together. We have seen improvements in the quality of needs assessments, improved transparency, increased volumes of humanitarian assistance delivered as cash, an improved system-wide effort to address protection issues, and steps to better understand the needs of disabled people impacted by humanitarian situations.

### Science and technology spend on global public health risks such as antimicrobial resistance (AMR)

The goal of DFID's health research portfolio is to fund high-impact research and development that will save lives and improve the health of the poorest and most vulnerable in developing countries. Work DFID has supported includes:

- The development of the first effective vaccine for Ebola, in partnership with Wellcome Trust and others. As of September 2019, the vaccine had been provided to over 220,000 people in affected areas and this is considered to have made a significant contribution to reducing the spread of the disease.
- Substantive contributions to global guidance documents to help scale up new diagnostics and improve diagnostic systems in developing countries.
- The development of 3 different malaria therapies which are now approved for use in up to 50 countries around the world. Using a conservative figure, it is estimated that research through the DFID supported Medicines for Malaria Venture has saved at least 1.5 million lives to date.

Our research is now responding to the COVID-19 pandemic, which currently presents the biggest threat to global health and has the potential to hit developing countries the hardest. Our research portfolio includes the development of an effective vaccine, as well as the development of rapid diagnostics and fast tracking the development of promising therapeutics. We will continue to invest in high-impact research which will respond to emerging and ongoing health threats and has the greatest benefits for the poorest and most vulnerable.

<sup>24</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/659965/UK-Humanitarian-Reform-Policy1.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/659965/UK-Humanitarian-Reform-Policy1.pdf)

## Strategic Objective 3 PROSPERITY: Promote global prosperity

Global prosperity is vital for poverty reduction. No country can eradicate poverty or transition from aid without inclusive economic growth, jobs, investment and trade. DFID is committed to stimulating long-term transformational growth that creates productive jobs; catalyses private sector investment; and spreads benefits and opportunities right across society. This is fundamental to achieving the Global Goals. Investing in economic growth and removing barriers to trade helps countries to leave aid dependency and become our trading partners of the future.

The economic empowerment of women and girls, and other marginalised groups, is central to our approach making sure that no one is left behind. Progress overseas also benefits the UK at home. Our work, in partnership with other departments, such as the Foreign and Commonwealth Office (FCO) and the Department for International Trade (DIT), is helping to build Britain's trading partners of the future, seizing opportunities for closer ties with the world's emerging economies to unlock growth and deliver shared global prosperity. Our focus on economic opportunities in fragile states will help tackle causes of irregular migration, instability, insecurity and conflict and better harness the development benefits of regular migration. Our work on combating illicit finance helps protect the UK from the impact of economic crime.

As well as working with the most fragile and poorest economies, it is crucial that we also work with fast-growing markets which remain vulnerable to economic shocks and where poverty persists. This work is more important than ever, as we begin to see the economic impacts of COVID-19. We are building mutually beneficial partnerships that go wider than aid, towards the trade and business relationships that can deliver quality investment, drive growth and create the jobs that developing countries need to lift millions out of poverty. We are also working to deliver the international aspects of the UK's Economic Crime Plan,<sup>25</sup> and the UK's Anti-Corruption Strategy,<sup>26</sup> to ensure that the benefits of growth are retained by developing countries.

### Global Goals

DFID's work under SO3 is contributing particularly to the following Global Goals, amongst others:



### Activities and achievements

#### Promote economic development and prosperity in the developing world

##### Create more and better jobs and support inclusive and sustainable economic transformation

Jobs are a main determinant of living standards around the world. For the majority of people, the ability of family members to get and maintain a job can be the difference between households escaping from or remaining in poverty. DFID's Economic Development Strategy commits to an

<sup>25</sup> <https://www.gov.uk/government/publications/economic-crime-plan-2019-to-2022/economic-crime-plan-2019-to-2022-accessible-version>

<sup>26</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/667221/6\\_3323\\_Anti-Corruption\\_Strategy\\_WEB.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/667221/6_3323_Anti-Corruption_Strategy_WEB.pdf)

unprecedented increase in both the number and quality of jobs available to the poor. In delivering on this commitment, we work in some of the most challenging environments to support the poorest and most marginalised to gain jobs, increase their incomes and work their way out of poverty. From 2015-16 to 2018-19, DFID supported 3.9 million people to raise their incomes or maintain or gain a better job or livelihood.

Job creation was a central feature of the UK-Africa Investment Summit in January 2020, at which the UK Government announced over £1.5 billion of UK aid-funded initiatives that are expected to mobilise over £2.4 billion of additional private investment, transforming economies and creating hundreds of thousands of quality jobs. For example, DFID's Manufacturing Africa programme supports African governments, financiers and international manufacturers to create and build new manufacturing industries, such as garment and agri-processing factories, in order to create jobs and open frontier markets across the continent.

Our support through the Global Agriculture and Food Security Program (GAFSP) has helped 10 million people benefit from increased incomes and/or improved livelihoods, including through jobs. GAFSP has recently approved more than 60 investments to commercial agricultural companies. So far, this has enabled agricultural businesses to sustain over 6,000 formal full-time jobs.

DFID's Market Development in Northern Ghana programme has increased the incomes and resilience of over 65,000 poor farmers and small-scale rural entrepreneurs. In Nigeria, DFID's Propcom Mai-karfi programme raised the incomes of 190,000 poor farmers and small-scale rural entrepreneurs, 60,000 of whom were women.

It is not just about creating jobs but ensuring these jobs are more inclusive and of sufficient quality to lift people out of poverty. For example, the Better Jobs in Bangladesh programme supports 'Better Work Bangladesh', an initiative to improve the working conditions and safety standards in the Ready-Made Garments sector. There were over 600,000 workers in Better Work-registered factories in Bangladesh, 56% of whom were women, by the end of March 2020.

## **Tax and development**

Simple, well-structured and transparent tax systems are more likely to encourage business investment and sustainable growth. By increasing their revenue, developing countries can spend more on essential services such as health and education, and invest more on critical infrastructure in order to support their path to self-sufficiency. Strong public finance systems help to ensure better, and more transparent, use of resources to deliver services and support inclusive growth. Establishing a clear and credible link between the revenue raised and the services and infrastructure it finances helps to build trust in the tax system and subsequently improve compliance.

Throughout 2019, DFID continued to design and roll out bilateral and centrally managed programmes aimed at creating more effective and efficient tax administration systems; supporting the design and implementation of tax policy reforms; and supporting the development of effective public financial management systems. Our support to the International Organisation of Supreme Audit Institutions' Development Initiative, for example, enables them to support Supreme Audit Institutions globally and in specific fragile contexts to become more effective providing standards, training and tools for better external audit of public funds.

## **Improve the quality of international and domestic capital and currency markets**

DFID is committed to making international capital markets work better for developing countries, helping them raise finance for investment in a responsible manner and become self-sustainable. During 2019-20, DFID continued its work with regulators, policymakers and businesses to support increases in the availability of local currency finance and green bonds. DFID supported the first corporate green bond in Kenya, with a public dual listing on the Nairobi and London Stock Exchanges which raised funds to provide 5,000 university students with environmentally friendly, affordable housing in Nairobi. This was the first green bond denominated in Kenyan shilling to be listed in London. At the UN General Assembly meetings in September 2019, we launched the results of our Investing in a Better World initiative, which demonstrated that 7 in 10 people in the UK want

their own money to be managed in a way that helps deliver the Sustainable Development Goals. Then, at the UK-Africa Investment Summit in January 2020 we announced our intention to develop a new risk facility to allow the International Finance Corporation to raise more offshore local currency bonds for its frontier and emerging market clients.

### **Economic empowerment of women and girls**

DFID is investing in the economic empowerment of women and girls, which is critical for achieving genuinely inclusive growth. Women's economic empowerment is central to DFID's Economic Development Strategy and set out in DFID's Strategic Vision for Gender Equality (see page 54).

The Work and Opportunities for Women (WOW) programme works with private companies to improve economic opportunities and outcomes for women in supply chains. In 2019, the WOW programme formed 5 further corporate partnerships to work across India, Bangladesh, Pakistan and Mozambique to support women in global supply chains to have safer, better paid and more secure work. It is on track to reach its original target of 300,000 women supported.

The SheTrades Commonwealth Programme aims to increase economic growth in Commonwealth countries through the increased participation of women-owned businesses in international trade. Since 2018, the programme has helped over 3,200 women-owned businesses build stronger brands, develop export strategies and grow their client base. It has supported the creation of over 3,000 jobs and generated £19 million in sales for the businesses it supports.

The DFID-supported "We-Fi" programme – Women Entrepreneurs Finance Initiative – hosted by the World Bank, helps women-led businesses in developing countries access the finance they need to expand and link to global and national markets. We-Fi is now active in 29 countries, with 63% of the funding going to low-income and fragile states. During 2019, We-Fi directly supported 814 women-led small- and medium-sized enterprises and facilitated \$14 million in lending to women-owned firms.

In 2019, DFID, together with other G7 donors, provided new funding to the African Development Bank's 'Affirmative Finance Action for Women in Africa' (AFAWA) programme. AFAWA will provide 10,000 women with essential training and mentoring to help them better manage their businesses and work with African banks to help bring down the cost and incentivise lending to women.

The UK's development finance institution (DFI), CDC Group (see pages 47 and 100-101) continued its leadership of the Gender Finance Collaborative, convening 14 DFIs and the European Investment Bank, as well as co-managing the Secretariat of the 2X Financing for Women Challenge. Both activities are transforming the way that DFIs invest, by introducing the gender dimension to investment decisions, to investment management and impact measurement. The 2X Challenge has mobilised \$2.5 billion in gender-smart investments (\$690 million in sub-Saharan Africa).

In 2019, the 'SPRING' business accelerator ended implementation. It supported 74 businesses in 9 countries in East Africa and South Asia to develop prototypes to help girls aged 10 to 19 to earn, learn, save, and stay safe. Since 2014, SPRING has reached over 2.5 million girls through its businesses.

### **Inclusive economic growth using digital technologies**

Digital technologies offer an unprecedented opportunity to improve lives, stimulate growth and help end reliance on aid. That is why we are working to connect, upskill and support the world's citizens who cannot yet take advantage of digital technologies' transformative potential.<sup>27</sup>

To achieve this, DFID is focussing on building digital capability and capacity in developing countries and the development sector, as well as ensuring impact is maximised through partnerships and collaborative working with those who share our digital vision. In 2019-20, DFID began implementing 4 flagship digital and technology programmes:

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<sup>27</sup> <https://www.gov.uk/government/publications/dfid-digital-strategy-2018-to-2020-doing-development-in-a-digital-world>

- Digital Access Programme, leading a partnership with FCO and the Department for Digital, Culture, Media and Sport to catalyse more inclusive, affordable and secure access to the internet and digital technologies for excluded and underserved communities in Kenya, Nigeria, South Africa, Brazil and Indonesia.
- Africa Technology and Innovations Partnership Programme, which is strengthening innovation ecosystems in Africa, to stimulate inclusive economic growth and better use of technology by businesses.
- Digital Impact Programme to identify, trial and institutionalise good practice and common standards for digital development work, promoting sustainable digital products which create new or improved services.
- Digital Identity as an Enabler for Development Programme to support the implementation of effective digital identity systems in developing countries.

We are also testing digital models and technologies to reach and benefit more poor and marginalised people in developing countries. For example, the Frontier Technologies programme has 22 pilots in 12 countries in South Asia and Africa which are focusing on the impacts of frontier technologies (eg internet of things, artificial intelligence) on development challenges such as education and humanitarian response.

### **CDC: investment and sustainable finance**

As the world's first impact investor, CDC has over 70 years' experience successfully supporting the sustainable, long-term growth of businesses in South Asia and Africa. It does this to create jobs and crowd-in capital from other investors to help transform economies and make a lasting difference to people's lives.

In 2019, CDC made new investment commitments totalling more than £1.6 billion and had an investment portfolio of some £4.7 billion invested across 66 countries. Over the year, CDC finalised, in collaboration with DFID, 7 new sector strategies to support its investment activities and better identify the pathways for development impact in individual sectors. It also strengthened its approach to identifying and measuring its development impact across its investments, including by appointing its first Chief Impact Officer.

Also in 2019, CDC committed over £370 million into infrastructure projects across Africa and South Asia, and, continuing its support for renewables, over £228 million was committed into clean energy. Since 2017 clean energy investments have comprised 18% of all new CDC commitments, across all activities.

In January 2020, CDC participated in the UK-Africa Investment Summit hosted by the Prime Minister. At the Summit, CDC announced new deals worth almost £300 million and plans to invest up to £2 billion in Africa by 2022.

Examples of CDC activity in 2019 include a major \$200 million commitment to BMCE Bank of Africa, to promote financial inclusion across the continent. A pan-African bank serving 20 countries, including Burkina Faso and Niger, CDC's investment is targeted at supporting the growth of small- and medium sized enterprise lending and to widen financial inclusion across the continent.

In June 2019, CDC launched Gridworks, a new subsidiary company dedicated to investing to improve power transmission and distribution infrastructure primarily in Africa. With an ambition to invest over \$300 million, its first investment was into Mettle Solar Investments, a pan-African commercial and industrial solar company.

CDC made its first direct equity investment in Myanmar backing Frontir Co. Ltd, a leading internet service provider. CDC is supporting its expansion plan of connecting over 2 million people in Myanmar to the internet.

In October 2019, CDC subsidiary company MedAccess, which works to make medical supplies more widely available at lower prices in under-served markets using volume guarantees, made a new investment. The agreement, made in partnership with BASF and the Bill and Melinda Gates



Foundation, is anticipated to reduce the cost of next generation mosquito nets by 44% and increase sales to 35 million nets.

Throughout the year, DFID and CDC continued to implement their comprehensive evaluation and learning programme for 2017 to 2023. Publications in this period included an evidence review of investing in financial systems (July), an evidence review of investing in connectivity (August), and a portfolio learning about the impact of solar-powered refrigeration (October).

### **Infrastructure, urban development and energy**

DFID's infrastructure programmes strengthen partner governments' capacity for planning, designing and implementing infrastructure projects, alongside using development capital to increase investment and mobilise finance in infrastructure. Our urban development portfolio is growing and includes the Cities and Infrastructure for Growth programme that will support over 75,000 businesses to access infrastructure services in target cities.

DFID convened the International Development Infrastructure Commission to provide advice and recommendations on how to turbo-charge private investment into quality infrastructure. The commission published its report alongside the Africa Investment Summit in January 2020, making recommendations focused on two broad areas: increasing the pipeline of investible infrastructure projects which are sustainable and resilient, and generating flows of private capital investment into the sector.

Examples of DFID's results can be seen through the Private Infrastructure Development Group, which has provided access to new or improved infrastructure to over 6 million people and leveraged just over US\$2 billion in private sector investment from the deals it supported in 2019.

During 2019-20, CDC invested actively in infrastructure, urban development and energy, including wind power in Pakistan, hydropower in Nepal and solar power across Africa (see page 38 and 47).

Our whole-system approach to energy is putting a stronger focus on energy efficiency and innovation. For example, our new programme on mini-grids and grid rehabilitation in Sierra Leone will deliver energy access to 1 million people. From 2015-16 to 2018-19, DFID installed 467 megawatts of clean energy.

DFID is the major funder of the Climate Investment Funds (CIFs), which are dedicated to piloting new approaches to financing development projects in the context of climate change. For example, in Morocco, the CIFs supported large-scale investment in renewable energy, building the largest concentrated solar power plant in the world of its kind. So far, the total cumulative installed capacity across the portfolio of the CIFs' Clean Technology Fund projects (from all contributions) is 7,189 megawatts.

### **Agriculture and land**

DFID continued to invest in the agriculture and land sectors in order to raise rural incomes, contribute to mutual prosperity, reduce poverty and improve food security and nutrition.

DFID has been leading work to maximise multilateral delivery for the Global Goals. We co-chaired the Global Agriculture and Food Security Program which is targeting the most fragile and vulnerable countries with aligned public and private sector investments (see page 44-45).

We continued to invest in cutting-edge research and analysis to shape global policy debates and programming on agriculture and land. A DFID-funded programme in Nigeria provided access to improved varieties of cassava that perform better, with higher yields, enabling 1.6 million people to escape poverty. We are empowering smallholders to negotiate better prices for their crops in Malawi and Nepal. Our Commercial Agriculture for Smallholders and Agribusiness programme has also begun working with 30 small- and medium-sized businesses and producer organisations to attract investment and integrate more smallholders into their operations, with over 400,000 farmers expected to benefit by 2024.

## Reduce poverty whilst strengthening UK trade and investment opportunities around the world

### Trade as an engine for poverty reduction

DFID is working with Department for International Trade (DIT) to support developing countries to integrate into and benefit from trade opportunities in the global economy to drive inclusive economic growth and support poverty reduction.

On 20 January 2020, in partnership with FCO and DIT, DFID led preparations for the UK-Africa Investment Summit, where we laid the foundations for new partnerships between the UK and African nations based on trade, investment, shared values and mutual interest. At the summit, the UK Government set out its priority to deliver continuity in our trading arrangements with developing countries as we leave the EU and future ambition to deepen these agreements to make them even better for business and ensure they reflect the ambitions of our African partners. DFID announced several new programmes including the new Southern Africa Regional Trade and Connectivity Programme which will help tackle the barriers to increase intra-African trade flows; and Trade Connect, a new import promotion service, to support developing country businesses increase their presence in international markets. The final cost of the summit was £3.14 million, of which 83% (£2.62m) was Official Development Assistance. In all, the event delivered over £6.5 billion worth of commercial investments in infrastructure, energy, retail and tech.

We are making the most of the UK's new independent trade policy to improve the UK's trade offer to developing countries in a number of other ways, including:

- **Protecting market access for developing countries through our trading arrangements.** We have made considerable progress replicating the effects of the EU's development-focused trade deals with African, Caribbean and Pacific countries. By the end of March 2020, the UK had signed Economic Partnership Agreements (EPAs) with 4 regional blocs: the eastern and southern Africa states, the Southern African Customs Union member states and Mozambique, Pacific states, and a number of Caribbean states. In total this secures trade with twenty-five trading partners.
- **Ensuring that developing countries can take full advantage of this access through trade-related assistance (Aid for Trade) and tackling non-tariff barriers.** The Trade and Investment Advocacy Fund supports developing countries to engage in and benefit from trade negotiations. In 2019-20, DFID supported developing countries to participate effectively in negotiations at the World Trade Organisation (WTO). Our programmes also tackled non-tariff barriers; the Commonwealth Standards Network promoted awareness and use of international standards across the Commonwealth in order to boost intra-Commonwealth trade; and SheTrades Commonwealth helped female owned businesses increase their participation in international trade (see page 46).
- **Using our voice at international forums such as the WTO to champion a free and fair rules-based international trade system that is inclusive and delivers for developing countries.** At the Committee for Trade and Development Session on Aid for Trade, in February 2020, we highlighted the UK-Africa Investment Summit as well as notable DFID-funded programmes like TradeMark East Africa.
- **Mainstreaming development considerations into the UK's future trade policy such as new Free Trade Agreements (FTAs) and the UK's Global Tariff.** We worked with DIT to ensure the impact of priority FTAs on developing countries is considered as part of DIT Scoping Assessments, and secured commitment that the UK's future FTA with the US will seek to support trade and development objectives, including through co-operating on monitoring and responding to the impact of the agreement on developing countries. We ensured that development of the UK Global Tariff (to be implemented at the end of the Transition Period) took full account of our objectives to reduce poverty through trade.

### **Tackle barriers to business**

Businesses wanting to trade with or invest in developing markets face a host of market entry barriers and both real and perceived risks. In line with its Economic Development Strategy, DFID continued to provide support across developing markets for the businesses enabling environment. At the Africa Investment Summit, in partnership with FCO, DIT, and BEIS, DFID announced the Growth Gateway, a demand-driven business support programme helping unlock specific opportunities in developing markets, where commercial and development aims align. This service offer will be available to businesses, including from the UK, which trade with and invest in Africa.

DFID works to promote responsible and inclusive business practices that leverage businesses to deliver on the Global Goals. Through the Responsible, Accountable, Transparent, Enterprise programme 2014-2020, DFID supports transparency interventions like the World Benchmarking Alliance and Workforce Disclosure Initiative and has invested in new research on drivers of modern slavery in supply chains (British Academy).

## Strategic Objective 4 PEOPLE: Tackle extreme poverty and help the world's most vulnerable

The UK is committed to working internationally to eliminate extreme poverty. Recent decades have seen significant development progress. However, the COVID-19 outbreak and its secondary impacts, including on health, economies, education, livelihoods and food systems, will set back the gains and may redistribute poverty.

Discrimination, violence, inequality and exclusion, for example due to gender or disability, keeps people poor, denies their rights, and prevents them from benefitting from and contributing to society and the economy. This holds everyone back. Tackling poverty and exclusion is the right thing to do and is in everyone's interest, including the UK's.

We are investing in people and ensuring greater access to sustainable basic services such as education, affordable health services, family planning, better nutrition, social protection for resilience against shocks, and water and sanitation. We continue to focus our own and global attention on those who are most vulnerable to poverty, discrimination or violence, including women and girls, and people with disabilities.

We are also working to reform the multilateral system to make it as effective as possible, including through engagement with the countries that are becoming more influential on the world stage to shape the global architecture.

### Global Goals

DFID's work under SO4 is contributing particularly to the following Global Goals, amongst others:



### Activities and achievements

#### End preventable deaths

##### End preventable deaths of mothers, newborn babies and children by 2030

DFID continued to improve maternal, newborn and child health in 2019-20, with 22 programmes in 16 countries, and through large regional and multilateral investments. We are on track to deliver the UK results target through Gavi (Vaccine Alliance) to immunise 76 million children and save 1.4 million lives between 2016 and 2020.

## Global Health

As the world's second largest government donor to global health, the UK is a leader in the fight against diseases that affect the poorest and most vulnerable. In June 2019, DFID committed £1.4 billion to the Global Fund to Fight AIDS, TB and Malaria, which will help provide life-saving antiretroviral therapy to more than 3.3 million people with HIV; provide TB treatment and care for 2.3 million people; and distribute 92 million mosquito nets to protect children and families from malaria. This is in addition to DFID's vital contribution to the global response to the COVID-19 outbreak (see page 16).

DFID has supported the development of the first effective vaccine for Ebola, in partnership with Wellcome Trust and others (see page 43). Our provision of funding and technical expertise to tackle the Ebola outbreak in eastern DRC in 2019-20 helped to improve the leadership, co-ordination, surveillance, preparedness measures and effective community engagement in the Ebola response.

DFID is at the forefront of the global fight against polio through our support to the Global Polio Eradication Initiative (GPEI), which has prevented over 18 million people from being paralysed by polio since its creation. In 1988, wild poliovirus affected 125 countries across the world, GPEI has led efforts to reduce this to just 2 countries, representing more than a 99% reduction in cases. However, if we stop vaccinating against polio, we could see case numbers dramatically increase to 200,000 per year within 10 years.

DFID is committed to protecting over 200 million people from the pain and disfigurement caused by treatable neglected tropical diseases (NTDs). Over the period 2017-19, UK-funded programmes provided treatment or care to over 166 million people for NTDs. Our programmes continue to contribute to countries moving closer to eliminating NTDs. In addition, we continued to support the push towards eradicating Guinea worm globally and tackling it in the 5 countries still affected by the disease.

## Better nutrition

DFID has worked with the Government of Japan and the Bill and Melinda Gates Foundation over the past year to set the foundations for a successful Tokyo Nutrition for Growth Summit. This includes co-ordinating a series of technical working groups tasked with identifying the range of actions needed to accelerate progress towards the 2030 target to end malnutrition in all its forms. At the UN General Assembly, we championed the inclusion of nutrition in nations' efforts to achieve Universal Health Coverage. We have been driving forward a new cross-DFID approach to make sure food systems in developing countries bring benefits for people's health and nutrition as well as for the planet. We also launched a new initiative with UNICEF to reform how child wasting – the most life-threatening form of malnutrition – is prevented and treated as part of the government's commitment to ending preventable deaths.

## Clean water and sanitation

Projections show that we are on track to help 60 million people improve their access to drinking water supply or have basic sanitation at home, since 2015.

We plan to deliver scalable water and sanitation programming by increasing our focus on national system strengthening and galvanising international leadership as part of our work on ending preventable deaths. We are also working on delivering more climate resilient water and sanitation services to help developing countries adapt to the effects of climate change.

We continued to support the Sanitation and Water for All partnership aimed at improving the accountability and targeting of financial resources for water, sanitation and hygiene (WASH) provided both by donors and developing countries, and to strengthen the co-ordination of support. We also worked closely with UNICEF and the World Health Organization (WHO) to ensure that there are robust structures in place for monitoring the water and sanitation Global Goal targets. With UK funding, UNICEF and several NGOs are also supporting the delivery of WASH services to poor households in a range of countries in sub-Saharan Africa and South and South East Asia – many of which are fragile and highly vulnerable to climate change.

## Health systems and partnerships

The UK played an active role at the 2019 United Nations High-Level Meeting on Universal Health Coverage (UHC) that resulted in a landmark political declaration, with leaders committing to step up efforts to deliver health and wellbeing for all. Working in partnership to help countries to achieve UHC will be central to the UK Government's 2019 manifesto commitment to build on existing efforts to end the preventable deaths of mothers, newborn babies and children by 2030.

The UK has considerable expertise to share. Building on the success of the DFID Health Partnerships Scheme (2011-19) that supported 2,000 NHS staff volunteering in the UK and overseas to train over 93,000 health workers in 30 countries, DFID's successor programme UK Partnerships for Health Systems will enable the UK to continue to share and learn through health partnerships. The programme will include partnerships to strengthen the nursing and midwifery cadre, vital for an equitable health system that leaves no one behind, which will be celebrated in 2020 for the WHO's International Year of the Nurse and Midwife.

## Rights of women and girls

### Education and the right of every girl to 12 years of quality education

Poverty is one of the most persistent barriers to girls' access to and transition through school and to learning.

In 2019, the Prime Minister made significant announcements on girls' education at both the G7 Leaders' Summit and the UN General Assembly, confirming the importance of this issue on the government's international agenda. These announcements included a 6-year education programme in Tanzania supporting the learning of 11.5 million children; new funding to get 600,000 children living in crises in some of the world's most dangerous countries into school; and a pledge to establish the International Financing Facility for Education (IFFEd). IFFEd is an innovative mechanism which will generate additional finance to improve education outcomes in lower middle-income countries, which are home to half the world's girls aged under 14 and where 20% of school-aged children are out of school.

In March 2020, DFID and FCO minister Baroness Sugg was appointed the Prime Minister's Special Envoy for Girls' Education. This role will help accelerate progress towards getting more girls in the world's poorest countries into schools, helping them stay there and benefit from quality learning. An ambitious new action plan is in development to map out how the UK will galvanise action and co-ordination at all levels to deliver on the manifesto commitment.

UK aid continues to support 14.3 million children (2015-2019) to get a decent education. Good progress was made in 2019-20, driving forward DFID's education policy Get Children Learning and its 3 core areas of teaching and learning, improving school systems and supporting girls and the most marginalised.

A large proportion of DFID education Official Development Assistance is bilateral, and 18 DFID country programmes support delivery of quality education. For example, in Punjab, Pakistan, we have seen sustained and significant gains in teacher and pupil attendance, and improved learning outcomes for Grade 3 students. There are now more teachers in Ghana with better skills when they enter the classroom, as a result of a programme supporting countrywide reform of teacher education. And in Nigeria, we are taking a highly promising approach improving foundational literacy and numeracy, in which teaching and materials are carefully tailored to students' abilities.

In Pakistan's Khyber Pakhtunkhwa province, DFID is providing stipends to enable more than 444,750 girls to attend secondary school and supporting over 2,200 girls' community schools. In Ethiopia, DFID support to a government plan has seen gender parity rise from 0.63 in 2017 to 0.69 in 2019.

DFID's flagship Girls' Education Challenge is supporting up to 1.5 million girls and young women. This includes approximately 190,000 highly marginalised girls facing complex barriers to education who are being supported through the new Leave No Girl Behind window. This window includes 'catch up' projects for girls who have dropped out of, or never attended school to gain literacy, numeracy

and other skills relevant for life and work. DFID-funded research found that adolescent girls who were trained to negotiate with authority figures (parents, teachers, and community leaders) had better educational and welfare outcomes 3 years later. As a result, the Government of Zambia revised the national life skills curriculum to include negotiation training for all grade 8 students.

2019 also saw the establishment of the DFID-supported Ed Tech Hub in collaboration with the Bill and Melinda Gates Foundation and the World Bank. The Hub's mission is to build the evidence base on 'what works' in ed-tech solutions for low- and middle-income countries.

Internationally, the Global Partnership for Education (GPE) approved US\$500 million in new grants during 2019. As GPE's largest donor, the UK supported 1.2 million children directly through its contribution. The global fund Education Cannot Wait supported 2.3 million children in emergency contexts during the same period, of which 473,000 can be attributed to DFID.

### **Improve education systems**

DFID continues to support education systems to extend provision to all children and to deliver good quality services more efficiently and effectively. In Ethiopia, we are working with the government to improve the availability and timeliness of data for decision making and planning. In Jordan, DFID-supported interventions in early reading comprehension, designed initially to better include Syrian refugees, have now been adopted in all public schools. In Punjab, DFID has supported the government to raise primary school enrolment rates by 15 percentage points since 2011, including through a network of publicly financed private schools. In Tanzania, DFID Research on Improving Systems of Education (RISE) programme is helping the government to scrutinise the effectiveness of its School Quality Assurance unit.

Reaching the most marginalised means ensuring children in crisis and conflict, girls, minorities, and children with disabilities have opportunities not only to access but also to thrive in education. In addition to our work on girls' education, as set out above, we have a particular focus on supporting children in conflict and crisis. The UK's support to the Government of Lebanon has helped increase enrolment of refugee children in public schools from 3,000 in 2011 to 207,000 in 2018-19. In the Occupied Palestinian Territories, DFID support enables around 26,000 young Palestinians in the West Bank to get an education.

As many as one-third of all out-of-school children at the primary level are thought to have a disability. We are supporting the Government of Pakistan's plan to improve access to and quality of government schools for over 35,000 children with severe disabilities in Punjab.

In Ethiopia, DFID began supporting the development of 212 Inclusive Education Resource Centres which have so far enrolled an additional 9,750 students with disabilities. To amplify the work of DFID's country programmes, a global initiative on disability-inclusive education with the World Bank and the Government of Norway is currently scaling up activities in Ethiopia, Nepal and Rwanda.

Involving UK expertise is an important theme in the delivery of DFID's Education Policy. DFID and the British Council launched Connecting Classrooms through Global Learning (CCGL) in 2018. This builds long-term relationships between schools in the UK and developing countries. CCGL will train 60,000 teachers and school leaders and build 9,500 sustainable, equitable, and high-impact face-to-face and online partnerships between schools in the UK and developing countries. Also see page 66.

### **Gender equality**

Gender equality continues to be a top development priority for the UK. Guided by our Strategic Vision for Gender Equality and the UK National Action Plan on Women, Peace and Security, we are driving gender equality around the world, particularly for the most marginalised women and girls. Between 2015 and 2019, DFID reached 50.6 million women of childbearing age, children under 5 and adolescent girls through our nutrition-relevant programmes, and supported at least 5.8 million girls to gain access to a decent education. In 2018-19 alone, DFID provided 23.5 million women and girls with modern methods of family planning.

In November 2019, we announced the next phase of What Works to Prevent Violence (see 'Tackling the root causes of violence against people due to their faith, gender or sexuality' on page 34). This followed the announcement in September 2019 of an aid package to give millions more women and girls living in the world's poorest countries access to family planning (see 'Family planning' below).

The UN Commission on the Status of Women that was due to take place from 9-20 March in New York was cancelled due to the COVID-19 outbreak. Instead, there was a short procedural, at which we were able to adopt the Political Declaration which had been negotiated by all 193 UN Member States, with the UK in a leading role. The Declaration highlights a number of areas that we know are essential to achieving gender equality, including the need for quality education, opportunities for women's empowerment and leadership, and a world free of gender-based violence.

### **Family planning**

The UK had an active role at the 2019 United Nations High-Level Meeting on Universal Health Coverage (UHC) that resulted in a landmark political declaration, with leaders committing to step up efforts to deliver health and wellbeing for all. At the High-Level Meeting, the DFID Secretary of State announced funding for reproductive health supplies from 2020-2025. This will give over 20 million women and girls access to family planning per year, prevent more than 5 million unplanned pregnancies per year, and save an estimated 9,000 women's lives per year from complications in pregnancy or childbirth. Working in partnership to help countries to achieve UHC will be central to delivering the UK Government's 2019 manifesto commitment to building on existing efforts to end the preventable deaths of mothers, newborn babies and children by 2030.

### **Sexual and reproductive health and rights**

We reconfirmed our unwavering support for Sexual Reproductive Health and Rights (SRHR), and successfully pushed for progressive SRHR language in the voluntary, non-binding 'Nairobi Statement', which suggests a way forward to accelerate the implementation of the International Conference on Population and Development (ICPD) Programme of Action.

We continued working with and helping to shape global health programmes such as the Global Financing Facility, FP2020 and the Partnership for Maternal Newborn Child Health. New health programmes have been approved, for example DFID Malawi's new programme focuses on improving primary health care which will impact on mothers' and children's lives.

On 6 February 2020, Zero Tolerance Day for Female Genital Mutilation (FGM), our Secretary of State committed £3.5 million to the United Nations Population Fund (UNFPA), The United Nations Children's Fund (UNICEF) and the WHO for the 'laws, policies and sectors' component of the Support to the Africa-led Movement to End FGM programme. This work includes supporting health systems through the WHO in 7 countries to respond to FGM and manage its complications. The WHO has also launched a tool to calculate the cost of FGM in 30 countries. Through UNFPA/UNICEF, we are supporting governments in high-priority countries to improve implementation of laws and policies to end FGM, notably in Kenya, where President Kenyatta has driven momentum through a pledge to end the practice by 2022.

### **End violence against children**

DFID continued its strong focus on protecting children from violence through our Ending Violence, Abuse and Exploitation of Children programme. Through our funding to the Global Partnership to End Violence Against Children for the 'Safe to Learn'<sup>28</sup> campaign, we are supporting programmes in Nepal and Uganda to help strengthen and develop school systems and improve teachers' capacity to prevent and respond to violence in schools. Our funding to UNICEF is helping to prevent and respond to violence, abuse and exploitation of children on the move in Somalia and Ethiopia. By December 2019, 377,003 children had been reached with protective services and, in 2019 alone, 1,164 community workers and social service workers were recruited to deliver social services to children.

<sup>28</sup> <https://www.end-violence.org/safe-to-learn>



In November 2019, DFID introduced a robust approach to child safeguarding by publishing additional guidance for our programmes as part of our due diligence process (see page 24).

### **Safeguarding**

Our work on safeguarding is covered on page 24 of the Overview.

### **Disability inclusion**

In 2019, DFID built on its reputation as a global leader in disability inclusion, keeping up momentum following the hugely successful Global Disability Summit in 2018, which resulted in 171 sets of ambitious commitments made by governments, multilaterals and other organisations. DFID published a 'One-Year-On' progress report in September 2019, demonstrating significant achievements, with 74% of commitments underway, and 10% already completed.

The International Development Committee (IDC) launched an inquiry into DFID's work on disability inclusion in 2018. The final report, published in July 2019, commended DFID's leadership, recognising the impact the Global Disability Summit had for disability rights worldwide and praising the ambition set out in DFID's first Disability Inclusion Strategy (2018). The strategy set out our vision for every team and country office in DFID to meet minimum standards on disability inclusion standards by June 2020. Overall, although no areas of the business have yet met all the standards, the majority reported that they were taking steps to implement them. This means we are seeing real change. For example, in Jordan assistive technology is being integrated into humanitarian programming, with people with disabilities provided with assistive devices such as crutches, wheelchairs and prosthetic limbs; through the Girls' Education Challenge (see page 53) we have helped over 46,000 girls with disabilities receive an education in countries such as Kenya, Uganda, Tanzania and Zimbabwe; and DFID Nigeria has supported the Government of Nigeria who have enacted national legislation prohibiting discrimination on the basis of disability – a landmark achievement.

The Disability Catalyst Programme, which supports people with disabilities and disabled persons' organisations to advocate for their rights to tackle stigma and discrimination, has also had a significant impact on national governments around the world. By 2019, grantees of the programme were directly involved in 42 changes to national government programmes and 123 changes to national-level legislation and policies.

## Strategic Objective 5 PARTNERSHIP: Support a strong and resilient international system

A strong, well-functioning international system is central to UK interests. It brings stability and predictability to international behaviour, and creates and upholds the rules, norms and standards that underpin a fair, secure and prosperous world. Only by working through multilateral organisations can we tackle global challenges that impact the UK and achieve the scale of resource, action and co-ordination needed to achieve the Global Goals and end extreme poverty.

The UK is committed to championing the international system to ensure it delivers strong value for money and results for the UK, the world's poorest and most vulnerable, and the global good.

As a top donor to many of the world's leading international organisations and a global leader in development, the UK has a respected voice and significant influence to shape the international system in line with UK values:

- We use our investment and engagement in multilateral organisations to encourage reform and ensure our multilateral partners are fit for the challenges of the 21st century.
- We are strengthening our engagement with traditional and emerging partners across the world, bilaterally and in meetings such as the G7 and G20, to build alliances around the issues and values that matter to the UK.
- We are working to build a secure and inclusive global financial system that works better for developing countries, by promoting fairer international tax rules and access to markets for the global south, and by tackling corruption and minimising harm from illicit finance.

### Global Goals

Our work under SO5 contributes to all Global Goals, particularly the following:



### Activities and Achievements

#### Support an effective multilateral system

Organisations such as the UN Agencies, Multilateral Development Banks and Global Funds for Climate, Health and Education are important partners in delivering the Global Goals and outcomes across all our objectives. Among Development Assistance Committee (DAC) donors, the UK is the largest contributor of total core Official Development Assistance (ODA) funding to multilaterals. DFID has provided the majority of this funding.<sup>29</sup>

Working through these organisations is a core part of our Global Britain offer and enables us to reach countries we do not otherwise operate in. They deliver vital services such as vaccines and humanitarian response at increased scale and value for money, provide world-class specialist expertise and leverage additional funding to make UK taxpayers' money go further. For example, through the repayments made by its clients and market borrowing, each £1 provided by donors to the International Development Association (IDA) – part of the World Bank – will leverage over £3 of development financing.

We continue to use our strong global voice, our development expertise, and our investment and engagement in these organisations to drive reform and ensure they are working effectively together and delivering strong value for money and results.

<sup>29</sup> 85% of UK core multilateral ODA funding was provided by DFID in 2018. Final statistics on 2019 ODA will be published in autumn 2020.

DFID's investment and relationships with the UN and multilateral system are playing a central role in support of the UK's push to galvanise a stronger global response to the COVID-19 crisis. We are working with these partners to ensure they support an effective and co-ordinated global health response, led by the World Health Organization (WHO), reinforce the resilience of vulnerable countries, pursue a vaccine, support the global economy, and enable travelling nationals to return home where necessary.

In 2019-20, DFID engaged with other departments to shape the UK Government's long-term strategic approach to multilaterals and the international system and harness the full range of UK diplomacy efforts behind our priorities and reform objectives. We also used overarching multilateral investment principles to ensure that our core multilateral investments were clearly aligned to UK objectives, delivered strong value for money and results, and incentivised institutions to reform and collaborate effectively within the international system. We agreed our core funding contributions for the Global Fund to Fight AIDS, Tuberculosis and Malaria, the African Development Bank and Fund, the Green Climate Fund and the World Bank's International Development Association (IDA).

During the year, DFID continued to use its influence in core funding negotiations to push for UK objectives and the best possible outcome for poor and fragile countries and regions. For example, we achieved a 27.5% overall increase in IDA19 funding allocated to conflict-affected and fragile states, including new regional funding programmes to tackle fragility and conflict in the Sahel, Great Lakes and Horn of Africa. We also secured more support for governments to tackle violent conflict and assist refugees and host communities. Our influence helped to reach an agreement from the Asian Development Bank to overhaul its strategy for engagement in fragile states during 2020; and secure public commitments by the African Development Bank to significantly strengthen its approach to fragile countries.

In 2019-20, we used 30% of our funding to UN Agencies to drive improved performance and collaboration. We have drawn lessons about how best to incentivise reform through this financing method and will be applying them in 2020-21. We also used our membership in the governance structures of UN agencies to promote greater effectiveness and efficiency and continue to support the UN Secretary General's UN Reform agenda.

We are working across DFID country and central teams to ensure that multilateral investment and engagement at country level is coherent and reinforces core UK priorities and expectations around reform and performance.

We worked with other donors on reform priorities. For example, with the Multilateral Organisation Performance Assessment Network to ensure its assessment methodology includes safeguarding UN Reform and Agenda 2030 priorities in future assessments, and with Australia to explore opportunities to jointly conduct assurance assessments of humanitarian agencies.

## **New global development partners**

Over the past year, DFID has built a baseline of policy, programme and development diplomacy activities that aim to increase our engagement with new global development partners (Brazil, China, India, Indonesia, South Africa, Turkey and the Gulf) in 3 core policy areas:

- Supporting best practices in aid delivery and increasing the transparency and standards of aid flows.
- Delivering benefits for global public goods such as climate related resilience and adaptation, global health security, and supporting a reformed humanitarian system.
- Making the Rules Based International System more effective for all by working together with new powers in multilateral institutions, reforming the UN, as well as on other global issues, such as illicit financial flows.

Our activity in 2019-20 included supporting capacity building and influencing international development agencies in Saudi Arabia and China through programme management training to King Salman Relief and organising a study visit for the Chinese International Development Cooperation

Agency to London. We also provided support and analysis on trilateral co-operation and new partners' impact on climate change and the environment ahead of COP26.

### **Future development partnership with the EU**

Over the past year, DFID ministers and officials have engaged frequently with stakeholders and UK Civil Society Organisations to ensure that they were prepared for exit from the European Union, that we understood the impact on their operations and could respond to concerns from the UK development sector regarding future EU funding. This included 11 events attended by DFID officials around the UK and 29 international events hosted by DFID country offices. This work is continuing following our departure from the EU to ensure the UK development sector remains a world leader. We are still open to co-operation on a case-by-case basis.

We are working collaboratively with the EU, as well as other international partners and multilateral institutions, to support an effective and co-ordinated global health response to COVID-19, led by the WHO. This response and approach demonstrate that we can establish effective working relationships with EU institutions as a third country in times of global development and humanitarian challenges, and underlines the importance of maintaining a dialogue with the EU and international partners.

Our priority now is to establish a new development relationship with the EU that supports UK national interests and enhances UK leadership in tackling global challenges. We plan to have the same relationship with the EU as we do with other large development partners, working with them to tackle global challenges, such as climate change and economic development, where it makes sense to do so.

### **Tackle illicit finance by strengthening the global financial system**

DFID launched a programme to initiate delivery of the department's ambition on illicit finance, in support of wider government efforts. This included funding and providing expertise to the National Economic Crime Centre to support development of their international capability, deploying dedicated illicit finance expertise to Kenya, Nigeria, Mauritius and Somalia, designing new country-level illicit finance programmes (in Afghanistan, Caribbean, and Uganda), and leading cross-government efforts to design an international capability and centre of expertise for tackling illicit finance.

In 2019, DFID supported the Organisation for Economic Co-operation and Development's (OECD's) work to ensure that global tax systems are inclusive. The OECD assists countries to meet global tax standards by building their capacity to engage in the global debate and by providing training and other support to assist them to implement international tax rules.

## Strategic Objective 6 QUALITY: Improve the value for money and transparency of UK aid

Value for Money (VFM) is central to all that we do in DFID. Our aim is to ensure the money we spend improves the lives of the world’s poorest people, helps to deliver the Global Goals and is ultimately cost effective in doing so.

We have strong VFM systems and processes in place at all levels:

- At a strategic level, we work to improve the impact of all UK Official Development Assistance (ODA) and international development finance, to amplify the impact of our and others’ aid.
- At a portfolio level, we ensure our resources are allocated effectively and have in place strong corporate oversight to monitor and drive VFM.
- At a programme level, we ensure that the design, procurement, management and evaluation of our interventions maximise the impact of our resources.
- At an administrative level, the way we work as an organisation maximises the impact that our people and resources can have and empowers staff to use resources efficiently, whilst ensuring full accountability to the British taxpayer.

Ministers set the strategic agenda, shape portfolios and scrutinise the VFM of programmes, all of which ensures the delivery of high-quality programmes. Ministers also oversee the quality of delivery through discussions on management information at the Departmental Board and through direct ministerial oversight of portfolio areas.

Within this overarching framework, we seek to improve our processes to better deliver VFM. For instance, at the strategic level we link our funding to multilaterals to performance objectives, where appropriate. We work to improve our portfolio-level management information to ensure performance is adequately tracked, and at the programme level we rigorously appraise programmes pre-approval and monitor them once operational to ensure they deliver against objectives.

The Independent Commission for Aid Impact (ICAI) recognises that DFID’s approach to VFM drives up the return on investment in UK aid.

### Global Goals

DFID’s work under SO6 is contributing to all of the Global Goals.



## Activities and achievements

### Deliver value for money

#### Official Development Assistance (ODA)

The latest data shows that the UK continued to meet the international commitment to spend 0.7% of gross national income (GNI) on ODA, providing £15,174 million<sup>30</sup> of ODA in the 2019 calendar year.

All DFID assistance is untied and has been since 2001. The UK Aid Strategy reaffirmed the government's commitment to keep aid untied and DFID's guidance on untying aid is included in advice and support to other government departments with ODA spend.

Aid administered by other government departments is the responsibility of the Secretaries of State of those individual departments. DFID is responsible for reporting UK ODA spending to the Organisation for Economic Co-operation and Development (OECD), and for reporting to Parliament on the government's performance against the 0.7% GNI target. Together with HM Treasury, we monitor spend by all ODA-spending departments and cross-government funds, receiving updates from ODA contributors throughout the year. We report to the OECD and publish National Statistics releases twice a year. It is the responsibility of each ODA-spending department to ensure that all its ODA offers VFM for the UK taxpayer and that it complies with OECD's ODA rules. Details of the support DFID provides to other government departments and cross-government funds in different areas of work involved in administering ODA can be found under 'Tough, independent scrutiny' on page 63-64.

#### Reform ODA rules

The UK uses the full scope of the rules to address evolving development challenges, consistent with the UK national interest. For example, our ODA funds UK institutions working on bio-tech and oceanic research that will benefit developing countries. We work to reform the ODA rules to ensure we have a global aid system that keeps pace with global challenges and helps achieve the Global Goals. We also want to make sure we get the most out of the 0.7% commitment for the world's poorest and for UK taxpayers. DFID supports the OECD Development Assistance Committee's (DAC) work on gender equality and safeguarding against sexual exploitation, abuse and harassment (SEAH).

In July 2019, the DAC agreed the first international instrument through approval of the 'Ending SEAH Recommendation'. DFID supported development of the Recommendation and ensured that it paid particular attention to women and children, and those most at risk of discrimination on the basis of disability, gender identity and sexual orientation, race, ethnicity, age or religion. All DAC members will be held to account for implementation of the Recommendation.

In March 2020, the OECD DAC proposed for members' approval a significant increase in the proportion of contributions to the UN Regular Budget that are ODA eligible. This followed DFID's call in 2019 for the DAC to consider an increase, which aligns with UK ambitions on UN Reform and work to ensure the UN's contribution to the Global Goals is fully recognised. The DAC has released a statement, with full membership approval, on the DAC's approach to COVID-19. DFID successfully influenced the draft ensuring respect for important pillars of development (eg human rights, women and girls' equality and protection, and a focus on the poorest and most vulnerable) were included.

#### Drive efficiency and effectiveness in all our programmes

DFID uses a Portfolio Quality Index (PQI) score to measure the extent to which projects are on track to deliver their expected outputs. In 2019-20, DFID's PQI score was 104.54, indicating that, on average, DFID's outputs met or exceeded expectations.

<sup>30</sup> Based on provisional statistics on ODA available at the time of publication. Final statistics on 2019 ODA will be published in autumn 2020.

DFID continued to strengthen programme and financial management procedures and controls through the department's Better Delivery reforms. The Smart Rules continued to be refined and are reviewed every 6 months to ensure they remain effective, clear and focused.

DFID also continued to seek ways to empower its frontline staff and reduce bureaucracy through clear delegation and simple processes.

In October 2019, DFID launched a new online learning facility, the Aid Learning Platform. This provides over 50 e-learning modules which help staff understand and apply the Smart Rules. During the year, DFID continued to deliver training for all new senior responsible owners and held the first pilot of a new scenario-based learning programme in support of programme delivery, which we plan to roll out in the next financial year. DFID also introduced new guidance on beneficiary engagement and adaptive programming.

DFID introduced a new tool for its in-house programme management system – the Aid Management Platform – to support risk management at the portfolio level. We also completed the design of a new Due Diligence Hub which will support strengthened assurance of frontline programming.

Every DFID programme is rigorously appraised before it is approved, and programmes are closely monitored to ensure they deliver once they are operational. DFID also brings savings by improving operational and administrative efficiency within DFID, embedding VFM practices through our suppliers and through working with multilaterals.

In 2015, DFID announced plans to make £400 million in efficiency savings by 2019-20. DFID has actually achieved savings of £594 million over this period, due to effective procurements. In 2019-20, more than 85% of valid invoices were paid within 5 days of receipt against a target of 90%. DFID's spend through small- and medium-sized enterprises (SMEs) is currently being assessed and is projected to be approximately 34% of total contract spend in 2019-20. The final figures will be available by the end of 2020 and will be published by the Cabinet Office.

The department's overall administration spend has decreased as a percentage of Total DEL from 1.58% (£123 million) in 2011-12 to 1.10% (£110 million) in 2019-20.

## Ensure greater transparency

### Improve transparency

DFID is committed to transparency as a central principle of development effectiveness. The UK Aid Transparency Review, published in January 2020, assessed 10 UK Government departments' ODA transparency and placed DFID first. DFID has been a leader in promoting aid transparency across UK Government departments. We have established a cross-government community of practice to share learning. We have also developed and deployed the 'DevFlow' publishing tool to enable departments to publish to the International Aid Transparency Initiative (IATI) standard and we have provided supporting technical guidance. In the UK, 17 departments, public bodies and funds are now publishing to the IATI open data standard.

DFID continues to be at the forefront of making aid information transparent by improving data quality and promoting the publication of relevant and timely data to IATI and the Development Tracker<sup>31</sup>. This helps to improve accountability to UK taxpayers and citizens in the countries we provide support to, and to improve decision making and the effectiveness of development funding. We also continue to encourage our implementing partners to meet global transparency standards through our agreements and the provision of advice.

## Multilateral reform

Our investments in multilateral organisations must be clearly justified to UK priorities and multilateral performance and, like all DFID programmes, are regularly assessed to ensure they deliver results, remain cost effective and prove good VFM for UK taxpayers. Multilaterals are expected to

<sup>31</sup> <https://devtracker.dfid.gov.uk/>

demonstrate a commitment to high standards in performance, transparency and accountability, and to reform where needed.

Reform priorities are embedded in performance agreements and incentivised by linking our funding to performance objectives where appropriate (eg since 2018, 30% of our funding to UN agencies is dependent on progress against reforms). Progress is monitored through our annual review process, dialogue with agencies and our membership of multilateral governance mechanisms such as executive boards. DFID has also continued to proactively engage with its multilateral partners to ensure they have adequate procedures in place on safeguarding against sexual exploitation and abuse and sexual harassment, and to ensure that staff meet high standards of ethical behaviour (see page 24).

### **Counter aid diversion**

DFID's Counter Aid Diversion Strategy has been designed to create a culture that encourages prevention; promotes detection; ensures effective investigation where suspected aid diversion<sup>32</sup> has occurred; applies sanctions; and enforces a zero tolerance approach where aid diversion has been committed.

DFID robustly manages aid diversion risks to ensure that funds are directed to the aid outcomes or recipients for which they are intended, with effective safeguards in place to protect and ensure VFM for the UK taxpayer. DFID also expects those entrusted as the custodians of DFID's resources down the delivery chain to do the same.

All DFID staff, as well as programme delivery partners and contractors, are required to report any aid diversion – suspected or detected – to the Internal Audit Investigations Section without delay. When aid diversion is suspected, DFID has a robust response: the Internal Audit Investigations Section ensures the appropriate investigatory response to all suspicions and allegations of aid diversion, corruption and abuse of DFID resources. DFID takes a robust approach once aid diversion is identified, with recovery of funds being sought in all instances, and has a very successful record on recovery. Details of our aid diversion loss statistics are published on the GOV.UK website<sup>33</sup>. DFID's 2019-20 losses and special payments statement can be found on page 125.

The department's whistleblowing arrangements are set out on page 99.

### **Tough, independent scrutiny**

Section 5 of the International Development (Official Development Assistance Target) Act 2015 requires the Secretary of State to make arrangements for the independent evaluation of the extent to which ODA, provided by the UK, represents VFM for the purposes for which it is provided; and to report on how the duty has been complied within DFID's Annual Report. This section fulfils the duty to report.

Since May 2011, the Secretary of State has made arrangements for the Independent Commission for Aid Impact (ICAI) to provide independent evaluation and scrutiny of all UK Government aid spending. ICAI's role is 'to provide independent evaluation and scrutiny of the impact and value for money of all UK Government ODA'.

Within DFID, we are committed to using evaluation, monitoring and other evidence tools across our programmes and policies for accountability and learning. The Evaluation Strategy (February 2019) enables DFID to use the best evidence tools for learning and improving throughout our programmes, as well as prioritising investment in rigorous central evaluations in the most strategic areas. Through the Evaluation Strategy, we are strengthening use of monitoring, real-time learning and evidence for adaptively managed programmes, whilst increasing global, regional and thematic evaluations in priority areas.

<sup>32</sup> 'Aid diversion' is when funds have not been spent on their intended purposes or intended beneficiaries and can include bribery, terrorist finance and money laundering.

<sup>33</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/840428/Gross-Fraud-Losses-2018-19.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/840428/Gross-Fraud-Losses-2018-19.pdf)



DFID engages with other government departments and the devolved administrations to encourage them to ensure independent evaluation of the ODA that they spend. This includes advice on implementing programmes, the principles and implementation of DFID Smart Rules<sup>34</sup>, VFM and transparency. DFID has made its Global Evaluation Framework Agreement open to other departments, ensuring they have access to evaluation contractors with experience and expertise in international development. To support the technical quality of other government departments' evaluations, DFID has opened access to its Evaluation Quality Assurance and Learning Service which provides independent quality assurance of evaluations as well as technical assistance in evaluation design and management. In April 2019, DFID launched a second framework agreement, the Independent Monitoring and Process Evaluation Framework Agreement, which is also available to other government departments.

DFID has established a cross-government group to share best practice and lessons learned in monitoring and evaluating ODA. The group pools expertise and experience across government and provides support towards quality and coherence of evaluation of ODA expenditure. DFID's Evaluation Unit provides technical assistance to other government departments, through training, presentations and ad hoc support, and has also opened Evaluation Profession cadre events to other government departments.

DFID is subject to parliamentary scrutiny by the International Development Committee, which monitors the policy, administration and spending of DFID; the Public Accounts Committee; and occasionally other committees; as well as parliament itself. The National Audit Office also conducts value-for-money reviews of DFID's work.

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34 <https://www.gov.uk/government/publications/dfid-smart-rules-better-programme-delivery>

## DFID's risk profile

Building on the overview of our approach to risk management, this section provides further detail on the main strategic risks DFID faced in 2019-20, many of which are ongoing. Further detail on DFID's risk management framework and internal control systems is provided on page 96-97.

Risk category	Description of risks and mitigations
External context	<p>We manage risks arising from the external context:</p> <ul style="list-style-type: none"> <li>■ A sustained period of uncertainty about the global impact of COVID-19, which is changing the focus of delivery and impacting on partnership with our stakeholders, through robust prioritisation and partner engagement.</li> <li>■ A rapidly changing global economic context which is impacting prosperity in developing countries and globally, including by close monitoring of macroeconomic effects, partnership with financial institutions, and engagement with developing partner governments.</li> </ul>
Delivery	<p>We manage risks to delivery of:</p> <ul style="list-style-type: none"> <li>■ Fast and effective response to all humanitarian crises, including by investing in the international humanitarian system and flexible, rapid funding mechanisms and close engagement with our delivery partners.</li> <li>■ Ambitious UK Government-wide action on high-level priorities like the Global Goals, girls' education, and climate and environment, including by showing global leadership, building up our internal capabilities and ensuring that our programme portfolio aligns with our policy commitments.</li> <li>■ The UK's commitment to spend 0.7% of gross national income on aid as Official Development Assistance (ODA), including by effective financial management and a robust operating framework for DFID programmes, close engagement with HM Treasury, and careful consideration of our future strategy.</li> </ul>
Operational	<p>We manage operational risks to:</p> <ul style="list-style-type: none"> <li>■ The safety, wellbeing and performance of our workforce, including by ensuring we fulfil our duty of care to staff, setting clear priorities for the organisation, and sustained progress of our dedicated People Plan.</li> <li>■ The security of our information, including through implementation of robust cyber-security measures.</li> </ul>
Fiduciary	<p>We manage the risk of fraud and aid diversion, through effectively embedding our counter-aid diversion strategy, our control and assurance framework, and investment in capabilities.</p>
Safeguarding	<p>We manage the risk to sustaining momentum on tackling sexual abuse and exploitation and sexual harassment by delivering against our medium-term strategy, which is designed to improve both prevention and response in our own work and that of all others involved in the aid sector.</p>
Reputational	<p>We manage risks to our reputation, both globally and with the UK public, including through proactive communications, external influencing, and accounting effectively in Parliament for our results.</p>

## Engaging UK citizens

In 2019-20, DFID took further steps to help the UK public get involved in the worldwide fight against poverty by having a greater role and say in aid spending.

### **Driving education for sustainable development: Connecting Classrooms through Global Learning (CCGL)**

CCGL (2018-21) builds long-term relationships between schools and communities in the UK and developing countries; equipping pupils in both the UK and developing countries with the knowledge, skills and attitudes to live and work in a global economy and to act on global issues. The programme focuses on children aged between 7 and 14 and supports partnerships between primary and secondary schools in the UK and developing countries in Africa, the Middle East and Asia. By engaging directly with UK pupils and teachers, DFID is educating young people about development; giving them the opportunity to learn about the wider world and inspiring them to be proud of the work that a global Britain is doing to tackle global poverty. The programme also trains teachers and school leaders in the UK and developing countries, on topics such as the Global Goals, citizenship, skills for life, and work and inclusive teaching practice. CCGL is a high-performing programme in its second year of implementation and has reached over 10,000 schools and trained over 26,000 teachers and school leaders.

With the closure of schools across the globe, in response to the COVID-19 outbreak, we adapted the Connecting Classrooms programme by supporting teacher and school leader training through free online professional development courses and webinars in the UK and overseas; and scaling up our digital learning offer on the Global Goals so children can keep learning while schools are shut.

### **International Citizen Service**

The International Citizen Service (ICS) brings young people together in sustainable projects overseas and to carry out civic action in the UK. There were 2,500 new volunteers in 2019-20, bringing the total number of young people from the UK to volunteer with ICS to almost 40,000. This has enabled a generation of young adults to contribute to global poverty reduction and make a positive contribution to society as global citizens.

### **UK Aid Match**

In 2019-20, DFID spent £25.9 million on the UK Aid Match scheme. The UK public were given the opportunity to double every pound they donated to 17 UK aid-matched international development charity appeals. These appeals spanned a wide range of issues, including health, education, illegal wildlife trade, violence against women and girls, disability inclusion, water sanitation and hygiene, livelihoods, natural resource management, and nutrition. An additional £6 million was provided to match public donations as part of Sport Relief 2020.

### **Responding to correspondence from the public**

In 2019-20, DFID received 3,541 written enquiries from the public. Of these enquiries, 97% were responded to within our 15 working days deadline. 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](http://www.gov.uk/government/collections/government-foi-statistics)

### **Complaints to the Parliamentary Ombudsman**

The Parliamentary and Health Service Ombudsman received 1 complaint about DFID in the 2019-20 financial year. The complaint was assessed, and no further action was taken.

This is the most recent information available.

DFID takes all complaints about our service very seriously. Our complaints process is published on the GOV.UK website<sup>35</sup> to encourage people to get in touch with any problems they have encountered so that we can improve our service in the future.

<sup>35</sup> <https://www.gov.uk/government/organisations/department-for-international-development/about/complaints-procedure>

## 1.2 Financial Review

### Resource budgets

The Spending Review is the process by which the government sets spending plans, typically for a 4-year period. These plans are then set out within departments' Main Supply Estimates (Estimates) at the beginning of each financial year. Estimates are agreed between the department and the Treasury and approved (voted) by Parliament. Estimates may be updated through the supplementary estimate process later in the year for changes to spending plans.

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 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.

### Statement of Parliamentary Supply

This is the main accountability statement for parliamentary reporting purposes, showing the outturn compared with the Estimate. Additional detail on actual spending during 2019-20 against Estimates subheadings is reported in the analysis of net resource outturn by section. The Departmental Board, supported by the Management Board, controls and monitors expenditure against these targets throughout the year.

DFID's total resource and capital budgets for 2019-20 were £11,188.8 million (2018-19: £11,115.1 million) and actual outturn was £10,829.9 million (2018-19: £10,882.1 million). The total outturn represents an underspend of £358.9 million (2018-19: £233.0 million) from Estimates, of which £257.5 million was within AME and £101.4 million was within DEL. DFID's DEL and AME budgets are split into voted and non-voted amounts within the Estimate. 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.

2019-20 voted budget and outturn information is summarised in the table below.

Voted	2019-20			2018-19		
	Estimate £m	Outturn £m	Saving £m	Estimate £m	Outturn £m	Saving £m
RDEL – Resource	7,615	7,527	88	6,812	6,744	68
CDEL – Capital	2,059	2,036	23	3,129	3,105	24
AME – Resource	94	(163)	257	(75)	(155)	80
AME – Capital	955	955	–	736	736	–
Total – Voted	10,724	10,355	369	10,602	10,430	172

The main financial performance indicators 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 understand and, where appropriate, address movements.

The department spent 98.8% of available DEL compared with the Voted Estimate for the year. Underspends of £88 million on RDEL and £23 million on CDEL are therefore a very small percentage of the annual budget and reflect the flexibility required by the dynamic 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.

An underspend of £257.5 million was recorded against the Voted AME Estimate (2018-19: £80.2 million). This was mainly a result of the conservative approach that the department takes towards estimating requirements to cover the development capital investment portfolio. A full analysis of resource and capital outturn is detailed within analysis of net resource outturn by section (SOPS1.1) and analysis of net capital outturn by section (SOPS 1.2).

Reconciliation between the resource outturn and the net operating costs in the Consolidated Statement of Comprehensive Net Expenditure is detailed in the reconciliation of outturn to net operating expenditure (SOPS2). The main variance between resource outturn and the net operating expenditure is in respect of £1,937.6 million of programme capital spend that is recognised as operating costs in the Consolidated Statement of Comprehensive Net Expenditure. In addition, £475.0 million of EU attributed budget is included as expenditure within DFID's budget, but does not form part of our Consolidated Statement of Comprehensive Net Expenditure as per the Treasury's regulations.

Reconciliation between the Estimate and the department's cash requirement is detailed in the reconciliation of net resource outturn to net cash requirement (SOPS3).

## Statement of Comprehensive Net Expenditure – Operating costs

The Statement of Comprehensive Net Expenditure includes all operating income and expenditure relating to the Departmental Group<sup>36</sup> on an accrual accounting basis, including that which sits outside of the Estimate.

The Departmental Group's net operating expenditure amounted to £9,298.0 million in 2019-20, down from £9,931.3 million spent in 2018-19.

An important factor driving the decrease in expenditure was that a lower proportion of expenditure in 2019-20 was taken up by promissory note deposits.

## Consolidated Statement of Financial Position

The Departmental Group's net assets at 31 March 2020 amounted to £5,814.4 million, an increase of £1,134.3 million on net assets held at 31 March 2019. Main movements in the department's Statement of Financial Position are included in the table below:

	2019-20 £m	2018-19 £m	Movement £m	Significant factors contributing to movement
Financial investments	11,350.3	10,817.2	533.1	<ul style="list-style-type: none"> <li>■ Equity injection of £955.0 million to the CDC Group plc.</li> <li>■ Contributions to International Financial Institutions totalling £45.7 million.</li> <li>■ Additions of £71.3 million to DFID's development capital investment portfolio.</li> <li>■ Investment revaluations amounting to £537.9 million:                             <ul style="list-style-type: none"> <li>(i) A revaluation of investments in International Financial Institutions amounting to £171.6 million driven by increases in the value of underlying assets.</li> <li>(ii) A revaluation of investment in CDC Group plc amounting to a reduction of £702.7 million driven by decreases in the value of underlying assets.</li> <li>(iii) A decrease in the revaluation of development capital investment portfolio of £6.8 million.</li> </ul> </li> </ul>

<sup>36</sup> Departmental Group comprises DFID, ICAI and CSC

	2019-20 £m	2018-19 £m	Movement £m	Significant factors contributing to movement
Trade and other payables under 1 year	(6,008.8)	(6,623.3)	614.5	<ul style="list-style-type: none"> <li>■ Net decrease of £457.7 million in the promissory note liabilities. Promissory notes are often used to meet the UK's commitments to multilateral funds within agreed timings, while allowing flexibility for the funds to match the timing of cash draw-downs with programme requirements: <ul style="list-style-type: none"> <li>(i) DFID deposited promissory notes totalling £2,350.0 million in 2019-20.</li> <li>(ii) Significant new notes related to IDA (£679.0 million), CDC Group plc (£955.0 million), the Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM) (£370.0 million). Other notes deposited totalled £346.0 million.</li> <li>(iii) Promissory notes totalling £2,808.5 million were encashed in 2019-20.</li> <li>(iv) Foreign exchange rate losses of £0.7 million incurred on promissory notes denominated in US dollars.</li> <li>(v) Promissory notes are payable on demand and are therefore recorded within current liabilities.</li> </ul> </li> <li>■ Net decrease of £113.3 million in relation to balance of amounts issued from the Consolidated Fund for supply and not utilised.</li> </ul>

## 1.3 Sustainability Report

### Summary of UK performance: UK estate and business-related travel

#### Section 1: Overall strategy for sustainability

DFID is committed to the government's 25 Year Environmental Plan to increase resource efficiency and reduce waste. DFID has a strong record of improving environmental performance and is dedicated to achieving the ambitious Greening Government Commitment (GGC) targets in the UK and making significant improvements to our overseas estates in line with the FCO's ambition. We have made important progress against the 2019-20 GGCs and are currently reviewing our targets to 2025 and beyond, in line with the GGCs and government's 25 Year Environmental Plan.






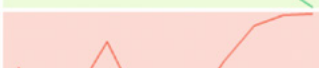
Progress towards our 2019-20 GGC has been positive. The introduction of the Green Champions Network within DFID, and senior endorsement, has helped to embed important messages and ensure everyone has access to learn and share best environmental practice. This has helped DFID create a shift in behaviour change and ability to champion sustainability in day-to-day ways of working. This has provided us with confidence that DFID can further improve environmental performance in 2020-21 and beyond.

Our focus in 2020-21 will be to set more ambitious targets and particularly improve performance where we have been challenged in the past. Our next GGC targets will be re-baselined to provide a more accurate representation of the estate and environment DFID operates within and will align with our internal strategies and government policies. DFID's progress and ambition reflect the department's desire to be a leader in this area, aligning operations with development work on climate change in order to contribute to the achievement of the Global Goals by 2030.



All UK Government departments have set 2019-20 GGC targets for their UK operations. DFID's GGC targets cover DFID's two joint headquarters – Abercrombie House in East Kilbride and 22 Whitehall in London. To assist in meeting the GGC, DFID has set out its environmental strategy in a departmental Carbon Management Plan, covering the period to the end of 2020. The Carbon Management Plan provides a framework to influence DFID's culture and approach to sustainable environmental management, both in the UK and overseas, with the aim of reducing DFID's carbon footprint in line with the GGC targets in the UK, and working closely with the FCO to minimise the environmental impact of our overseas operations.

DFID's headline performance against the GGC is set out in the table below.

Greening Government Commitment	Progress from 2009-10 to 2019-20	2009-10 Baseline	2019-20 Performance	2019-20 Target	Progress
Greenhouse Gases		3,831 tCO <sub>2</sub> e	1,279 tCO <sub>2</sub> e 67% reduction	1,915.50 tCO <sub>2</sub> e Aiming for 50% reduction	Exceeded 2019-20 target
Domestic Flights		3,610 flights	4,098 flights 14% increase over baseline	2,527 flights Aiming for 30% reduction	Behind 2019-20 target Positive progress made in 2019-20
Waste to landfill		18% of waste to landfill	1% waste to landfill	>10% to landfill Aiming for 45% reduction	Exceeded 2019-20 target
Recycling		82% of waste recycled	49% of waste recycled	Aiming for 75% of waste recycled	Behind 2019-20 target Positive progress made in 2019-20
Paper Consumption		16,003 reams of A4 equivalent	5,313 reams of A4e 67% reduction	8,002 reams of A4e Aiming for 50% reduction	Exceeded 2019-20 target
Water		8,459m <sup>3</sup>	10,958m <sup>3</sup> 29% increase over baseline	>6,500m <sup>3</sup> Aiming for 23% reduction	Behind 2019-20 target

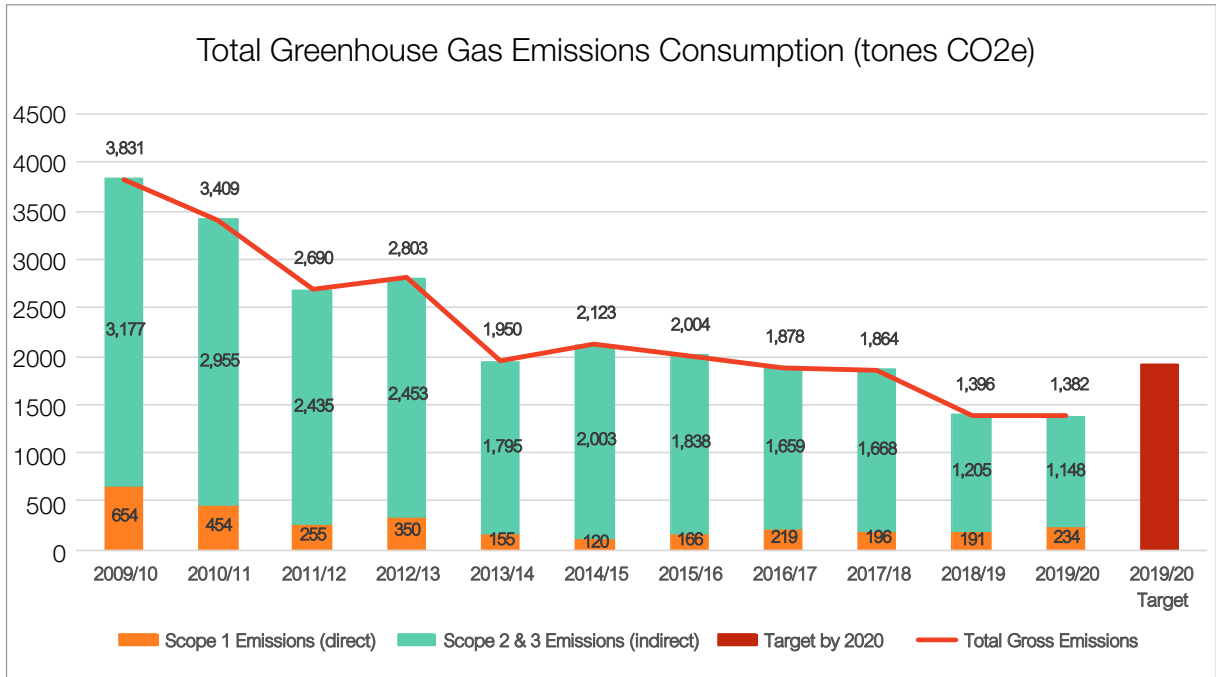
## Section 2: Greenhouse gas emissions

DFID has achieved the GGC target on greenhouse gas emissions early. Greenhouse gas emissions in the UK estate fell by a further 8% in 2019-20 – resulting in a 67% total reduction since the baseline year of 2009-10. The table below provides headline greenhouse gas emission consumption figures and costs across DFID's UK operations for 2019-20.

Greenhouse Gas Emission Consumption		2019-20 Tonnes (tCO <sub>2</sub> e)
Total gross emissions		1,279
Gross Emissions Scope 1 (direct)		235
Gross Emissions Scope 2 & 3 (indirect)		1,044
Normalised gross emissions (kg CO <sub>2</sub> e/m <sup>2</sup> )		82 kg CO <sub>2</sub> e/m <sup>2</sup>
Related energy consumption (kWh)	Electricity:	3,444,352
	Gas:	1,270,417
	Biomass:	80,902
	Whitehall District Heating Scheme:	335,600
Financial Indicator	Energy expenditure:	£630,083
	Accredited offsets expenditure:	£72,000
	CRC Energy Efficiency Scheme:	£13,176
	Expenditure on official business travel:	£4,277,016



### Greening Government Commitments: progress against greenhouse gas emissions consumption



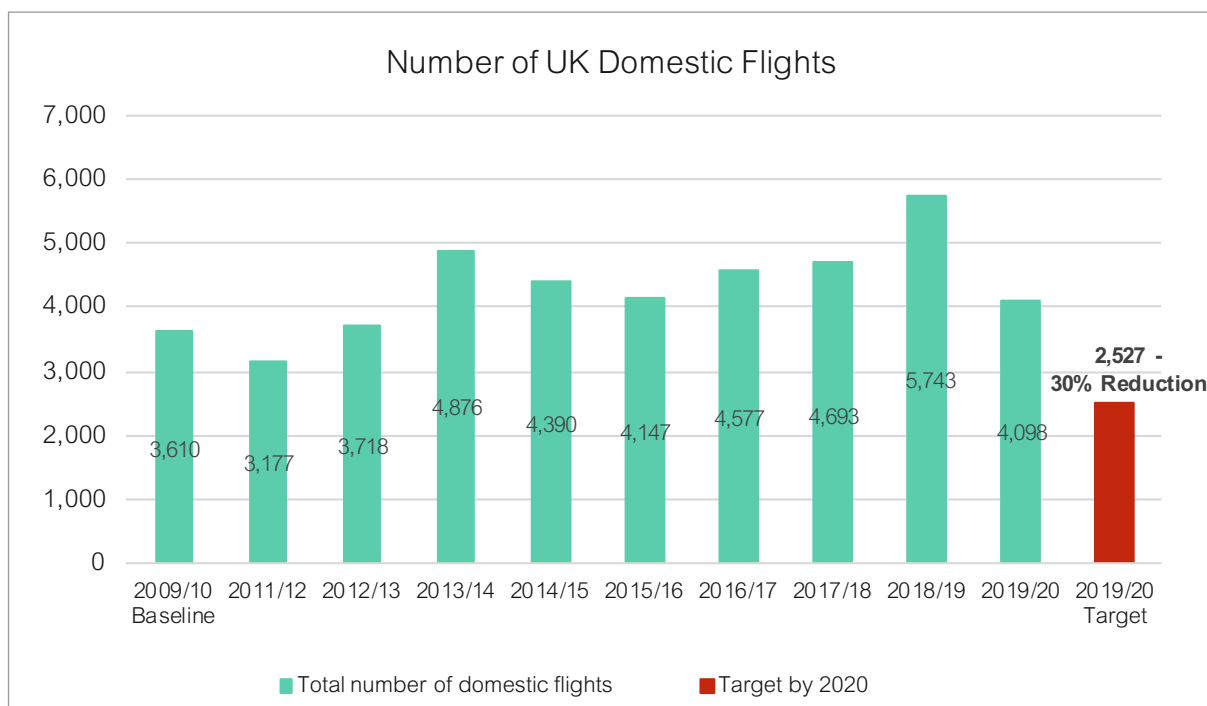
Reductions in this area have been achieved through various initiatives, including moving to a smaller office in London (in 2013), introducing a green roof (in 2010) and biomass boiler (in 2013) in Abercrombie House, undertaking pointing works to improve the exterior fabric in Abercrombie House for better insulation and increasing staff awareness through various campaigns.

### Domestic flights

The table below provides headline domestic UK flight data for 2019-20.

Domestic flights		2019-20 Number of flights
<b>Total domestic flights</b>		<b>4,098</b>
Non-financial indicator	Domestic UK air miles	1.40 million
	Carbon (tCO <sub>2</sub> e)	322 tonnes

## Greening Government Commitments: progress against domestic flights target



In 2019-20, our number of domestic flights decreased by 29% compared with 2018-19 – the lowest number of domestic flights since 2012-13. This downward trajectory was due to challenging behaviours, increasing management information and Smart Working. However, COVID-19 and travel restrictions within Q4 did contribute to this reduction: 15% fewer flights were taken in Q4 2019-20 than in Q4 2018-19.

Despite this recent progress, DFID is still off track to meet the GGC 2019-20 target of a 30% reduction. The increase in flights witnessed in previous years reflects an increase in the number of staff since 2009-10, including increasing the number and range of teams with representation in Abercrombie House – in line with our departmental strategy to relocate roles from Whitehall to Abercrombie House.

DFID is committed to reducing the number of UK domestic flights and to carbon offsetting to minimise the impact DFID's operations have on the environment. We are working with our Green Champions network to raise awareness of individuals' carbon footprint and drive behavioural changes throughout the organisation. We have increased our use of management information and staff communication campaigns to engage DFID departments in the importance of reducing air travel.

By increasing the availability of information on travel, giving staff the skills and knowledge required to execute behavioural changes and senior management promoting a Smart Working environment, we have provided the environmental and social context required to encourage and promote these behaviour changes. We are working to further develop our management information, to provide the total costs of air travel to include carbon offsetting costs, to help increase DFID departments' accountability for how they travel, and further drive the behavioural changes required to continue improving our travel habits.

In addition, our travel policy strongly encourages staff to travel by rail. We continue to increase the use of video conferencing facilities, introduce new technology and ways of working with Office 365 capabilities, and promote Smarter Working to encourage collaboration between different locations, without the need for travel.

The impact of all these steps is clearly evident in the reduction in travel in 2019-20. We are reviewing our flights targets for 2020-21 and beyond, setting informed targets that align with our departmental strategies and the government's 25 Year Environmental Plan. DFID will continue to be ambitious and

drive the behavioural changes required to reduce the number of domestic flights. In 2019-20, DFID purchased 21,180 Gold Standard CER's to offset DFID's 2016-17 and 2017-18 travel emissions.

### Number of flights per person

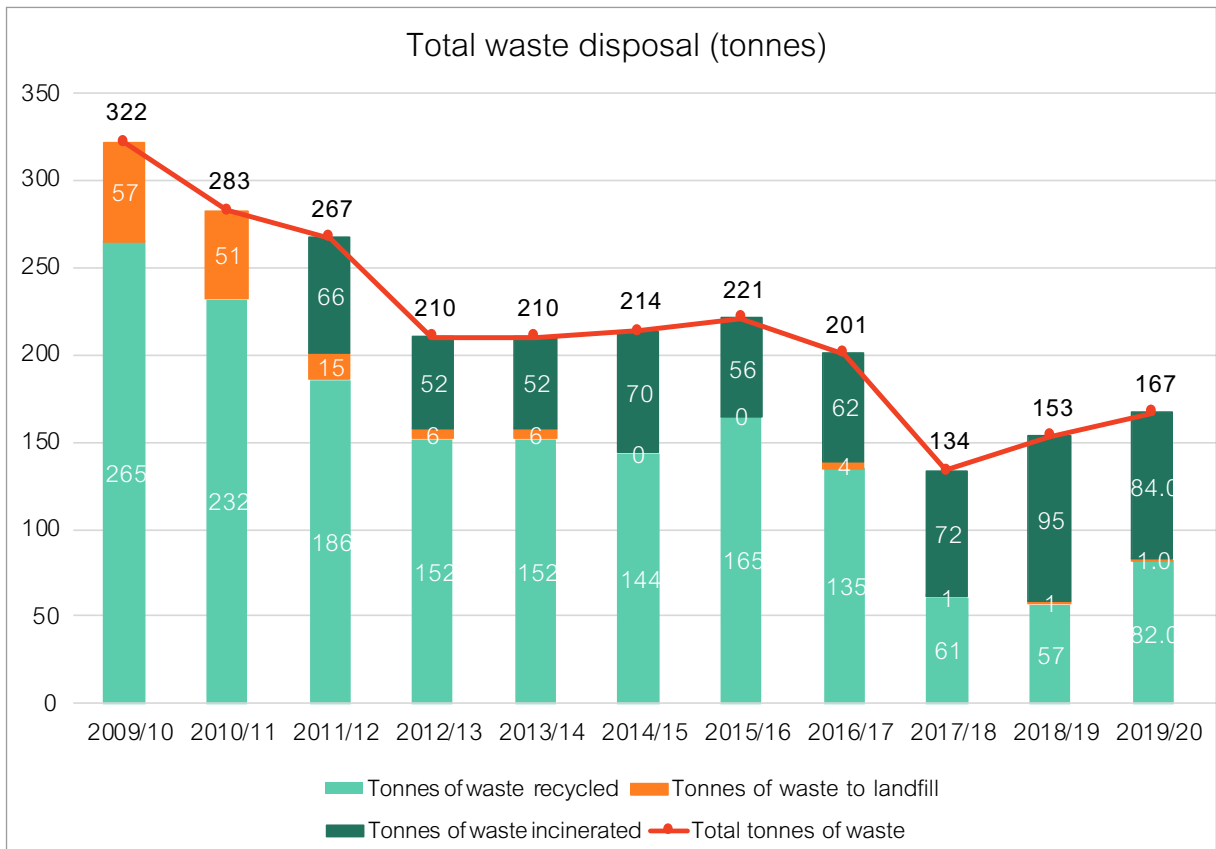
The number of flights per person has reduced from 3.04 flights per person in 2014-15 to 1.86 in 2019-20. The reduction in flights per person since 2014-15 is moving in the right direction and we will continue to monitor and report this, alongside the total number of flights.

## Section 3: Waste Management and Minimisation

The table below provides headline waste disposal figures and costs across DFID's UK operations for 2019-20.

Waste		2019-20 Tonnes	Financial Indicator
<b>Total waste</b>		<b>167</b>	<b>£23,902.42</b>
Total waste by method of disposal	Landfill	1	
	Recycled	82	
	Waste incinerated	84	

### Greening Government Commitments: progress against waste target



DFID's overall waste tonnage has decreased by 48% since the 2009-10 baseline, meeting the GGC target to improve our waste management by reducing the overall amount of waste generated. However, there was a slight increase (9%) in 2019-20 compared with 2018-19. In 2019-20, 1 tonne of waste was sent to landfill, exceeding the GGC target. DFID continues to aim for zero waste to landfill.

In 2019-20, DFID recycled 49% of waste, a 12% increase on waste recycled in 2018-19. At the end of 2017-18, we installed new waste bins and signage to improve the way we stream, segregate and recycle waste, and have been undertaking significant communications campaigns with staff to educate and inform them on the importance of good waste-management practices.

We have been working to remove avoidable single-use plastic from the UK estate, which has included removing plastic water cups and all plastic water bottles, and replacing single-use plastic canteen consumables (cups, cutlery, takeaway containers) with non-plastic, compostable, ‘veggware’ alternatives across our UK estate. Staff have also introduced TerraCycle initiatives to help recycle hard-to-recycle materials.

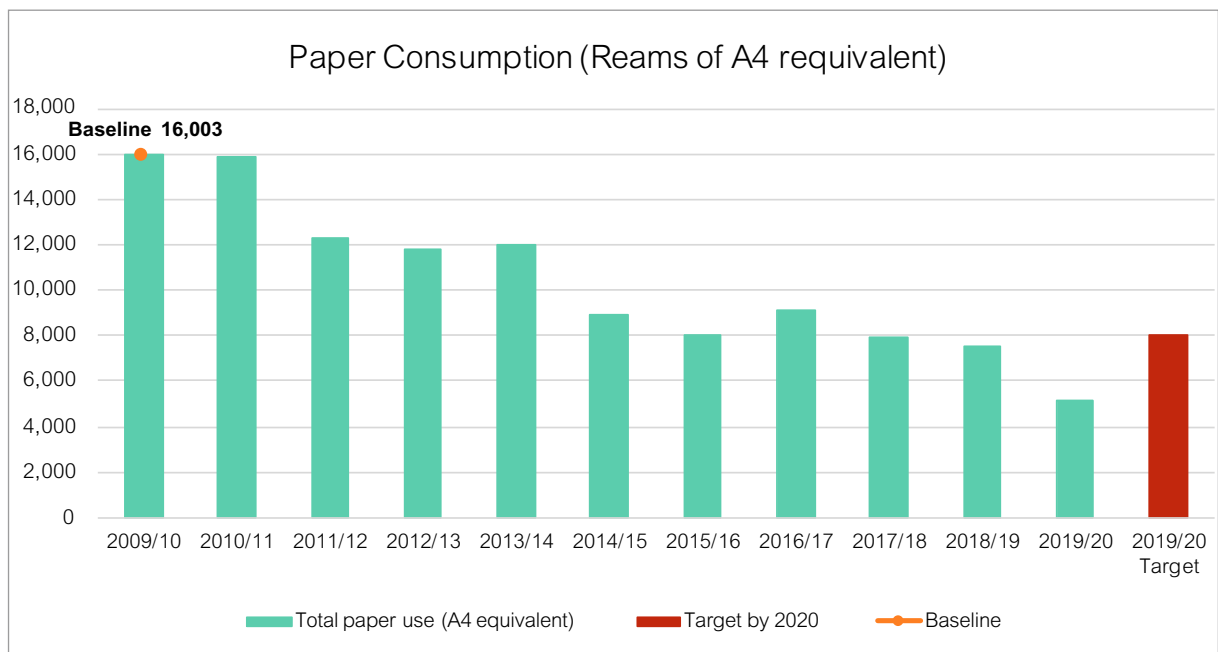
However, we are still short of our internal ambition to recycle 75% of all waste produced. We are continuing to monitor our waste-management practice and encourage good practice in line with the waste hierarchy and review our targets and ambition for 2020-21 and beyond.

## Paper

The table below provides headline paper consumption figures and costs across DFID’s UK operations for 2019-20.

Paper consumption	2019-20 A4 Equivalent
Total paper consumption	5,121

## Greening Government Commitments: progress against paper consumption



DFID’s overall paper usage has decreased by a further 29% in 2019-20, which makes a 67% total reduction against the 2009-10 baseline, exceeding the GGC target to reduce paper usage by 50%.

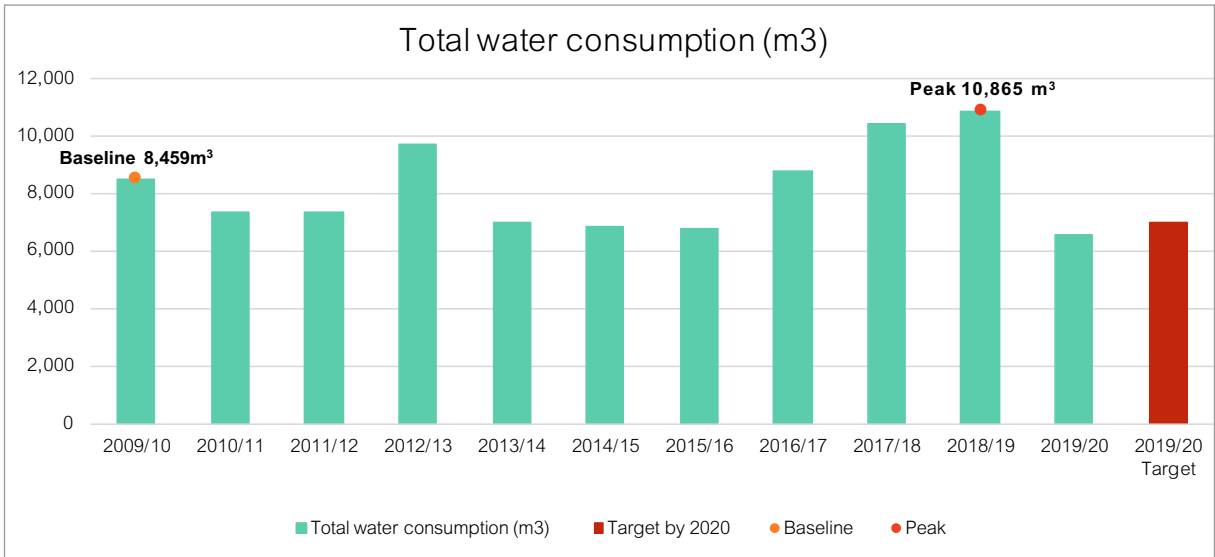
The reduction in paper usage is due to the department’s printer rationalisation project, staff education and awareness campaigns, and the roll out of new technology, including Office 365, which has enabled collaboration online and reduced the need to print.

## Section 4: Water Consumption

The table below provides headline water consumption figures and costs across DFID’s UK operations for 2019-20.

Water consumption	2019-20 Cubic Metres	Financial Indicator
Total water consumption	10,958	£70,916

### Greening Government Commitments: progress against water target



DFID’s overall water usage increased by 1% in 2019-20, which makes a total 29% increase since the 2009-10 baseline, resulting in DFID being behind the GGC water target to improve on reductions made in previous years.

The water usage increase since 2016-17 has been due to exceptional weather during recent summers. Following the air conditioning unit in 22 Whitehall overheating and failing, we were required to have 24-hour usage of water to enable the cool condenser units in the patch rooms to function. A total of 68% of water used this year was used in 22 Whitehall. We are currently replacing the heating and cooling system in 22 Whitehall, which should result in lower carbon consumption and less water use going forward.

## Section 5: Sustainable Procurement

Our Supply Partner Code of Conduct (the code) is now an integral and binding part of our standard contract terms and conditions and sets high but realistic standards for ethical and safeguarding behaviour, social responsibility, and value for money from the supply partners who deliver UK aid. The code has been applied to our contracts since September 2017 and now covers 80% of DFID’s contract spend. A pilot programme for the Code for Accountable Grant Arrangements (AGAs) involving 20 Civil Society Organisations (CSOs) has been completed. The outcomes of the pilot are being collected and analysed to determine how the full roll out to AGAs can best be shaped using the experiences of the pilot CSOs. Some issues remain to be discussed and agreed with main stakeholders, following which a date for launching the Code for AGAs can be determined.

Compliance with the code is monitored by a specialist commercial team. Full compliance and annual verification are mandatory for supply partners and commits them to key performance indicators in 6 priority areas, including:

- Value for money and governance.
- Ethical behaviour.
- Transparency and delivery chain management.

- Environmental issues.
- Terrorism and security.
- Safeguarding, social responsibility and human rights.

DFID supply partners and their delivery chains act on behalf of the UK Government and interact globally with country governments, other aid donors and their delivery partners, many stakeholders, including citizens, and directly and indirectly with aid beneficiaries. These interactions must therefore meet the highest standards of ethical and professional behaviour in order to uphold the reputation of the UK Government.

Supply partners must demonstrate that they are pursuing continuous improvement and applying stringent financial management and governance to reduce waste and improve efficiency in their internal operations and within the delivery chain.

Supply partners must be committed to high environmental standards, recognising that DFID's activities may change the way people use and rely on the environment, or may affect or be affected by environmental conditions. They must demonstrate they have taken sufficient steps to protect the local environment and community they work in, and to identify environmental risks that are imminent, significant or could cause harm or reputational damage to DFID or the communities we work in.

Commitment to environmental sustainability is not limited to but may be demonstrated by:

- Formal environmental safeguard policies.
- Publication of environmental performance reports.
- Membership or signature of the UN Global Compact and further relevant codes, both directly and within the supply chain such as conventions, standards or certification bodies.

## Section 6: Transparency

### Climate change adaptation

DFID is mindful of the risks posed by climate change. The Smart Rules provide the operating framework for DFID's programmes. These are clear about the need to consider sustainability and resilience in our programming to possible future shocks, including political, economic, security, environmental, social and climatic. Further guidance is provided internally by the Climate and Environment Smart Guide. Robust business continuity plans are in place to manage occurrences of extreme weather events.

### Biodiversity and natural environment

The DFID office in Abercrombie House maintains biodiversity, with hedgerows and trees to encourage habitats and local plant species.

### Procurement of food and catering services

DFID's in-house catering provision, through the cross-government cluster contract arrangement, partially meets the Government Buying Standard (GBS) for food and catering services, with an overall 76% annualised average on product compliance between Abercrombie House and 22 Whitehall.

DFID continues to work with catering provisions to further embed the GBS and become fully compliant. In addition, DFID is continuing to review and eliminate the use of single-use plastics in our food and catering contracts.

### Sustainable construction

DFID adheres to sustainable construction standards. In 2019-20, considerable refurbishments were carried out in both Abercrombie House and 22 Whitehall to ensure that both headquarters meet modern ways of working. All construction adhered to the GBS and ensured environmental sustainability was prioritised. DFID ensured that all manufacturing and furniture providers were accredited and committed to embedding sustainability. In Abercrombie House, old furniture that was

able to be reused was donated to charities. In Whitehall, old furniture was recycled with zero waste going to landfill.

### **Additional sustainability initiatives**

In addition to improving our operational activity, DFID is taking additional steps to engage staff in various initiatives to improve the impact of our activities.

#### **Smarter working**

DFID remains a strong advocate for Smarter Working, in line with the cross-government programme. The changes to the physical workspace within both DFID HQ offices has maximised available space and provided a range of different work zones to suit different ways of working and activities. This is supported by improved technology and culture change to support flexible and collaborative working.

The rollout of Office 365 has enabled collaborative working between different locations, without the need for travel, which is helping reduce individuals' carbon footprint. It is also reducing the need to print and our paper usage.

#### **Liftshare**

In October 2018, DFID introduced 'liftshare' in Abercrombie House; an online car sharing platform designed to make car sharing arrangements easier. The introduction of liftshare has reduced the number of cars travelling to and from our estate and has helped cut congestion and reduced pollution. Since launching in 2018, an estimated 1,561,979 miles, and 306 tonnes of CO2 have been saved.

#### **Promoting sustainable development overseas**

DFID is committed to integrating climate and environment concerns into all our development policy and programming, including use of climate finance.

Although the operation of our overseas estate is managed by the FCO through One HMG and is subject to separate policies owned and implemented by the FCO, we are committed to improving the sustainability of our overseas offices and are working closely with the FCO sustainability team to drive improvements.

Staff are kept well informed of DFID's environmental performance and plans to enhance it via the intranet and internal communication methods.

#### **Nick Dyer CB**

Interim Accounting Officer for the Department for International Development

10 July 2020

# Accountability Report

## 2.1 Corporate Governance Report

### 2.1.1 Directors' Report

Elements of the statutory requirements of the Directors' Report are detailed in the Governance Statement from page 80. These include:

- details of the senior management team
- name of the permanent head and accounting officer
- names of the non-executive directors
- composition of the Management Board
- details of company directorships and other significant interests held by senior management.

### 2.1.2 Statement of Accounting Officer's responsibilities

Under the Government Resources and Accounts Act 2000 ('GRAA'), HM Treasury has directed DFID to prepare consolidated resource accounts, for each financial year, detailing the resources acquired, held or disposed of, and the use of resources, during the year by the department (inclusive of its executive agencies) and its sponsored non-departmental public bodies designated by order made under the GRAA by Statutory Instrument 2018 No. 1335 (together known as the 'departmental group', consisting of the department and sponsored bodies listed at note 16.2 to the accounts). The accounts are prepared on an accrual basis and must give a true and fair view of the state of affairs of the department and the departmental group and of the income and expenditure, Statement of Financial Position, and cash flows of the departmental group for the financial year.

In preparing the accounts, the accounting officer of the department 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 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, including those judgements involved in consolidating the accounting information provided by non-departmental public bodies
- 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
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

HM Treasury has appointed the acting head of the department as Interim 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.

The accounting officer of the department has also appointed the chief executives or equivalents of its sponsored non-departmental public bodies as accounting officers of those bodies. The accounting officer of the department is responsible for ensuring that appropriate systems and controls are in place to ensure that any grants the department makes to its sponsored bodies are applied for the



purposes intended, and that such expenditure and the other income and expenditure of the sponsored bodies are properly accounted for, for the purposes of consolidation within the resource accounts. Under their terms of appointment, the accounting officers of the sponsored bodies are accountable for the use, including the regularity and propriety, of the grants received and the other income and expenditure of the sponsored bodies.

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.

## Statement on the disclosure of relevant audit information

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that DFID's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware. I also confirm that this Annual Report and Accounts as a whole is fair, balanced and understandable and that I take personal responsibility for the Annual Report and Accounts and the judgments required for determining that it is fair, balanced and understandable.

### 2.1.3 Governance Statement

#### Accounting Officer's 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 overseeing delivery of ministerial strategic and policy priorities; ensuring accountability and delivery of efficient and effective organisational performance; and ensuring that the supporting governance systems function as they are designed, securing value for money and managing risk.

This is in support of delivering the single departmental plan and in accordance with the International Development Act 2002, the International Development (Reporting and Transparency) Act 2006, the International Development (Gender Equality) Act 2014, the International Development (Official Development Assistance Target) Act 2015, and HM Treasury's 'Managing Public Money' guidance. This Governance Statement represents my assurance to Parliament that, as Accounting Officer, I am satisfied that the department's finances are adequately controlled.

COVID-19 is the biggest threat this country has faced in a generation. We are now seeing the outbreak impacting tragically in developing countries, particularly in Africa, with an even more disastrous impact there than it has had elsewhere in the world. The consequences for jobs and livelihoods, peace and security will be felt globally for years if not decades.

We know from previous health emergencies that the secondary impacts risk being even greater than the primary impacts, including on health, jobs, education and food systems. During the 2014-15 Ebola outbreak in West Africa, it is estimated that the increased number of deaths from malaria alone was comparable to the total number of Ebola-related deaths, due to lack of access to, and failure of health systems. As the impact of COVID-19 is being felt around the world, it has impacted ministerial priorities and how DFID works.

The UK is at the forefront of the global response. In early February 2020, a cross-government COVID-19 International Taskforce was established, run jointly by DFID and the Foreign and Commonwealth Office (FCO) to lead the UK's international response. We quickly began working with countries and through the wider international system to ensure that, as far as possible, essential services continue, and that patients and health workers are protected from infection.

With our early leadership we are promoting a co-ordinated international response; increasing our funding through multilateral agencies; and flexing our central and country programmes to prevent the

spread, save lives, and support economies and long-term recovery. So far, we have pledged £764 million of UK aid specifically, and the reorientation of our programmes is substantial.

The months ahead will be a test for all of us and there has never been a more important time to deliver on our 0.7% commitment. On 16 June 2020, the Prime Minister announced that a new department would be established to bring together development and diplomacy as the Foreign, Commonwealth and Development Office (FCDO). The new department will continue to use the considerable influence, evidence and technical capability, for which the UK is renowned, not only in response to the global pandemic but, alongside other government departments, to deliver the government's priorities on humanitarian relief; security, conflict and governance; girls' education and preventable deaths; confronting the climate and biodiversity crisis; and building productive and sustainable economies.

We worked hard in 2019-20 to deliver UK aid with the most impact and best value for money we could to help poor and vulnerable people around the world. Key moments during the year included DFID's presentation of the UK's achievements towards the Global Goals for Sustainable Development at the UK's first Voluntary National Review at the UN High Level Political Forum in July 2019. The Prime Minister's announcements at the UN General Assembly (UNGA), in September 2019, set out a number of priorities, in particular our commitment to delivering 12 years of quality education for girls everywhere and a doubling of the UK's International Climate Fund spend over the next 5 years, including commitments to develop and test new clean energy technologies. Then, in January 2020, DFID, working alongside the FCO and Department for International Trade, led the work to host the UK-Africa Investment Summit, which secured commercial investments in infrastructure, energy, retail and technology worth more than £6.5 billion.

DFID continued to provide vital humanitarian support in ongoing crises; responding to the most severe health and nutrition needs and ensuring that those who have been forced to flee their homes had access to critical support and basic services. In Syria, Yemen, Somalia, Venezuela and many other parts of the world, UK aid brought hope to millions of people. Our educational programmes gave displaced children the prospect of one day achieving a better life for themselves and their families, particularly female pupils, who so often bear the brunt of limited educational opportunity, leading to higher levels of sexual exploitation, abuse, teenage pregnancy and early marriage.

Humanitarian need is likely to be increasingly caused by the effects of climate change and environmental degradation. With the ICF commitment made at UNGA, we, in partnership with Defra and BEIS, will help poorer countries to deal with the causes of climate change, like preventing deforestation, reducing carbon emissions and turning the tide against species loss. It will also help them to prepare for its effects, such as giving poor farmers climate-resilient crops that can grow in hotter, drier conditions, or implementing early warning systems in areas vulnerable to flooding. It set a benchmark for other donors in the run up to the United Nations Climate Change Conference (COP26), which the UK will host in Glasgow next year.

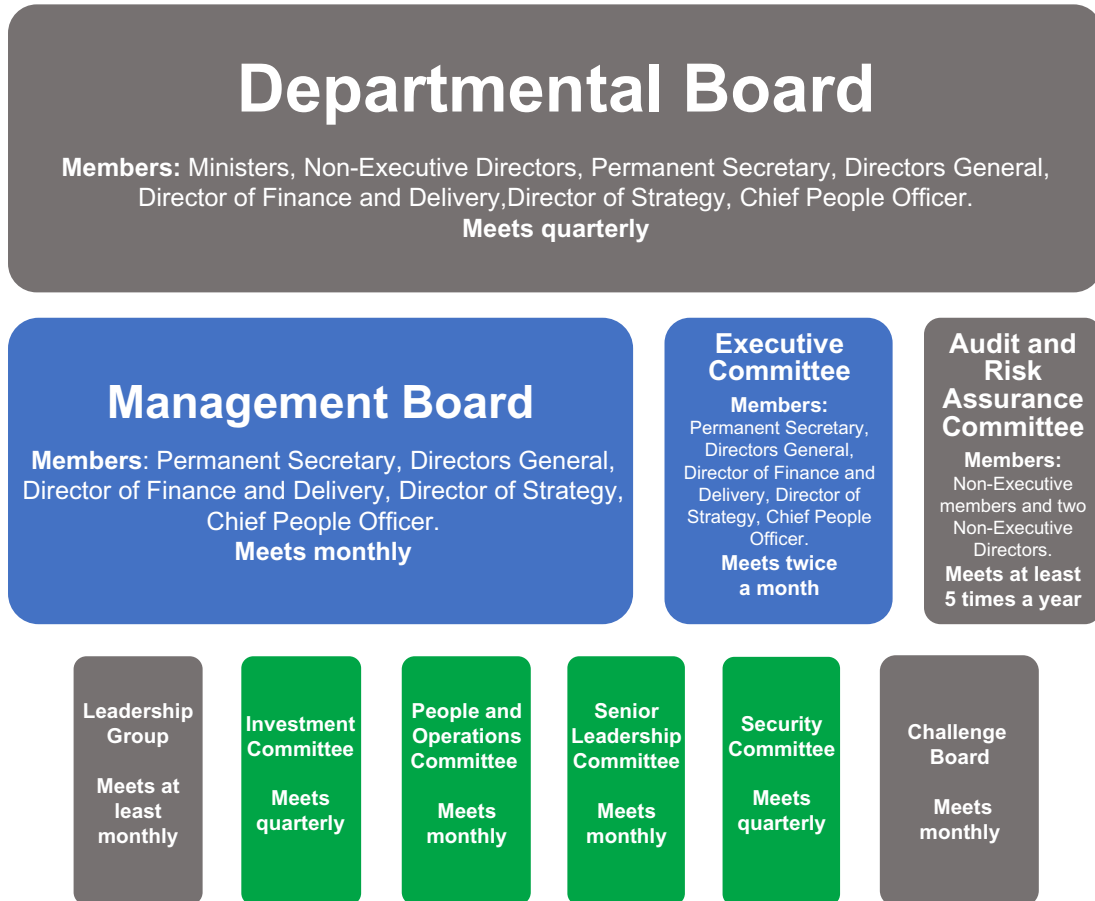
Our results in 2019-20 were achieved in what was a year of change. DFID temporarily deployed 169 staff to areas of government most in need of support as we exited the European Union. All essential DFID business continued with areas that could be temporarily slowed or paused. There were many changes in ministerial appointments, and Executive Committee, chaired by the Permanent Secretary, took care to maintain direction, financial management, and strong systems of governance and accountability throughout the year.

An area of ongoing but significant improvement was in corporate risk management. We have strengthened our application of risk appetite to manage risk; made significant strides in digital risk monitoring and analysis of risk data; and enriched and adapted support to staff to respond to rapidly changing circumstances. We also developed further checks and balances in fragile areas to manage fraud risk. Last financial year, we recovered 82% of identified fraud – £4.3 million of British taxpayers' money – thanks to the increase in reporting.

As we work through 2020, I am confident that our combined ability to achieve impact, our systems, controls and our people will put the new department in a strong place. FCDO will place UK aid at the heart of what we do, leveraging the development expertise of DFID through the reach of the FCO's

global network. It will bring our development and diplomatic efforts closer together so we can achieve more in development, reach more people in the work we do and ensure our work across the globe is more closely aligned to our national interests of security, prosperity and democratic values, as the best routes to lasting stability and growth.

## How we are structured



NB: The Departmental Board, Audit and Risk Assurance Committee, Challenge Board and Leadership Group are advisory bodies.

## Non-Executive Directors

### Marc Bolland – Lead Non-Executive Director

Appointed in July 2018 for 3 years.

Marc sits on the Departmental Board. He has extensive experience across both the private and non-profit sectors. He is a Vice President at UNICEF UK and Founder of the Movement to Work charity, which provided nearly 100,000 underprivileged young people with work experience and jobs.

Marc's current role is Head of European Portfolio Operations at financial services firm Blackstone Group. Previously, Marc held positions as the Chief Executive Officer (CEO) of Marks and Spencer and CEO of Morrison Supermarkets.

### Alan Johnson – Non-Executive Director

Appointed in July 2018 for 3 years.

Alan sits on the Departmental Board and is Chair of the Audit and Risk Assurance Committee. Alan had a 30-year career at Unilever, including as Group Chief Audit Executive and Chief Financial Officer of the Global Foods Division. He holds non-executive director positions for several non-profit organisations, including as Deputy President of the International Federation of Accountants. He is a

Trustee of the International Valuation Standards Council and a Chair of the Board of Governors of St Julian's British School in Lisbon.

### **Tim Robinson – Non-Executive Director**

Appointed in June 2013, completed 6.5 years in November 2019.

Tim sat on the Departmental Board, Security Committee and was Chair of DFID's Digital Advisory Panel. Tim is CEO of LGC, a global life sciences company that traces its origins to the privatised Laboratory of the Government Chemist. Prior to LGC, Tim has been CEO/senior executive for a number of global technology companies having started his career with IBM. He is also currently Non-Executive Chair of Open GI, a UK-based software company. Tim has previously held various non-executive positions, including at Camelot, UKTI and Oxfam.

### **Sally Jones-Evans – Non-Executive Director**

Sally was appointed in September 2016; her tenure has been extended until September 2020.

Sally sits on the Departmental Board and the People and Operations Committee and was a member of the Audit and Risk Assurance Committee until October 2019. Sally has worked in both general management and HR executive roles within Lloyds Banking Group and has both board and advisory experience. Sally currently serves as a non-executive director on a number of boards within the public, private and not-for-profit sectors, including the Principality Building Society and Hafren Dyfrdwy Ltd, part of Severn Trent Plc. Sally is also a Trustee Director of Tearfund.

## **Non-Executive Members**

### **Audit and Risk Assurance Committee:**

#### **Anthony Dunnett – Non-Executive Member**

Appointed in December 2018 for 2 years.

Anthony has spent his career in the public, private and voluntary sectors. He is an economist by training, spending 25 years in international banking, and was Finance Director of HSBC's Global Corporate and International Banking Divisions. He subsequently worked in government in 2 non-departmental public bodies involved in economic development as CEO and accounting officer. Most recently he established International Health Partners, coordinating the supply chain of medicines and medical commodities from European industry to support humanitarian disasters and strengthen health systems in over 100 developing world countries. He is presently a Trustee of the Royal College of Paediatrics and Child Health and is involved in a number of projects in Africa as Vice Chair of Mercy Ships UK and founder of Quality Medicines for All and VACSolar.

#### **Anne Tutt – Non-Executive Member**

Appointed in September 2014; her tenure has been extended until September 2020.

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 is Senior Independent Director and Vice-Chair of Oxford University Hospitals NHS Foundation Trust, Director and Trustee of Oxford Hospitals Charity, and Director and Trustee of the International Network for Advancing Science and Policy Limited. Anne is also an independent member of the Internal Audit Standards Advisory Board and a Trustee at the Episcopal Church of Sudan and South Sudan University Partnership.

#### **Fiona Thompson – Non-Executive Member**

Appointed in September 2016; her tenure was extended until September 2020.

Fiona has worked as an independent consultant and researcher focused on government-business relations and foreign direct investment and has served as a board member of several not-for-profit organisations including CARE International UK, where she was Vice-Chair. She is currently Chair of Transparency International UK, a Director and Chair of the Audit Committee of Forum for the Future and serves on the board of the Overseas Development Institute. She is a UK chartered accountant and has lived and worked in India, Brazil and South Africa as well as the UK.

### **Investment Committee:**

The Investment Committee (IC) is 1 of 4 sub-committees of the Management Board and is chaired by the Director General for Finance and Corporate Performance. The Investment Committee has 3 formal sub-committees, plus the Commercial Board reporting to it:

- (1) Project Cycle Committee which governs the Smart Rules, processes and guidance;
- (2) Corporate Assurance Board which governs Corporate Rules;
- (3) Financial Transactions Steering Board which governs the development capital portfolio;
- (4) Commercial Board which governs commercial reform. Although not a formal sub-committee, the Commercial Board is accountable to the IC for delivering their work-plans.

Each sub-committee reports to the IC annually.

### **Julia Grant – Non-Executive Member**

Appointed in December 2019 for 2 years.

Julia Grant has a portfolio of non-executive director roles in the public and charity sector. She has held leadership roles in global consulting firms, insurance and the not-for-profit sector. Julia currently sits on the Impact Investment Committee at the British Venture Capital Association and is a trustee at the Education Development Trust.

### **Jonathan Simcock – Non-Executive Member**

Appointed in June 2016; his tenure has been extended until May 2021.

Jonathan was formerly the Managing Director of Smart DCC and the Director of the Office of Government Commerce. He has undertaken executive roles in the energy, utilities and telecommunications sectors, and led what is now the Infrastructure and Projects Authority in the Cabinet Office.

## Departmental Board

Chair – Secretary of State

Roles and responsibilities	Issues covered
<p>The Departmental Board provides collective strategic leadership and challenge on strategy and policy priorities, major corporate issues and risks. The board:</p> <ul style="list-style-type: none"> <li>■ Scans the horizon and considers strategic challenges and risks to the organisation.</li> <li>■ Gives advice on the implementation of policy priorities and the effective management of the department.</li> </ul>	<p>Three board meetings were held in 2019-20 (13 May 2019, 18 July 2019 and 24 February 2020).</p> <p>At each board meeting, the Secretary of State gave an update on immediate priorities, allowing for a discussion on urgent issues and priority events. The Permanent Secretary provided an update on operational issues, and there was a standing management information item covering key financial and people issues.</p> <p>The Departmental Board discussed critical issues relating to:</p> <ol style="list-style-type: none"> <li>a) Leadership and sustainability: setting DFID's strategic direction, promoting innovation and evidence-based ideas.</li> <li>b) Effective management of the department: reviewing the Board Effectiveness Review 2018-19, progress implementing the Supplier Review, ways to improve efficiency and coherence of non-DFID ODA spend, improvements to programme quality; prioritisation; and areas of focus for non-executive directors in DFID.</li> <li>c) Accountability: reviewing the work of the Audit and Risk Assurance Committee.</li> </ol>

The board is required to ensure that it complies with the provisions of the Corporate Governance in Central Government Departments: Code of Good Practice 2017, or where it has not, to explain the reasons for any departures from the code.

DFID is satisfied that the board has continued to comply with the code, with the one exception of the requirement for the board's regular agenda to include scrutiny of arm's length bodies. This function is fulfilled through other means. The board's secretariat ensures paperwork meets agreed standards and board members have complemented the quality of the information provided to it.

Members of the Board 2019-20	Meetings attended	Out of
The Rt Hon Rory Stewart, MP, Secretary of State (from 1 May 2019 to 24 July 2019)	2	2
The Rt Hon Anne-Marie Trevelyan, MP, Secretary of State (from 14 February 2020)	1	1
Harriett Baldwin, MP, Minister of State (to 25 July 2019)	2	2
The Rt Hon Andrew Murrison, MP, Minister of State (from 9 May 2019 to 13 February 2020)	1	2
Baroness Sugg, Parliamentary Under-Secretary of State (from 24 April 2019)	3	3
The Rt Hon Lord Zac Goldsmith, Minister of State (from 27 July 2019)	1	1
The Rt Hon James Cleverly, MP, Minister of State (from 14 February 2020)	0	1
Lord Ahmad, Minister of State (from 14 February 2020)	1	1
Nigel Adams, MP, Minister of State (from 14 February 2020)	0	1
Wendy Morton, MP, Parliamentary Under Secretary of State (from 14 February 2020)	0	1
James Duddridge, MP, Parliamentary Under Secretary of State (from 14 February 2020)	0	1
Marc Bolland, Lead Non-Executive Director	2	3
Alan Johnson, Non-Executive Director	3	3
Tim Robinson, Non-Executive Director (to 30 November 2019)	1	2
Sally Jones-Evans, Non-Executive Director	3	3
Matthew Rycroft, Permanent Secretary (to 22 March 2020)	3	3
Lindy Cameron, Director General, Country Programmes (to 3 June 2019)	1	1
George Turkington, Acting Director General, Country Programmes (from 27 May 2019 to 31 October 2019)	1	1
Moazzam Malik, Director General, Country Programmes (from 7 October 2019)	1	1
Juliet Chua, Director General, Finance and Corporate Performance	3	3
Richard Clarke, Director General, Policy, Research and Humanitarian	3	3
Nick Dyer, Director General, Economic Development and International Relations. (to 22 March 2020)	2	3
Jackie McAllister, Acting Director, Finance and Delivery (from 15 April to 10 June 2019)	1	1
Tim Jones, Director, Finance and Delivery (from 10 June 2019)	2	2
Ravi Chand, Chief People Officer	2	3
Melinda Bohannon, Director, Strategy	1	3

## Management Board

The Management Board comprises the Permanent Secretary, 4 Directors General, the Director for Finance and Delivery, the Chief People Officer and the Director of Strategy. It is chaired by the Permanent Secretary and meets monthly in open session. Non-executive directors are invited to Management Board meetings.

### **Matthew Rycroft, Permanent Secretary (until 22 March 2020)**

Matthew Rycroft joined DFID as Permanent Secretary on 22 January 2018. The Permanent Secretary is the most senior civil servant in the department and as Accounting Officer for the department is answerable to Parliament on the management of expenditure. He chaired the Management Board and Executive Committee which provide strategic direction to the management of DFID's operations, staff and financial resources.

**Nick Dyer, Acting Permanent Secretary (from 23 March 2020)  
Director General, Economic Development and International (to 23 March 2020)**

Nick Dyer was appointed Acting Permanent Secretary from 23 March 2020. Previously, from January 2018, he was Director General, Economic Development and International. In that role he was responsible for overseeing DFID's commitment to boost economic development, development finance, growth and resilience, and trade and development and DFID's core funding support to International Financial Institutions, the World Bank, and development relations with the European Commission.

**Lindy Cameron, Director General, Country Programmes (to 3 June 2019)**

Lindy Cameron was Director General, Country Programmes from January 2016 to June 2019. She was responsible for overseeing DFID's programmes in Africa, Asia, the Middle East, the Caribbean and Overseas Territories.

**Moazzam Malik, Director General, Country Programmes (from 7 October 2019)**

Moazzam Malik was appointed in October 2019 as Director General, Country Programmes, responsible for overseeing DFID's programmes in Africa, Asia, the Middle East, the Caribbean and Overseas Territories.

**George Turkington, Acting Director General, Country Programmes (from 27 May to 31 October 2019)**

George Turkington formerly Director for Africa, served as Acting Director General, Country Programmes between Lindy Cameron and Moazzam Malik.

**Juliet Chua, Director General, Finance and Corporate Performance**

Since September 2018, Juliet has been responsible for finance, control and assurance; strategy; communications, procurement and commercial activity; programme management oversight; human resources; business solutions (IT); security and facilities; and oversight of the Internal Audit Department. Juliet is also DFID's Diversity and Inclusion Champion.

**Richard Clarke, Director General, Policy, Research and Humanitarian**

Richard was appointed in July 2018. He is responsible for overseeing DFID's policy agenda, the Chief Economist's office and DFID's research portfolio (including the Chief Scientist's office), DFID's Humanitarian, Security and Migration Department and Safeguarding Unit.

**Rachel Turner, Acting Director General, Economic Development and International**

Rachel Turner is Director of Economic Development. Since 23 March 2020, she has been Acting Director General for Economic Development and International. In that role, she is responsible for overseeing DFID's commitment to boost economic development, development finance, growth and resilience, trade and development, and DFID's core funding support to International Financial Institutions, the World Bank, and development relations with the European Commission.

**Vel Gnanendran, Director, Finance and Delivery (to 28 April 2019)**

Vel Gnanendran was Director, Finance and Delivery from July 2017 to April 2019.

**Tim Jones, Director, Finance and Delivery (from 10 June 2019)**

Tim Jones was appointed in June 2019. He is responsible for Finance, Commercial and Programme Delivery.

**Jackie McAllister, Acting Director, Finance and Delivery (from 15 April to 10 June 2019)**

Jackie McAllister, Deputy Director, Finance and Control, served as acting Director, Finance and Delivery between Vel Gnanendran and Tim Jones.



### Ravi Chand, Director, People Operations and Systems, Chief People Officer

Ravi Chand was appointed to DFID as Chief People Officer on 1 April 2018. Ravi was responsible for oversight of the Human Resources, Group Operations and Business Solutions departments.

### Melinda Bohannon, Director, Strategy

Melinda Bohannon was appointed Director of Strategy in January 2019.

## Management Board roles and responsibilities

Chaired by the Permanent Secretary

Roles and responsibilities	Issues covered
<p>The Management Board makes decisions on operational and policy implementation issues that require a collective, cross-departmental view, and benefit from external challenge. It:</p> <ul style="list-style-type: none"> <li>■ Sets long-term strategic direction.</li> <li>■ Takes strategic decisions and formally approves issues that require a cross- departmental view, have a cross- departmental impact or require a co-ordinated response including in-year, future year and long-term decisions, and where input from non-executive directors will add value.</li> <li>■ Monitors progress against DFID’s plans and commitments, performance and risk.</li> </ul>	<p>During this reporting year, the Management Board met 11 times. Each board meeting opened with an operational update by the Permanent Secretary and included standing items on the strategic risk register (including the UK’s exit from the EU) and management information.</p> <p>During the reporting year, key issues discussed included DFID’s strategic approach to climate change; DFID’s results, commercial reform and operating model change; DFID’s accommodation and location strategy; strategic risk and risk appetite; progress on safeguarding objectives; diversity and inclusion; and action on the people survey.</p>

## Attendance at Management Board meetings

All non-executive directors are invited to Management Board meetings.

Members of Management Board 2019-20	Meetings attended	Out of
Matthew Rycroft, Permanent Secretary	11	11
Lindy Cameron, Director General, Country Programmes (to June 2019)	2	2
George Turkington, Interim Director General, Country Programmes (from June 2019 to October 2019)	3	3
Moazzam Malik, Director General, Country Programmes (from October 2019)	6	6
Juliet Chua, Director General, Finance and Corporate Performance	11	11
Richard Clarke, Director General, Policy, Research and Humanitarian	9	11
Nick Dyer, Director General, Economic Development and International Relations.	9	11
Vel Gnanendran, Director, Finance and Delivery (to 28 April 2019)	0	0
Jackie McAllister, Acting Director, Finance and Delivery (from 15 April to 10 June 2019)	2	2
Tim Jones, Director, Finance and Delivery (from 10 June 2019)	8	9
Ravi Chand, Director, People Operations and Systems, Chief People Officer	10	11
Melinda Bohannon, Director, Strategy	10	11

## Executive Committee roles and responsibilities

Chaired by the Permanent Secretary

Roles and responsibilities	Issues covered
<p>The Executive Committee makes decisions on sensitive, time critical, internal policy implementation and operational issues. It takes urgent decisions and gives early strategic steers (eg on the level of ambition or approach) on issues which require a cross-departmental view, have a cross-departmental impact or require a co-ordinated response.</p>	<p>During this reporting year, the Executive Committee met 21 times.</p> <p>Issues covered included: EU Exit; the UK's international COVID-19 response; increased alignment with the FCO; reviewing strategic priorities, engagement with cross-government strategy processes and international events; COP26 preparation and climate mainstreaming; ODA governance and management cross-HMG; business planning, resource allocation and spending round preparation and implications; operating model change and people priorities including bullying, harassment and discrimination.</p> <p>In February, a Joint ExCo with the FCO discussed the international response to COVID-19 and closer working between DFID and the FCO.</p>

## Challenge Board

Chair – 2 co-chairs are chosen from among members and rotate on a quarterly basis.

The Challenge Board has a rotating pool of up to 30 members which are representative of DFID’s diversity of background, thought and location. Membership is open to staff of all grades. The Challenge Board meets monthly, in advance of Management Board meetings. Up to 10 members attend each meeting, but papers are available to all members for comment in advance of the meeting. The Challenge Board’s written recommendations, views and advice on agenda items are circulated to Management Board and Executive Committee Members in advance of the Management Board meeting. A Challenge Board representative also attends the Management Board meeting to feed back verbally.

Roles and responsibilities	Issues covered
<p>The Challenge Board is advisory. It considers papers going to Management Board and Executive Committee, and informs decisions taken by each through written and verbal advice. The objective of the Challenge Board is to contribute to improved, more representative decision making by incorporating more diverse perspectives. This supports DFID’s overall aim of creating an inclusive, accountable and transparent system of corporate governance. Challenge Board members bring their personal opinions to discussions and may bring evidence or gather wider views. In particular, the Challenge Board:</p> <ul style="list-style-type: none"> <li>■ generates insights into issues and risks;</li> <li>■ steers and advises on the potential implications of decisions (on people, systems, structures, relationships etc.); and</li> <li>■ creates ideas to help effective implementation and change management.</li> </ul>	<p>During this reporting year, the Challenge Board met 11 times.</p> <p>It considered the same issues discussed at Management Board (see page 88). All Management Board papers are shared with the Challenge Board (including those for closed sessions). Some Executive Committee papers are shared with the Challenge Board, as judged appropriate by the secretariat and contributing teams.</p>

## Audit and Risk Assurance Committee

Chair – Alan Johnson, Non-Executive Director

Roles and responsibilities	During the 2019-20 financial year the Committee met 5 times. Meetings focussed on:	Assurance provided by
<p>The Audit and Risk Assurance Committee (ARAC) comprises of 1 or more non-executive directors and 3 non-executive members. It meets at least 5 times a year.</p> <p>The ARAC reviews and advises the Departmental Board and the accounting officer on:</p> <ul style="list-style-type: none"> <li>■ The effectiveness of internal controls, including compliance with corporate rules.</li> <li>■ The effectiveness of processes and actions in relation to risk management across DFID including for strategic risk.</li> <li>■ Accounting policies, financial statements, and annual reports of DFID and DFID's Overseas Pensions.</li> <li>■ Annual audit plans and results for both internal and external audit. Adequacy of management response to issues identified by audit activity.</li> <li>■ The reporting of fraud and resulting investigations, anti-fraud policies and procedures, whistleblowing processes.</li> </ul> <p>In conducting its work, it meets regularly with internal and external auditors without the presence of management.</p>	<ul style="list-style-type: none"> <li>■ Reviewing the 2018-19 Annual Report and financial statements and recommending the approval by the Departmental Board.</li> </ul>	Finance and Control Department (F&C)
	<ul style="list-style-type: none"> <li>■ Oversight of DFID's risk management approach and risk policy, including improvements made during the year.</li> </ul>	Better Delivery Department (BDD)
	<ul style="list-style-type: none"> <li>■ Oversight of improvements to the due diligence process.</li> </ul>	BDD
	<ul style="list-style-type: none"> <li>■ Oversight of DFID's control and assurance framework, including improvements to the annual assurance process through the adoption of continuous assurance during the year.</li> </ul>	F&C
	<ul style="list-style-type: none"> <li>■ DFID's valuation of financial investments.</li> </ul>	F&C
	<ul style="list-style-type: none"> <li>■ Receiving regular updates and reports from the Internal Audit Department and Internal Audit Investigation Section</li> </ul>	Internal Audit (IAD)
	<ul style="list-style-type: none"> <li>■ Reviewing the Internal Audit and Investigation plans for 2020-21 and recommending for approval.</li> </ul>	IAD
	<ul style="list-style-type: none"> <li>■ Regular reviews of the progress against the Internal Audit Department's annual audit plans.</li> </ul>	IAD
	<ul style="list-style-type: none"> <li>■ Reviewing the Internal Audit Department and Internal Audit Investigation Section's Annual Assurance reports.</li> </ul>	IAD
	<ul style="list-style-type: none"> <li>■ Review of the National Audit Office external audit plans and the results of their annual audits.</li> </ul>	National Audit Office
<ul style="list-style-type: none"> <li>■ Meetings with CDC's Audit and Risk Committees to gain a deeper understanding of their activities.</li> </ul>	F&C and CDC	

## Leadership Group

Chair – rotates among Directors.

The Leadership Group comprises the Executive Committee and all Directors. It meets at least monthly in closed session.

Roles and responsibilities	Issues covered
<p>The Leadership Group is a consultative group which takes a view on cross-departmental issues. Meetings cover three areas where they can drive departmental delivery:</p> <ul style="list-style-type: none"> <li>■ Informing the setting of departmental direction, priorities, policies and processes particularly papers going to the Management Board or Executive Committee.</li> <li>■ Informing and discussing action to support the implementation of decisions taken by Management Board and Executive Committee, particularly key change processes across the organisation.</li> <li>■ Supporting communications up and down the organisation to support values-driven and effective delivery of objectives.</li> </ul>	<p>During this reporting year, the Leadership Group met 20 times.</p> <p>Main issues discussed included Spending Review preparation, internal engagement on the Integrated Review and International Development Strategy, EU Exit preparations, staff secondments, staff welfare, crisis response, Inclusion Week, commercial reform and the supplier review, corporate governance changes, DFID’s operating model and strategic COVID-19 response.</p>

## Investment Committee

Chair – Juliet Chua, Director General for Finance and Corporate Performance

Roles and responsibilities	Issues covered
<p>The role of the Investment Committee is to provide assurance to the Management Board on work underway to:</p> <ul style="list-style-type: none"> <li>■ Review and challenge overall portfolio development and performance, providing leadership to drive improvements where necessary.</li> <li>■ Improve value for money (VFM) across DFID spend, focused on portfolio and programme-level management, as well as priority VFM enablers.</li> <li>■ Strengthen the VFM framework that is embedded in our culture, systems, guidance, reviews and accountabilities.</li> </ul>	<p>During this reporting year, the Investment Committee met 4 times. The following key issues were covered:</p> <ul style="list-style-type: none"> <li>■ A review and investigation of management information and underperforming areas.</li> <li>■ Improvement of DFID’s measures of performance, such as Portfolio Quality Index (PQI) and Annual Review (AR) scores, and how they are used to allow better management of programme quality during implementation.</li> <li>■ Improvement of portfolio management through establishing a Major Programmes Portfolio and increases in coverage of Senior Responsible Owner (SRO) training.</li> <li>■ Progress in the commercial reform agenda.</li> <li>■ An assessment of evidence in decision making and in the provision of Centrally Managed Programmes.</li> <li>■ Improvement of DFID’s approaches to VFM, Evaluation and organisational learning.</li> <li>■ Updates from each of the 3 sub-committees and review of the Quality Assurance Unit’s Annual Report – and the dissemination of its findings.</li> <li>■ A review of evidence from the NAO on their report: ‘The Effectiveness of Official Development Assistance expenditure’.</li> </ul>

## People and Operations Committee

Chair – Juliet Chua, Director General, Finance and Corporate Performance Group

Roles and responsibilities	Issues covered
<p>The People and Operations Committee (POC) has a core membership of all 4 directors general, 4 directors and 1 of the non-executive directors.</p> <p>The POC is a sub-committee of the Management Board. Its responsibilities include:</p> <ul style="list-style-type: none"> <li>■ Providing business input in the formulation of people workstream activity and proposals to consider wider organisational impact.</li> <li>■ Ensuring collective ownership across DFID for driving the people/corporate agenda.</li> <li>■ Overseeing the People Plan programme and actions.</li> <li>■ Investment decisions on people-related activities – aligned to Corporate Performance Group and People Plan priorities and activity.</li> <li>■ Regularly reviewing the cumulative impact of change on the organisation.</li> </ul> <p>The POC reports as necessary to the Executive Committee and the Management Board.</p>	<p>During the year the People and Operations Committee met 5 times and focused on:</p> <ul style="list-style-type: none"> <li>■ Overseeing the delivery and impact of DFID's People Plan through its regular programme cycle.</li> <li>■ Deep dives and focus on specific People Plan Goals.</li> <li>■ Review of specific people-related initiatives and changes to policy/approach– eg Bullying Harassment and Discrimination.</li> </ul>

## Security Committee

Chair – George Turkington, Acting Director General, Country Programmes (June and September 2019)

Moazzam Malik, Director General, Country Programmes (December 2019)

Ravi Chand (acting chair), Chief People Officer (March 2020)

Roles and responsibilities	Issues covered
<p>The Security Committee is a sub-committee of the Management Board and includes 2 directors general, selected directors and representatives from the Foreign and Commonwealth Office.</p> <p>The Security Committee is responsible for providing assurance on the adequacy and effectiveness of DFID's global security.</p> <p>Its primary focus is people security, but its remit includes all aspects of physical, personal and information security with an increasing focus on cyber security.</p> <p>The Security Committee meets at least on a quarterly basis.</p>	<p>During the reporting period the Security Committee met 4 times.</p> <p>Key areas of work for the Security Committee over the last year included the following:</p> <ul style="list-style-type: none"> <li>■ Consideration of cyber security threats and implementation of the department's Cyber Security Operations Modernisation Plan.</li> <li>■ Consideration of how we prepare staff going overseas and our duty of care for all staff.</li> <li>■ Implementation of the Cabinet Office Government Security Group's Transforming Government Security programme.</li> <li>■ Consideration of standing papers on security incidents affecting DFID staff, security risk and security breaches to identify emerging trends.</li> </ul>



## Senior Leadership Committee

Chaired by the Permanent Secretary

Roles and responsibilities	Issues covered
<p>The Senior Leadership Committee (SLC) comprises the Permanent Secretary, Directors General and the Director of People, Operations and Systems.</p> <p>The SLC is responsible for:</p> <ul style="list-style-type: none"> <li>■ Ensuring DFID's Senior Civil Servant (SCS) structure and roles are designed to meet DFID's future and changing leadership needs.</li> <li>■ Undertaking overall workforce planning and management for the SCS cadre to meet organisational priorities. Ensuring effective leadership at the start and then cascading responsibilities.</li> <li>■ Managing DFID's SCS workforce, including ratifying all SCS appointments.</li> <li>■ Managing SCS performance and associated reward.</li> <li>■ Leading on SCS talent and succession management.</li> <li>■ SCS cadre management.</li> </ul> <p>The SLC meets on a monthly basis.</p>	<p>During the year, the SLC focused on:</p> <ul style="list-style-type: none"> <li>■ Ensuring DFID's SCS structure and roles have responded to DFID's priorities and general oversight of all SCS recruitment.</li> <li>■ Supporting applications from high potential staff to Civil Service-wide talent schemes (eg High Potential Development Scheme and Future and Senior Leadership Schemes) to strengthen the SCS pipeline.</li> <li>■ Setting up the end of the performance year to ensure robust assessment of SCS performance.</li> <li>■ Continuing the focus on honest and meaningful talent conversations with SCS for career and development planning purposes and addressing development needs, issues, gaps and risks.</li> <li>■ Building leadership capabilities across the SCS cadre, with a focus on collective leadership at DFID's Leadership Conference 2019.</li> </ul>

## Risk management and internal control

DFID's risk management policy and framework, summarised below, has been in place for the period of 2019-20 and up to the date of approval of the Annual Report and Accounts. This framework enables staff at all levels to identify and mitigate risks.

At the heart of our approach is a set of principles: open and honest communication about risk; the use of documentation and evidence to ensure we make objective risk assessments that draw on independent evidence and consider the perspectives of our stakeholders; the application of professional judgement on what risks are acceptable to take in a given context; use of a common language on risk to avoid misunderstandings; and application of DFID's Smart Rules (governing programme spend) and Corporate Rules (governing how we manage our people and operations).

We assess the risks DFID faces through 6 categories: risks posed by the external context; risks to our reputation; fiduciary risks of our funds being used for unintended purposes or not properly accounted for; safeguarding risks of unintended harm to people or the environment; risks to delivery of our policy and programme objectives; and risks to our operational capabilities and our staff.

We define our risk appetite – the level and type of risk exposure we will tolerate to achieve our objectives – clearly at strategic, portfolio and programme levels. Risk appetite is defined separately for each category of risk. At programme level, senior responsible owners (SROs) are responsible for determining risk appetite, using their professional judgement and guided by the strategic risk appetite, drawing on evidence and consulting with senior managers when appropriate.

Our risk mitigations include some fundamental commitments. We carefully manage risks to our staff in all situations through clear duty of care processes. We comply with relevant UK and local law and take reasonable steps to avoid actions which may damage our reputation. We do all we reasonably

can to ensure our funds are not used fraudulently or for terrorist financing, money laundering or bribery, and that beneficiaries of our programmes do not come to harm. We manage risks of fraud and corruption, and sexual exploitation and abuse and sexual harassment robustly, showing zero tolerance for inaction or mishandling. We expect our partners at all levels of the delivery chain to take a similarly robust approach in these areas, and we take all reasonable steps to monitor that this is the case. We hold ourselves to an equally high standard. We have clear and accessible policies setting out the expectations of our people regarding conduct, behaviour and reporting, and robust processes should our people fall short of these expectations.

We invest in the capabilities of programme delivery staff across the organisation to manage risk effectively, and the technology and tools to support their efforts.

DFID has 3 lines of defence in place for risk management. DFID's delivery teams ('first line') own and manage risk on a day-to-day basis. This means identifying, assessing, responding and controlling risks. Central departments ('second line') are responsible for overseeing risk management. They design and implement policies, provide corporate oversight and are responsible for ensuring the first line is properly designed and operating as intended. The 'third line' is independent, objective assurance and review of risk management systems and processes by DFID's Internal Audit Department, Parliamentary bodies (such as the Public Accounts Committee and International Development Committee), the National Audit Office and the Independent Commission for Aid Impact (ICAI). DFID's Internal Audit Department provides systematic risk-based analysis, assessing risk exposure against risk appetite and the risk maturity of DFID's systems and controls.

DFID's risk policy and strategic appetite are approved and reviewed annually by the Management Board, in consultation with the Departmental Board. The Audit and Risk Assurance Committee provides oversight of the policy and implementation of risk management plans, and considers the risks arising from internal audit reviews.

The Management Board discusses strategic risk monthly, supported by a strategic risk register. The board determines accountability for each of the strategic risks and assesses the rating and progress against mitigations, against DFID's risk appetite, drawing on management information, qualitative insights from across the organisation and wider evidence.

Further detail of key strategic risks DFID has responded to in 2019-20 is set out in the performance analysis (see page 65).

## Personal data losses

DFID reported no protected personal data-related incidents to the Information Commissioner's Office in 2019-20 (2018-19: no incidents reported).

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.

Through 2019-20, DFID continued to review its procedures in order to enhance compliance with the UK Government's Security Policy Framework, the Cabinet Office Data Handling Review, the General Data Protection Regulation and the Data Protection Act 2018. A review programme is currently under way and is scheduled to complete in Quarter 2 of 2020-21. Directors continue to be responsible for providing assurance on information security in their annual statements of assurance, including confirmation on learning completed for their staff to support effective data protection practices.

In 2019 DFID implemented a Cyber Security Improvement Programme creating cyber security frameworks based on the Centre for Internet Controls. Substantial progress has been made in the last 6 months, particularly around cyber security risk and asset management. 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, using the 5 categories defined by Cabinet Office Guidance on Reporting Personal Data-Related Incidents March 2009.

## Major data losses requiring reporting

Category	Nature of incident	Total 2019-20	Total 2018-19
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	–	–

## Internal Audit annual assurance opinion

The Internal Audit Department (IAD) is required to comply with ‘Public Sector Internal Audit Standards: Applying the Institute of Internal Auditors international standards to the public sector’. These require that, at year end, the Head of Internal Audit forms an opinion regarding 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 its work during 2019-20. While 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 2019-20, the Head of Internal Audit expressed the opinion that: “In the Internal Audit Department’s opinion, DFID had adequate and effective frameworks for:

- Governance.
- Risk management.
- Control”.

This opinion covers the period 1 April 2019 to 31 March 2020

This opinion summarises a complex set of data and assurance outcomes gathered from formal, assurance and consultancy, informal, and contextual work performed by IAD during 2019-20. It is intended to provide a high-level indicator of the overall adequacy of the frameworks of control for 2019-20. The significant assurance result was our satisfactory opinion of the risk management framework and the progress that has been made in this fundamental and cross-cutting area. DFID’s corporate governance has also improved in the year and overseen enhancements in corporate controls. An important theme from our assurance work is that greater value could be extracted for the

business as a whole, by investing in key corporate activities. Although IAD has identified a number of thematic risks and areas for DFID to address, we do not consider that these represent systematic ineffective governance, risk management or control to warrant a qualification or emphasis of matter to our opinion. IAD judges that the balance of these results means that the overall assurance opinion should be unqualified.

## Whistleblowing

DFID has whistleblowing arrangements in place and a policy that meets the UK's legislative framework, as set out in the Public Interest Disclosure Act (PIDA). We monitor and maintain the effectiveness of our whistleblowing arrangements through DFID's dedicated specialist Internal Audit Investigation Section. To ensure employee trust in the system, the Whistleblowing Policy is reviewed on a regular basis and the confidential whistleblowing hotline and email account is promoted through our internal and external websites and Development Tracker.

To ensure the highest levels of confidentiality and security, the Internal Audit Investigation Section maintains up-to-date operating procedures, and our specialist staff receive ongoing training. The Audit and Risk Assurance Committee receive reports regularly and monitor the whistleblowing policy to ensure the appropriate operation and investigation of all matters reported under the policy. In DFID, all reports are treated seriously, and we act on all complaints.

## Additional assurance information

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 an annual Statement of Assurance for each of the departments within the divisions, 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 covers 18 internal programme and corporate control areas. Building on previous work to strengthen DFID's central Management Information (MI) further MI reporting functionality and content has been added to move DFID towards a more mature in-year assurance approach. This allows my officials to monitor progress against key assurance indicators throughout the year and to ensure that action is taken as issues arise. For example, through increased use of MI in-year there have been improvements in staff practice and compliance in relation to some of DFID's people controls. The MI has also highlighted system challenges that we are working to address. Good practice in-year assurance approaches have been shared across my department to promote organisational learning. Effective monitoring processes, using the MI provided, are in place and reinforced by senior management messaging.

By aggregating central MI and assurance responses from departmental returns some common themes emerged during 2019-20:

- Business Continuity Plans for UK and overseas departments are in place and up to date. These identify critical activities and resources required to function effectively during any period where office buildings are closed. DFID's move to cloud-based digital and global technology platforms coupled with virtual training in smarter working has supported extensive home working during the COVID-19 response.
- DFID has an ongoing programme of work to address bullying and harassment in DFID, including sexual harassment. DFID won the Cabinet Secretary Civil Service Award during 2019 for its work to address sexual harassment. Awareness on bullying and harassment in DFID has risen, with reporting, increasing by 20% to 58% in this year's People Survey. Despite this, I recognise that there is still much to do. DFID's Executive Committee has identified that addressing bullying and harassment is a top priority and this work is being led personally by me as acting Permanent Secretary.

- During the year DFID deployed staff to other government departments supporting preparations for the UK to leave the European Union. DFID departments deploying staff were typically able to minimise the impact of reduced capacity and continued to deliver their objectives. This can be attributed to good prioritisation and to the corporate initiative to improve and streamline processes and systems subsequently introducing changes that gave time back to departments.

DFID has updated and published the Accounting Officer System Statement (AOSS). The AOSS is a HM Treasury initiative which all central government departments agreed to produce from 2016-17. The document will be published alongside the Annual Report and Accounts on the GOV.UK website. It is a statement by the Accounting Officer to Parliament setting out the accountability system and relationships within the department, making it clear who is accountable within all parts of the system. This has been refreshed for 2020 to reflect continuous improvement in our systems and processes.

## Independent Commission for Aid Impact and National Audit Office audit reports

The Accounting Officer also takes account of findings from the work of the Independent Commission for Aid Impact (ICAI), an arm's length body which is detailed below, and the National Audit Office (NAO).

During the year, ICAI examined and reported on a broad range of topics across ODA spending departments, including how UK aid learns, the use of UK aid to enhance mutual prosperity, the UK's preventing sexual violence in conflict initiative and the changing nature of UK aid in Ghana. DFID publishes its responses to ICAI reports and gives evidence on them to the House of Commons International Development Select Committee.

In June 2019, the National Audit Office published a value for money report 'The effectiveness of Official Development Assistance expenditure',<sup>37</sup> a cross-government report which focused on DFID and other central government departments with significant ODA expenditure. In April 2019, the NAO published a review of DFID's support to women and girls.<sup>38</sup> The review is assessing whether DFID took a robust approach to developing its 2018-2030 Strategic Vision for Gender Equality; how DFID translated its Strategic Vision into practical action; and whether DFID knows what progress it is making against the aims of the 2018 Strategic Vision. All NAO reports are published on its website.

## Arm's length bodies

In 2019-20, DFID had 2 non-departmental public bodies for which DFID's Accounting Officer is responsible.

The Independent Commission for Aid Impact (ICAI) provides independent evaluation and scrutiny of the impact and value for money of all UK Government ODA. Whilst the Secretary of State is accountable to Parliament for ICAI, ICAI reports directly to Parliament through the International Development Select Committee (IDC). Expenditure by ICAI in 2019-20 was £3.2 million (2018-19: £3.7 million). ICAI produces an annual report which forms the basis of a hearing with the IDC.

The Commonwealth Scholarship Commission in the UK (CSC) awards scholarships and fellowships to Commonwealth citizens for postgraduate study and professional development. CSC was established by an Act of Parliament in 1959 to manage the UK contribution to the Commonwealth Scholarship and Fellowship Plan (CSFP). Its status was subsequently reaffirmed in the International Development Act 2002. CSC is an executive non-departmental public body (NDPB). DFID is the lead department and main sponsor. DFID's grant-in-aid to the CSC in 2019-20 was £28.1 million (2018-19 £26.4 million).

## Other public sector bodies – CDC Group plc (CDC)

DFID is the 100% shareholder of CDC Group, a public limited company. CDC's mission is to 'support the building of businesses throughout Africa and South Asia, to create jobs and make a lasting

<sup>37</sup> <https://www.nao.org.uk/report/the-effectiveness-of-official-development-assistance-spending/>

<sup>38</sup> <https://www.nao.org.uk/report/improving-the-lives-of-women-and-girls-overseas/>

difference to people's lives in some of the world's poorest places'. It is the department's principal mechanism for encouraging private sector investment in developing countries.

CDC has an investment portfolio of £4.7 billion (as at end 2019), comprising over 1,228 companies across more than 66 countries, including over 690 companies in Africa and over 370 in South Asia. The total value of new commitments made by CDC in 2019 was over £1.6 billion.

Since 2012, CDC has achieved an average Annual Portfolio Return (APR) of 7.4%. As a long-term developmental investor, it is CDC's role and mandate to maintain support in challenging economic conditions. Many of the economies that CDC invests in continue to face volatility and uncertainty and this, combined with CDC applying a broader risk appetite to its investments, has meant its financial returns have been coming down in recent years.

In 2019, the businesses in CDC's portfolio in Africa and South Asia employed 875,790 people. Of these jobs, 42,130 were new hires. In addition, the utilities and projects CDC backed generated a total of 57 terawatt hours. The businesses in CDC's portfolio reported tax payments paid of \$3.31 billion worth of local tax revenue.

CDC is governed by a board of directors. The Secretary of State appoints the chair of the board and 2 of its non-executive directors and agrees CDC's Investment Policy. The Investment Policy sets 5-year objectives including instruments, geographies, excluded activities, reporting obligations and performance targets linked to financial returns and development impact. It also incorporates a Code of Responsible Investing, which sets environmental, social and governance standards including those related to business integrity. CDC prepares and publishes annual audited accounts to 31 December. The department is not involved in CDC operations and does not take part in operational investment decision making.

The CDC Board determines the direction and strategy of CDC in accordance with the Investment Policy. It delegates investment authority to the Investment Committees and oversees results, while ensuring high-quality risk mitigation processes are in place and the organisation adheres to high ethical standards. DFID as sole shareholder, exercises oversight and monitors CDC's performance through the Board, through open communications with CDC and a 'no surprises' policy; and through a combination of formal reporting and frequent formal and informal interactions with CDC. DFID meets quarterly with CDC's Chairman, CEO, General Counsel, CFO and members of its Executive Committee. Further, it meets annually with the Chairman, the CEO, the Board and the chair persons of each committee of the Board.

In 2019, CDC appointed new Heads of Office in Nairobi, Kenya and Lagos, Nigeria as part of its strategy to increase its local presence in key markets in Africa, and South Asia. This followed the appointment, in October, of a CDC Director permanently based in Bangladesh. In February 2020, a new Climate Change Director, Dr Amal-Lee Amin, was appointed for this increasingly important area and to lead CDC's engagement at the UK hosted COP26 Summit in 2021.

## 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, flexing and responding to the changing environment for the department, including increasingly closer working with other government departments and the response to COVID-19. 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.

### **Nick Dyer CB**

Interim Accounting Officer for the Department for International Development  
10 July 2020

## 2.2 Remuneration and Staff Report

### 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 <https://civilservicecommission.independent.gov.uk/>

### Remuneration policy

This remuneration report has been prepared in accordance with the Employer Pension Notice 597 issued by the Cabinet Office.

The remuneration of Senior Civil Servants (SCS) is set by the Prime Minister following independent advice from the Senior Salaries Review Board (SSRB).

In reaching its recommendations, the SSRB 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 and, where relevant, promotion 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 Departmental Expenditure Limits.
- The government's inflation target.

The SSRB takes account of the evidence it receives about wider economic considerations and the affordability of its recommendations. Further information about the work of the SSRB body can be found at [www.ome.uk.com](http://www.ome.uk.com)

In line with the government's transparency commitments, DFID now publishes salary details of its SCS, in the format agreed with the Cabinet Office, on the government's website, [www.gov.uk](http://www.gov.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 Management Board in the department.

## Remuneration (salary, benefits in kind and pensions)

Single total figure of remuneration <sup>[1]</sup>								
Ministers	Salary (£)		Benefits in kind (to nearest £100)		Pension benefits (to nearest £1,000) <sup>[2]</sup>		Total (to nearest £1,000)	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
The Rt Hon. Penny Mordaunt <i>Secretary of State (to 30/4/19)</i> <sup>[3]</sup>	5,625	67,505	–	–	2,000	16,000	7,000	83,000
The Rt Hon. Lord Bates <i>Minister of State (to 16/4/19)</i> <sup>[4]</sup>	–	–	–	–	–	–	–	–
Harriett Baldwin <i>Minister of State (to 25/7/19)</i> <sup>[5]</sup>	18,020	31,680	–	–	3,000	7,000	21,000	39,000
Baroness Sugg <i>Parliamentary Under Secretary of State (from 16/4/19)</i> <sup>[6]</sup>	47,371	–	–	–	12,000	–	59,000	–
The Rt Hon. Rory Stewart <i>Secretary of State (from 1/5/19 to 24/7/19)</i> <sup>[7]</sup>	32,530	–	–	–	4,000	–	36,000	–
The Rt Hon. Dr Andrew Murrison <i>Minister of State (from 9/5/19 to 13/2/20)</i> <sup>[8]</sup>	–	–	–	–	–	–	–	–
The Rt Hon. Alok Sharma <i>Secretary of State (from 25/7/19 to 13/2/20)</i> <sup>[9]</sup>	36,677	–	–	–	8,000	–	45,000	–
Andrew Stephenson <i>Minister of State (from 25/7/19 to 13/2/20)</i> <sup>[10]</sup>	–	–	–	–	–	–	–	–
The Rt Hon. Lord Goldsmith <i>Parliamentary Under Secretary of State (from 27/7/19 to 9/9/19)</i> <i>Minister of State (from 10/9/19 to 13/2/20)</i> <i>Minister of State (from 14/2/20)</i> <sup>[11]</sup>	–	–	–	–	–	–	–	–
The Rt Hon. Anne-Marie Trevelyan <i>Secretary of State (from 14/2/20)</i> <sup>[12]</sup>	7,267	–	–	–	2,000	–	10,000	–
The Rt Hon. James Cleverly <i>Minister of State (from 14/2/20)</i> <sup>[10]</sup>	–	–	–	–	–	–	–	–
Nigel Adams <i>Minister of State (from 14/2/20)</i> <sup>[10]</sup>	–	–	–	–	–	–	–	–
Lord Ahmad of Wimbledon <i>Minister of State (from 14/2/20)</i> <sup>[10]</sup>	–	–	–	–	–	–	–	–
Wendy Morton <i>Parliamentary Under Secretary of State (from 14/2/20)</i> <sup>[10]</sup>	–	–	–	–	–	–	–	–
James Duddridge <i>Parliamentary Under Secretary of State (from 14/2/20)</i> <sup>[10]</sup>	–	–	–	–	–	–	–	–

[1] These disclosures are subject to audit.

[2] 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.

[3] £67,505 (full-year equivalent), £71,090 (entitled salary\*).

[4] Salary not claimed.

[5] £31,680 (full-year equivalent), £34,087 (entitled salary\*). Salary figure includes a severance payment of £7,920.

[6] £70,969 (full-year equivalent), £70,969 (entitled salary\*). Baroness Sugg was Parliamentary Under Secretary of State for DFID from 16 April 2019 to 26 July 2019 and was unpaid, and at the same time was Baroness in Waiting (Government Whip) and was paid by HM Treasury. Baroness Sugg was then Parliamentary Under Secretary of State for DFID from 27 July 2019 to 13 February 2020 and then joint Parliamentary Under Secretary of State for DFID and FCO from 14 February 2020.

[7] £67,505 (full-year equivalent), £71,090 (entitled salary\*). Salary figure includes a severance payment of £16,876.

[8] The Rt Hon. Dr Andrew Murrison was a joint Minister with the Foreign and Commonwealth Office (FCO) and was paid by the FCO. Severance payment of £7,920 paid by BEIS.

[9] £67,505 (full-year equivalent), £71,090 (entitled salary\*).

[10] Joint Minister with the FCO and was paid by the FCO.

[11] For the first and second role Lord Goldsmith was a joint Minister with the Department for Environment, Food and Rural Affairs (Defra) and was paid by Defra for the first role and was unpaid for the second role. For the third role, Lord Goldsmith is a joint Minister with Defra and FCO and is unpaid.

[12] £67,505 (full-year equivalent), £71,090 (entitled salary\*).

\* Ministerial salary entitlements are set in legislation; however, the Prime Minister has decided ministers should claim a reduced salary from what they are entitled to. Ministers have agreed this by signing a waiver. Claimed salary is the reduced salary ministers receive, and the entitled salary is the salary in legislation that ministers have waived.



## Compensation for loss of office (These disclosures are subject to audit)

The Rt Hon. Rory Stewart left under severance terms on 24 July 2019. He received a compensation payment of £16,876.

Harriett Baldwin left under severance terms on 25 July 2019. She received a compensation payment of £7,920.

Single total figure of remuneration <sup>[1]</sup>										
Officials	Salary (£000)		Bonus payments (£000) <sup>[2]</sup>		Benefits in kind (to nearest £100)		Pension benefits (to nearest £1,000) <sup>[3]</sup>		Total (£000)	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Matthew Rycroft Permanent Secretary (to 22/3/20)	165-170	160-165	-	-	-	-	80,000	183,000	245-250	345-350
Nick Dyer Acting Permanent Secretary (from 23/3/20) <sup>[4]</sup>	120-125	120-125	5-10	5-10	-	-	90,000	62,000 <sup>[5]</sup>	220-225	190-195
Lindy Cameron Director General (to 3/6/19)	20-25 <sup>[6]</sup>	115-120	5-10	5-10	-	-	8,000	69,000	35-40	195-200
Juliet Chua Director General (from 3/9/18)	115-120	65-70	-	10-15	-	-	56,000	18,000	175-180	95-100
Richard Clarke Director General (from 30/7/18)	115-120	75-80	-	-	-	-	77,000	72,000	190-195	145-150
Ravi Chand Chief People Officer (from 1/4/18)	105-110	105-110	-	-	-	-	50,000	62,000	155-160	165-170
Vel Gnanendran Director of Finance and Delivery (from 11/4/18 to 28/4/19)	5-10 <sup>[7]</sup>	95-100	-	-	-	-	2,000	51,000	5-10	150-155
Melinda Bohannon Director of Strategy (from 4/1/19)	105-110 <sup>[8]</sup>	20-25	-	-	-	-	95,000	26,000	200-205	45-50
George Turkington Acting Director General (from 27/5/19 to 30/11/19)	55-60 <sup>[9]</sup>	-	0-5 <sup>[10]</sup>	-	-	-	131,000	-	190-195	-
Jackie McAllister Acting Director of Finance, Commercial and Delivery (from 15/4/19 to 9/6/19)	10-15 <sup>[11]</sup>	-	-	-	-	-	12,000	-	25-30	-
Tim Jones Director of Finance, Commercial and Delivery (from 10/6/19)	80-85 <sup>[12]</sup>	-	-	-	-	-	30,000	-	110-115	-
Moazzam Malik Director General (from 7/10/19)	55-60 <sup>[13]</sup>	-	-	-	-	-	57,000	-	110-115	-
Rachel Turner Acting Director General (from 23/3/20)	0-5 <sup>[14]</sup>	-	-	-	-	-	-2,000	-	0-5	-

[1] These disclosures are subject to audit.

[2] Bonuses are based on performance levels attained and are made as part of the appraisal process. The bonuses reported in 2019-20 relate to performance in 2018-19 and the comparative bonuses reported for 2018-19 relate to performance in 2017-18.

[3] 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 decreases due to a transfer of pension rights. Whilst we are able to check the calculations, we are unable to check some of the calculation input figures as MyCSP have software with actuarial values etc built in to calculate these. These input figures (not checked by DFID) are Pension Benefits.

[4] Director General to 22 March 2020 and Acting Permanent Secretary from 23 March 2020.

[5] Recalculation figure for pension benefits for 2018-19 due to a retrospective update to salary data.

[6] 120-125 full-year equivalent.

[7] 100-105 full-year equivalent. This total includes an Additional Responsibility Allowance.

[8] This total includes an Additional Responsibility Allowance.

[9] 110-115 full-year equivalent. This total includes an Acting Allowance.

[10] The in-year award relates to performance in the Director role.

[11] 90-95 full-year equivalent. This total includes an Acting Allowance.

[12] 100-105 full-year equivalent. This total includes an Additional Responsibility Allowance.

[13] 115-120 full-year equivalent.

[14] 115-120 full-year equivalent.

## 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.

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 (£79,468 from 1 April 2019) 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.

During 2019-20, the following fees and taxable expenses were paid to Non-Executive Members of the Board<sup>[1]</sup>:

- Marc Bolland – 2019-20: £15,000 - £20,000 (2018-19: £15,000 - £20,000)
- Alan Johnson – 2019-20: £15,000 - £20,000 (2018-19: £15,000 - £20,000)
- Tim Robinson – 2019-20: £nil (leaving date: 30 November 2019 - £10,000 entitled fee) (2018-19: £nil)<sup>[2]</sup>
- Sally Jones-Evans – 2019-20: £10,000 - £15,000 (2018-19: £10,000 - £15,000)

[1] These disclosures are subject to audit.

[2] Entitled fee donated to charity. An overpayment of £3,750 was made in year which cannot be recovered.

The following table summarises the number of SCS by pay band, as at 31 March 2020 and 31 March 2019.

SCS pay band	31 March 2020 (headcount) <sup>[1]</sup>	31 March 2019 (headcount) <sup>[2]</sup>
1	78	82
2	17	21
3	5	5
Perm Sec	1	1
<b>Total</b>	<b>101</b>	<b>109</b>

[1] This includes 1 SCS Pay Band 2 and 1 SCS Pay Band 1 who are on assignment outside of DFID but are retained as DFID contingent liability.

[2] 2018-19 figures include the Government Equalities Office (GEO), which transferred out of DFID from 1 April 2019.

Salary ranges for SCS pay bands are:

Pay band 1 – £70,000 to £117,800

Pay band 2 – £92,000 to £162,500

Pay band 3 – £115,000 to £208,100

Perm Sec – £150,000 to £200,000

## 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.

## Pay multiples (These disclosures are subject to audit)

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 director in DFID in the period 1 April 2019 to 31 March 2020 was £165,000 to £170,000 (2018-19, £160,000 to £165,000). This was 3.2 times (2018-19, 3.2) the median remuneration of the workforce, which was £51,500 (2018-19, £51,500). 2018-19 figures include the Government Equalities Office (GEO), which transferred out of DFID from 1 April 2019.

In 2019-20 and 2018-19 no employee received remuneration in excess of the highest-paid director. Remuneration ranged from £18,000 to £170,000 (2018-19, £17,000 to £165,000).

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.

The DFID ratio remained static due to continued pay restraint across all grades (SCS and delegated grades).

## Pension benefits<sup>[1]</sup>

Ministers	Accrued pension at age 65 as at 31/3/20 £000	Real increase in pension at age 65 £000	CETV at 31/3/20 or end date, whichever is earlier £000	CETV at 31/3/19 or start date, whichever is later £000	Real increase in CETV £000
The Rt Hon. Penny Mordaunt <i>Secretary of State (to 30/4/19)</i>	0-5	0-2.5	47	46	–
The Rt Hon. Lord Bates <i>Minister of State (to 16/4/19)<sup>[2]</sup></i>	–	–	–	–	–
Harriett Baldwin <i>Minister of State (to 25/7/19)</i>	0-5	0-2.5	33	30	2
Baroness Sugg <i>Parliamentary Under Secretary of State (from 16/4/19)<sup>[3]</sup></i>	0-5	0-2.5	37	28	12
The Rt Hon. Rory Stewart <i>Secretary of State (from 1/5/19 to 24/7/19)</i>	0-5	0-2.5	35	31	2
The Rt Hon. Dr Andrew Murrison <i>Minister of State (from 9/5/19 to 13/2/20)<sup>[4]</sup></i>	–	–	–	–	–
The Rt Hon. Alok Sharma <i>Secretary of State (from 25/7/19 to 13/2/20)</i>	0-5	0-2.5	31	22	4
Andrew Stephenson <i>Minister of State (from 25/7/19 to 13/2/20)<sup>[4]</sup></i>	–	–	–	–	–
The Rt Hon. Lord Goldsmith <i>Parliamentary Under Secretary of State (from 27/7/19 to 9/9/19)</i> <i>Minister of State (from 10/9/19 to 13/2/20)</i> <i>Minister of State (from 14/2/20)<sup>[5]</sup></i>	–	–	–	–	–
The Rt Hon. Anne-Marie Trevelyan <i>Secretary of State (from 14/2/20)</i>	0-5	0-2.5	5	3	1
The Rt Hon. James Cleverly <i>Minister of State (from 14/2/20)<sup>[4]</sup></i>	–	–	–	–	–
Nigel Adams <i>Minister of State (from 14/2/20)<sup>[4]</sup></i>	–	–	–	–	–
Lord Ahmad of Wimbledon <i>Minister of State (from 14/2/20)<sup>[4]</sup></i>	–	–	–	–	–

Wendy Morton <i>Parliamentary Under Secretary of State (from 14/2/20)</i> <sup>[4]</sup>	–	–	–	–	–
James Duddridge <i>Parliamentary Under Secretary of State (from 14/2/20)</i> <sup>[4]</sup>	–	–	–	–	–

[1] These disclosures are subject to audit.

[2] Salary not claimed.

[3] Baroness Sugg was Parliamentary Under Secretary of State for DFID from 16 April 2019 to 26 July 2019 and was unpaid, and at the same time was Baroness in Waiting (Government Whip) and was paid by HM Treasury. Baroness Sugg was then Parliamentary Under Secretary of State for DFID from 27 July 2019 to 13 February 2020 and then joint Parliamentary Under Secretary of State for DFID and FCO from 14 February 2020.

[4] Joint Minister with the FCO and was paid by the FCO.

[5] For the first and second role Lord Goldsmith was a joint Minister with the Department for Environment, Food and Rural Affairs (Defra) and was paid by Defra for the first role and was unpaid for the second role. For the third role, Lord Goldsmith is a joint Minister with Defra and FCO, and is unpaid.

## Ministerial pensions

Pension benefits for ministers are provided by the Parliamentary Contributory Pension Fund (PCPF). The scheme is made under statute and the rules are set out in the Ministers' etc Pension Scheme 2015, available at <http://qna.files.parliament.uk/ws-attachments/170890/original/PCPF%20MINISTERIAL%20SCHEME%20FINAL%20RULES.doc>.

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). A new MP's pension scheme was introduced from May 2015, although members who were MPs and aged 55 or older on 1 April 2013 have transitional protection to remain in the previous MP's final salary pension scheme.

Benefits for Ministers are payable from State Pension age under the 2015 scheme. Pensions are revalued annually in line with Pensions Increase legislation both before and after retirement. The contribution rate from May 2015 is 11.1% and the accrual rate is 1.775% of pensionable earnings.

The figure shown for pension value includes the total pension payable to the member under both the pre- and post-2015 ministerial pension schemes.

## 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.

## Real increase in the value of 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.

Officials <sup>[1]</sup> [2]	Accrued pension at pension age as at 31/3/20 and related lump sum £000	Real increase in pension and related lump sum at pension age £000	CETV at 31/3/20 £000	CETV at 31/3/19 £000	Real increase in CETV <sup>[3]</sup> £000	Employer contribution to partnership pension account Nearest £100
Matthew Rycroft Permanent Secretary (to 22/3/20)	80-85	2.5-5	1,311	1,200	49	–
Nick Dyer <i>Acting Permanent Secretary</i> (from 23/3/20) <sup>[4]</sup>	55-60 plus lump sum of 165-170	2.5-5 plus lump sum of 5-7.5	1,262	1,135	72	–
Lindy Cameron Director General (to 3/6/19)	45-50	0-2.5	684	675	4	–
Juliet Chua <i>Director General</i> (from 3/9/18)	25-30 plus lump sum of 40-45	2.5-5 plus lump sum of 0-2.5	387	336	28	–
Richard Clarke Director General (from 30/7/18)	35-40	2.5-5	495	426	42	–
Ravi Chand Chief People Officer (from 1/4/18)	55-60	2.5-5	944	873	30	1,400
Vel Gnanendran <i>Director of Finance and Delivery</i> (from 11/4/18 to 28/4/19)	30-35 plus lump sum of 10-15	0-2.5 plus lump sum of 0	403	401	1	–
Melinda Bohannon <i>Director of Strategy</i> (from 4/1/19)	25-30 plus lump sum of 50-55	2.5-5 plus lump sum of 7.5-10	412	332	59	–
George Turkington <i>Acting Director General</i> (from 27/5/19 to 30/11/19)	50-55 plus lump sum of 145-150	5-7.5 plus lump sum of 12.5-15	1,146	992	119	–
Jackie McAllister <i>Acting Director of Finance, Commercial and Delivery</i> (from 15/4/19 to 9/6/19)	30-35	0-2.5	474	453	8	–
Tim Jones <i>Director of Finance, Commercial and Delivery</i> (from 10/6/19)	15-20	0-2.5	203	179	13	–
Moazzam Malik Director General (from 7/10/19)	30-35 plus lump sum of 60-65	2.5-5 plus lump sum of 2.5-5	559	508	44	–
Rachel Turner <i>Acting Director General</i> (from 23/3/20)	45-50 plus lump sum of 135-140	0 plus lump sum of 0	1,050	1,051	-2	–

[1] These disclosures are subject to audit.

[2] Whilst we are able to check the calculations, we are unable to check some of the calculation input figures as MyCSP have software with actuarial values etc built in to calculate these. These input figures (not checked by DFID) are Accrued Final Salary Pension, Accrued CSOPS pension, CETV values, real increase in pension and real increase in lump sum.

[3] Remuneration reports show the CETVs of senior staff at the start and end of the reporting year, together with the real increase during that period. The real increase is the increase due to additional benefit accrual (i.e. as a result of salary changes and service) that is funded by the employer. It will be smaller than the difference between the start and end CETVs because it does not include any increase in the value of the pension due to inflation or due to the contributions paid by the employee or the value of any benefits transferred from another pension scheme. Nor does it include any increases (or decreases) because of any changes during the year in the actuarial factors used to calculate CETVs.

[4] Director General to 22 March 2020 and Acting Permanent Secretary from 23 March 2020.

## Civil Service pensions

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or **alpha**, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). From that date all newly appointed civil servants and the majority of those already in service joined **alpha**. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has 4 sections: 3 providing benefits on a final salary basis (**classic**, **premium** or **classic plus**) with a normal pension age of 60; and 1 providing benefits on a whole career basis (**nuvos**) with a normal pension age of 65.

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**, **nuvos** and **alpha** are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 will switch into **alpha** sometime between 1 June 2015 and 1 February 2022. All members who switch to **alpha** have their PCSPS benefits 'banked', with those with earlier benefits in 1 of the final salary sections of the PCSPS having those benefits based on their final salary when they leave **alpha**. (The pension figures quoted for officials show pension earned in PCSPS or **alpha** – as appropriate. Where the official has benefits in both the PCSPS and **alpha**, the figure quoted is the combined value of their benefits in the two schemes.) 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 4.6% and 8.05% for members of **classic**, **premium**, **classic plus**, **nuvos** and **alpha**. 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 3 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 his 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. Benefits in **alpha** build up in a similar way to **nuvos**, except that the accrual rate is 2.32%. 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 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**, 65 for members of **nuvos**, and the higher of 65 or State Pension Age for members of **alpha**. (The pension figures quoted for officials show pension earned in PCSPS or **alpha** – as appropriate. Where the official has benefits in both the PCSPS and **alpha**, the figure quoted is the combined value of their benefits in the two schemes, but note that part of that pension may be payable from different ages.)

Further details about the Civil Service pension arrangements can be found at the website [www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk)

## Cash equivalent transfer values (CETV)

A Cash Equivalent Transfer Value (CETV) 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 benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out 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.

### Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

### Staff report

All staff costs relate to the staff of DFID. The Commonwealth Scholarship Commission in the UK (CSC) does not have any staff as it uses external administrators (not departmental staff) to carry out its day-to-day operations. The numbers in the table below are included in 'Staff costs' within the Consolidated Statement of Comprehensive Net Expenditure and in note 3 Expenditure.

### Staff costs<sup>[1]</sup>

	Permanently employed staff £000	Others £000	Ministers £000	Special advisers £000 <sup>[2]</sup>	2019-20 Total £000	2018-19 Total £000
Wages and salaries	166,311	875 <sup>[3]</sup>	147	84	167,417	178,027
Social security costs	11,544	–	14	11	11,569	13,684
Other pension costs	37,086	–	–	11	37,097	32,791
<b>Sub total</b>	<b>214,941</b>	<b>875</b>	<b>161</b>	<b>106</b>	<b>216,083</b>	<b>224,502</b>
Less recoveries in respect of outward secondments	(74)	–	–	–	(74)	(161)
<b>Total net costs</b>	<b>214,867</b>	<b>875</b>	<b>161</b>	<b>106</b>	<b>216,009</b>	<b>224,341</b>

[1] These disclosures are subject to audit.

[2] Responsibility for Special Advisers transferred to Cabinet Office from September 2019.

[3] These costs relate to contract and agency staff, not employees.

### Analysis of total

	Charged to Administration Budget £000	Charged to Programme Budget £000	Charged to Capital Budget £000	Total £000
DFID	71,540	141,540	2,929	216,009
Agencies	–	–	–	–
Other designated bodies	–	–	–	–
<b>Total</b>	<b>71,540</b>	<b>141,540</b>	<b>2,929</b>	<b>216,009</b>

The Principal Civil Service Pension Scheme (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS) – known as 'alpha' – are unfunded multi-employer defined benefit schemes, but DFID is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the PCSPS as at 31 March 2016. You can find details in the resource accounts of the Cabinet Office: Civil Superannuation at [www.civilservicepensionscheme.org.uk/about-us/resource-accounts/](http://www.civilservicepensionscheme.org.uk/about-us/resource-accounts/)

For 2019-20, employers' contributions of £34,395,634 were payable to the PCSPS at 1 of 4 rates in the range 27.6% to 30.3% of pensionable earnings, based on salary bands. The Scheme Actuary reviews employer contributions usually every 4 years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during the period 1 April 2019 to 31 March 2020 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 £455,723 were paid to one or more of the panel of 3 appointed stakeholder pension providers. Employer contributions are age related and ranged from 8% to 14.75%. Employers also match employee contributions up to 3% of pensionable earnings. In addition, employer contributions of £17,731, 0.5% of pensionable pay, were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service or ill-health retirement of these employees.

Contributions due to the **partnership** pension providers at the balance sheet date were £38,472. Contributions prepaid at that date were £nil.

One individual retired early on ill-health grounds; the total additional accrued pension liability in the year amounted to £3,736.

### Consultancy costs<sup>[1]</sup>

DFID consultancy costs for the period 1 April 2019 to 31 March 2020 totalled £24,609 (2018-19, £649,474<sup>[2]</sup>).

Consultancy Services is an option for filling resource gaps, but can provide value for money where specialist skills, experience and/or innovation are key requirements. Consultancy relates only to admin spend if it falls within the Office of Government Commerce (OGC) definition of consultancy.

Consultancy spend related to very specific advice or support where in-house expertise was not readily available.

[1] As per the definitions of consultancy from Cabinet Office guidelines.

[2] 2018-19 figures include GEO (£622,298), which transferred out of DFID from 1 April 2019.

### Contingent labour

DFID contingent labour costs for the period 1 April 2019 to 31 March 2020 totalled £803,469 (2018-19, £1,492,554<sup>[1]</sup>).

Contingent labour reflects the use of agency workers and contractors who are engaged to fill short-term and immediate vacancies when all other routes to fill have been explored in line with DFID and Civil Service resourcing policies and processes.

[1] Figure restated from £1,587,600 to account for GEO accruals which were not realised.

### Average number of persons employed (These disclosures are subject to audit)

The average number of whole-time equivalent persons employed by DFID during 2019-20 was 3,535 (2018-19, 3,631<sup>[1]</sup>).

[1] 2018-19 figure includes the Government Equalities Office (GEO), which transferred out of DFID from 1 April 2019.

The overall staffing numbers have decreased within DFID because of the transfer out of GEO and EHRC, and because of the complexity of our resourcing model this year, including staff deployment to other departments to help with cross-Civil Service priorities.



The breakdown of staff employed at 31 March 2020 and 31 March 2019 was:

Division	2019-20					2018-19 <sup>[1]</sup>
	Permanently employed staff – UK	Permanently employed staff – SAIC <sup>[2]</sup>	Ministers	Special advisers	Total	Total
Corporate Performance	712	24	–	–	736	1,021
Top Management Group	51	–	8	3	62	60
Policy Research and Humanitarian	654	18	–	–	672	727
Country Programmes	847	723	–	–	1,570	1,709
Economic Development and International	364	8	–	–	372	419
<b>Total</b>	<b>2,628</b>	<b>773</b>	<b>8</b>	<b>3</b>	<b>3,412</b>	<b>3,936</b>

[1] 2018-19 figures include GEO and EHRC, which transferred out of DFID from 1 April 2019.

[2] Staff Appointed in Country.

The gender breakdown of SCS at 31 March 2020 was:

Grade	Male	Female	Grand total
SCS-G1 (Perm Sec)	1	–	1
SCS-G2 (Band 3)	2	3	5
SCS-G3 (Band 2)	8	8	16
SCS-G5 (Band 1)	41	37	78
<b>Grand total</b>	<b>52</b>	<b>48</b>	<b>100</b>

## Staff loans

The following table provides a breakdown of inward and outward staff loans, during 2019-20. 55% of the loans were deployed to the preparation work for the UK's exit from the European Union.

Grade	Staff Loaned				Staff Hosted			
	Number of short-term	Average duration short-term (months)	Number of long-term	Average duration long-term (months)	Number of short-term	Average duration short-term (months)	Number of long-term	Average duration long-term (months)
SCS	3	2	4	40	–	–	1	12
A1	24	3	20	20	1	6	1	6
A2	88	2	44	24	–	–	13	23
A2L	26	3	12	26	–	–	2	36
B1	40	3	35	24	–	–	2	17
B1D	1	4	–	–	1	4	3	17
B2	9	3	5	29	–	–	2	23
C1	–	–	–	–	–	–	–	–
ETP (graduate)	1	–	–	–	–	–	–	–
<b>Total</b>	<b>192</b>	<b>3</b>	<b>120</b>	<b>24</b>	<b>2</b>	<b>5</b>	<b>24</b>	<b>22</b>

The following table provides a breakdown of the inward and outward short term loans classified by administration and programme costs.

Classification	Staff Loaned		Staff Hosted	
	Number	Percentage	Number	Percentage
Programme	126	66%	1	50%
Administration	66	34%	1	50%

## Trade Union disclosures

DFID recognises the Public and Commercial Services Union and the FDA Trade Union and meet with them on a regular basis on a range of employee matters, including pay and policy.

### Relevant union officials

The total number of DFID employees who were relevant union officials during the period 1 April 2019 to 31 March 2020 was:

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
11	11

### Percentage of time spent on facility time

The number of DFID employees who were relevant union officials employed during the period 1 April 2019 to 31 March 2020 spent the following percentage of their working hours on facility time:

Percentage of time	Number of employees
0%	10
1–50%	1
51%–99%	0
100%	0

### Percentage of pay bill spent on facility time

The percentage of DFID's total pay bill spent on paying employees who were relevant union officials for facility time during the period 1 April 2019 to 31 March 2020 was:

Description	Figures
Total cost of facility time	£37,978
Total pay bill	£177,478,909
Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.0214%

### Paid trade union activities

Of the total facility time hours available to DFID employees who were relevant union officials, the table below represents the percentage of that time spent on union activities during the period 1 April 2019 to 31 March 2020:

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	0%
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### Diversity and inclusion

DFID is fully committed to diversity and inclusion in all that we do globally. This means providing a workplace for all staff, whether Home Civil Servant (HCS) or Staff Appointed in Country (SAIC), that is welcoming and respectful, considering the needs of everyone and ensuring the right conditions are in place for each person to have the opportunity to achieve their potential.

In April 2019 DFID published our People Plan with a dedicated goal on values and inclusion. We published our Annual Diversity and Inclusion Report in March. This work is in line with the [Civil Service Diversity and Inclusion Strategy](#). DFID aims to have both a more diverse workplace and to continue to build a more inclusive culture.

The year 2020 is the Civil Service Year of Inclusion. Across the Civil Service, this is an important moment to celebrate progress and recognise the huge energy and work of staff to promote inclusion but also to acknowledge that we have some way to go, particularly on race, disability, socioeconomic status and LGBT+. And that rightly the bar is rising in all these areas.

In line with other government departments, we are committed to the 2020 Year of Inclusion and aspire to be a trailblazer across the Civil Service, contributing to Sustainable Development Goal 5 (Gender Equality), 10 (Reduced Inequalities) and the Promise to Leave No One Behind. We have made progress and this year won the Cabinet Secretary Award for Diversity and Inclusion for our innovative work on Sexual Harassment.

In 2020 the areas on which we are to focus on are:

- Data matters: increasing our diversity data completion rates is the key to knowing if we are making progress. Less than 70% of our staff have recorded their information.
- Bullying, discrimination and harassment including sexual harassment. The response in the People Survey shows a higher rate of bullying and harassment than in the previous year overall but a substantial increase in reporting and reduction in those who have declared they have been sexually harassed in the last year. We are reviewing our action plan and will update.
- Attract, develop and retain: we want to publicise more what is available for all staff as we open up recruitment, invest in staff through the People Plan and help individuals develop their career but with a particular focus on race, social and economic diversity and inclusion, and disability. As part of this the first event of the 2020 Year of Inclusion was to launch our Race Action Plan and Race Conversations in DFID.
- Mental health: we have agreed our outline plan on mental health and wellbeing in the workplace.

We want to create an environment where differences of thought and outlook are not only respected but expected. The business case for this is strong as by being more diverse we will be more attuned to the needs and representative of all of our communities in the UK and abroad. It will also enable us to build on local knowledge and expertise, allowing the voices and perspectives of our staff to influence design, learning and implementation. In turn this will improve our programme quality and organisational effectiveness.

## Public Sector Equality Duty

We take our commitment to the Public Sector Equality duty seriously. To meet the requirements set out in the Public Sector Equality Duty our equality objectives continue to:

- Place gender equality at the heart of all that the department does, integrating gender equality across programmes and convening the Gender Equality Delivery Board to ensure implementation of the Strategic Vision for Gender Equality.
- Work in partnership across government to tackle the root causes of the perpetration of violence against people due to their faith, gender or sexuality. We work closely with FCO, for example, through co-creation of UK Aid Connect programmes on freedom of religion or belief and LGBT+ inclusion.
- Systematically consider gender equality, disability inclusion and equity across all programmes. For example, providing global leadership on girls' education by continuing to spearhead the cross-government global girls' education campaign, Leave No Girl Behind, with the FCO.
- Build an inclusive culture where all staff can reach their full potential. To achieve this our key areas of action are improving data, addressing bullying, discrimination and harassment, continuously improving how we attract, develop and retain our staff, through our Race Action Plan and supporting our staff's mental health.

More information on how we will deliver our programme and policy objectives is set out under the relevant Strategic Objectives in our Single Departmental Plan.

## Disability in DFID<sup>[1]</sup>

In our People Plan, we aim to ensure we have a workplace where all staff:

- Are supported to have confidence in bringing their whole self to work.
- Are encouraged to have courage and speak about their lived experiences of disability and mental health without fear of stigma.
- Collaborate (across business areas/networks/the Civil Service) so that we support each other and are more than the sum of our parts.

As a Disability Confident Leader, DFID welcomes the Stevenson/Farmer [Thriving at Work report](#) and is fully committed to meeting the standards. Caring for the wellbeing of all DFID's staff is key to supporting all our employees across the globe to give of their best.

In line with government requirements DFID completes [voluntary reporting](#) on disability, mental health and wellbeing.

The following table provides a breakdown of HCS staff by gender at 31 March 2020.<sup>[1][2]</sup>

	31 March 2020		31 March 2019	
<b>Male</b>	1,140	43%	1,208	43%
<b>Female</b>	1,488	57%	1,553	57%
<b>Total</b>	<b>2,628</b>		<b>2,761</b>	

The following table provides a breakdown of DFID SAIC staff by gender at 31 March 2020.

	31 March 2020		31 March 2019	
<b>Male</b>	300	39%	366	42%
<b>Female</b>	473	61%	506	58%
<b>Total</b>	<b>773</b>		<b>872</b>	

[1] The DFID [Gender Pay Gap Report](#) does not report on SAIC staff.

[2] This table does not include details of ministers.

## Health, safety and wellbeing

DFID is committed to providing a safe and healthy working environment for all staff. We do this by:

- Promoting a healthy workforce.
- Maintaining safe systems of work.
- Supporting the physical and emotional wellbeing of staff.
- Providing an understanding of staff members' own duty of care and how to act appropriately at all times to achieve high standards of health and safety on UK premises or on the FCO platforms overseas.

DFID contracts an Employee Assistance Provider, allowing staff to access personal support and counselling when this is required. It is a confidential 24/7 service available to all staff and families of staff posted overseas. In addition, DFID offers specialist counselling and resilience support for staff in hostile environments.

DFID's managing attendance policy aims to help ensure that sickness absence is effectively managed and ultimately does not detract from DFID's performance. The policy and its associated procedures confirm the responsibilities both of staff and managers, both to enable the consistent management of attendance issues, and to underline DFID's commitment to the provision of appropriate employee support.

The managing attendance policy applies to all HCS and SAIC. It does not apply to agency workers, consultants, or any other workers not employed by DFID.

The following table summarises the levels of sickness absence during 2019-20 based on the central reporting guidance (HCS only).

The proportion of individuals absent due to sickness has remained constant. The average days lost per person has increased by nearly 1 day to 5.75. The increase on days lost on short-term sickness is relatively small (0.3) with the increase on days lost on long-term sickness slightly higher (0.7).

	DFID	Core Department <sup>[1]</sup>	Departmental Group <sup>[1]</sup>
	2019-20	2018-19	2018-19
Working days lost (short-term absence)	6,331	5,826	6,466
Working days lost (long-term absence)	8,852	7,527	8,485
Total working days lost	15,183	13,353	14,951
Number of staff absent as a result of sickness	1,055	1,097	1,208
Percentage of staff with no sickness absence	64%	64%	63%

[1] 2018-19 figures include GEO and EHRC, which transferred out of DFID from 1 April 2019.

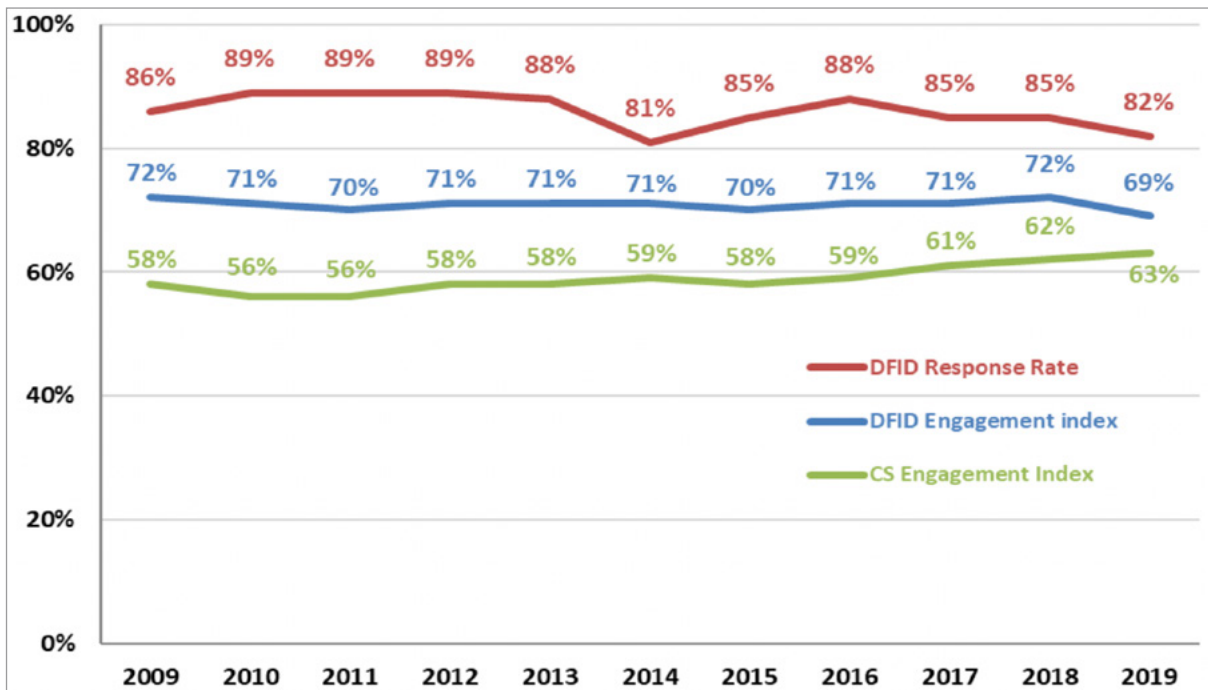
### Employee engagement

Despite a marginal decrease of 3 percentage points (ppt) in the 2019 Civil Service People Survey, DFID’s employee response rate remains high at 82%. The employee engagement index also fell by 3ppt to 69%, however it is still significantly higher than the Civil Service average of 63%. This places DFID within the top quartile of performers within the Civil Service.

In the 2019 survey, 81% of staff indicated that they were proud to tell others that they are part of DFID. This exceeds the Civil Service average by 15ppt.

The following table shows the comparison between DFID’s engagement index and the Civil Service average over an 11-year period.

### Response rate and engagement index



### SCS performance management

All SCS staff have objectives which set out their contribution to the achievement of DFID’s Business Plan.

DFID's system for SCS performance management is based on the Cabinet Office's guidance on SCS performance management arrangements. 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 contribution.

All SCS staff must also consider setting objectives that:

- Follow the principles of the Civil Service Leadership Statement in both what and how they deliver.
- 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 management

DFID's performance management framework (Being my Best) has been in place since 2018. It adheres to the cross-Civil Service principles. Objectives are agreed at the beginning of the performance year (April) and include both delivery and behavioural expectations. Performance is assessed quarterly (meeting expectations; not meeting expectations) with two consecutive 'not meeting' assessments leading to formal performance improvement action. Individuals and teams can be nominated for performance awards at any time during the year. These can be for short-term impact, or for those who have made a longer-term and sustained impact on individual, team or organisational performance. Nominations are reviewed by Heads (Deputy Directors) at quarterly assurance meetings, where they also review performance and agreed forward improvement action. Talent assessments are completed for all staff and can be updated at any point. This is supported by an online system (Performance and Learning Log), and a three-year strategy to improve line management.

### Reporting of Civil Service and other compensation schemes – exit packages<sup>[1][2][3]</sup>

Comparative data for previous year shown (in brackets).

Exit package cost band	Core Department		
	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
<£10,000	0(0)	3(0)	3(0)
£10,000 - £25,000	0(2)	0(0)	0(2)
£25,000 - £50,000	0(1)	2(0)	2(1)
£50,000 - £100,000	0(2)	2(2)	2(4)
£100,000 - £150,000	0(0)	1(0)	1(0)
£150,000 - £200,000	0(0)	0(0)	0(0)
Total number of exit packages	0(5)	8(2)	8(7)
Total cost £000			339(357)

[1] These disclosures are subject to audit.

[2] 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.

[3] 2018-19 figures include GEO, which transferred out of DFID from 1st April 2019.

## Off-payroll engagements

The table below provides information on all off-payroll engagements as of 31 March 2020, for more than £245 per day and that last longer than 6 months. The numbers relate to engagements within DFID and entities within its reporting boundary, but do not include public corporations.

	Main Department	Agencies	ALBs
Number of existing engagements as of 31 March 2020	0	0	0

The table below provides information on new off-payroll engagements, or those that reached 6 months in duration, between 1 April 2019 and 31 March 2020, for more than £245 per day and that last for longer than 6 months.

	Main Department	Agencies	ALBs
Number of new engagements that reached 6 months in duration, between 1 April 2019 and 31 March 2020	0	0	0

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 2019 and 31 March 2020.

	Main Department	Agencies	ALBs
Number of off-payroll engagements of Board members and/or senior officials with significant financial responsibility during the financial year.	0	0	0
Total number of individuals on payroll and off-payroll that have been deemed "board members, and/or, senior officials with significant financial responsibility", during the financial year. This figure should include both on-payroll and off-payroll engagements.	11	0	6

## 2.3 Parliamentary Accountability and Audit report

### Statement of Parliamentary Supply

#### Summary of Resource and Capital Outturn 2019-20

In addition to the primary statements prepared under IFRS, the Government Financial Reporting Manual (FRM) requires DFID to prepare a Statement of Parliamentary Supply (SoPS) and supporting notes. The SoPS and related notes are subject to audit, as detailed in the Certificate and Report of the Comptroller and Auditor General to the House of Commons. The SoPS is a key accountability statement that shows, in detail, how an entity has spent against their Supply Estimate. Supply is the monetary provision (for resource and capital purposes) and cash (drawn primarily from the Consolidated Fund), that Parliament gives statutory authority for entities to utilise. The Estimate details supply and is voted on by Parliament at the start of the financial year. Should an entity exceed the limits set by their Supply Estimate, called control limits, their accounts will receive a qualified opinion. The format of the SoPS mirrors the Supply Estimates, published on GOV.UK, to enable comparability between what Parliament approves and the final outturn. The SoPS contain a summary table, detailing performance against the control limits that Parliament have voted on, cash spent (budgets are compiled on an accruals basis and so outturn won't exactly tie to cash spent) and administration. The supporting notes detail the following: Outturn by Estimate line, providing a more detailed breakdown (note 1); a reconciliation of outturn to net operating expenditure in the SOCNE, to tie the SoPS to the financial statements (note 2); a reconciliation of outturn to net cash requirement (note 3); and, an analysis of income payable to the Consolidated Fund (note 4).

	2019-20							2018-19	
	Estimate			Outturn			Voted outturn compared with Estimate: saving/ (excess) £000	Outturn Total £000	
	Note	Voted £000	Non-voted £000	Total £000	Voted £000	Non-voted £000			Total £000
<b>Departmental Expenditure Limit</b>									
– Resource	SOPS 1.1	7,614,698	465,000	8,079,698	7,526,622	475,000	8,001,622	78,076	7,196,352
– Capital	SOPS 1.2	2,059,607	–	2,059,607	2,036,286	–	2,036,286	23,321	3,104,530
<b>Annually Managed Expenditure</b>									
– Resource	SOPS 1.1	94,543	–	94,543	(162,964)	–	(162,964)	257,507	(154,737)
– Capital	SOPS 1.2	955,000	–	955,000	955,000	–	955,000	–	736,000
<b>Total budget</b>		<b>10,723,848</b>	<b>465,000</b>	<b>11,188,848</b>	<b>10,354,944</b>	<b>475,000</b>	<b>10,829,944</b>	<b>358,904</b>	<b>10,882,145</b>
<b>Non-budget</b>									
– Resource		–	–	–	–	–	–	–	–
<b>Total</b>		<b>10,723,848</b>	<b>465,000</b>	<b>11,188,848</b>	<b>10,354,944</b>	<b>475,000</b>	<b>10,829,944</b>	<b>358,904</b>	<b>10,882,145</b>
Total resource		7,709,241	465,000	8,174,241	7,363,658	475,000	7,838,658	335,583	7,041,615
Total capital		3,014,607	–	3,014,607	2,991,286	–	2,991,286	23,321	3,840,530
<b>Total</b>		<b>10,723,848</b>	<b>465,000</b>	<b>11,188,848</b>	<b>10,354,944</b>	<b>475,000</b>	<b>10,829,944</b>	<b>358,904</b>	<b>10,882,145</b>

Figures in the areas outlined in thick line cover the voted control limits voted by Parliament. Refer to the Supply Estimates guidance manual, available on gov.uk, for detail on the control limits voted by Parliament.



**Net Cash Requirement 2019-20**

	<b>Note</b>	<b>2019-20 Estimate £000</b>	<b>2019-20 Outturn £000</b>	<b>Outturn compared with Estimate £000</b>	<b>2018-19 Outturn £000</b>
Net cash requirement	SOPS3	11,311,396	10,965,447	345,949	8,995,109

**Administration costs 2019-20**

	<b>2019-20 Estimate £000</b>	<b>2019-20 Outturn £000</b>	<b>Outturn compared with Estimate £000</b>	<b>2018-19 Outturn £000</b>
Administration costs	120,304	110,248	10,056	123,989

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. Breakdown of variances between Estimate and Outturn are given in SoPS note 1 and explanation of variances are given in the Financial Review on page 67.

## Notes to the Departmental Resource Accounts – Statement of Parliamentary Supply

### SOPS1 Net outturn

SOPS1.1 Analysis of net resource outturn by section

								2019-20 £000	2018-19 £000		
Spending in Departmental Expenditure Limit (DEL)	Outturn							Estimate			Outturn
	Administration			Programme			Total	Net Total	Net total compared to Estimates	Net total compared to Estimate, adjusted for virements	Total
	Gross	Income	Net	Gross	Income	Net					
<b>Voted:</b>											
A: CSC (NDPB) (net) scholarship relating to developing countries	423	–	423	27,574	–	27,574	27,997	28,028	31	31	27,820
B: Total Operating Costs	116,593	(7,150)	109,443	213,349	–	213,349	322,792	336,440	13,648	13,648	303,466
C: Independent Commission for Aid Impact (NDPB) (net)	382	–	382	2,828	–	2,828	3,210	3,465	255	255	3,427
D: Conflict, Stability and Security Fund	–	–	–	102,840	(4)	102,836	102,836	104,027	1,191	1,191	126,615
E: Regional Programmes	–	–	–	3,760,850	(16)	3,760,834	3,760,834	3,745,357	(15,477)	10,559	3,583,856
F: Other Central Programmes	–	–	–	(36,488)	(1,221)	(37,709)	(37,709)	40,242	77,951	42,451	(11,874)
G: Policy Priorities, International Organisations and Humanitarian	–	–	–	3,321,102	(859)	3,320,243	3,320,243	3,324,684	4,441	9,941	2,666,091
H Prosperity Fund	–	–	–	26,419	–	26,419	26,419	32,455	6,036	–	8,276
I Equality and Human Rights Commission (ALB) (Net)	–	–	–	–	–	–	–	–	–	–	18,257
J Government Equalities Office	–	–	–	–	–	–	–	–	–	–	18,418
<b>Non-Voted Expenditure</b>											
K European Union Attributed Aid	–	–	–	475,000	–	475,000	475,000	465,000	(10,000)	–	452,000
<b>Total spending in DEL</b>	<b>117,398</b>	<b>(7,150)</b>	<b>110,248</b>	<b>7,893,474</b>	<b>(2,100)</b>	<b>7,891,374</b>	<b>8,001,622</b>	<b>8,079,698</b>	<b>78,076</b>	<b>78,076</b>	<b>7,196,352</b>
<b>Annually Managed Expenditure (AME)</b>											
<b>Voted</b>											
L Other Central Programmes	–	–	–	(126,596)	(36,368)	(162,964)	(162,964)	94,543	257,507	257,507	(154,737)
<b>Total spending in AME</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(126,596)</b>	<b>(36,368)</b>	<b>(162,964)</b>	<b>(162,964)</b>	<b>94,543</b>	<b>257,507</b>	<b>257,507</b>	<b>(154,737)</b>
<b>Total</b>	<b>117,398</b>	<b>(7,150)</b>	<b>110,248</b>	<b>7,766,878</b>	<b>(38,468)</b>	<b>7,728,410</b>	<b>7,838,658</b>	<b>8,174,241</b>	<b>335,583</b>	<b>335,583</b>	<b>7,041,615</b>

The total Estimate columns include virements. Virements are the reallocation of provision in the Estimates that do not require parliamentary authority (because Parliament does not vote to that level of detail and delegates to HM Treasury). Further information on virements are provided in the Supply Estimates Manual, available on gov.uk. The outturn vs estimate column is based on the total including virements. The estimate total before virements have been made is included so that users can tie the estimate back to the Estimates laid before Parliament. Explanations of variances between Estimate and outturn are given in the Financial Review on page 67.

## SOPS1.2 Analysis of net capital outturn by section

	2019-20 £000						2018-19 £000
Spending in Departmental Expenditure Limit (DEL)	Outturn			Estimate			Outturn
	Gross	Income	Net	Net	Net total compared to Estimate	Net total compared to Estimate, adjusted for virements	Net
<b>Voted:</b>							
A: CSC (NDPB) (net) scholarship relating to developing countries	-	-	-	-	-	-	-
B: Total Operating Costs	-	-	-	-	-	-	-
C: Independent Commission for Aid Impact (NDPB) (net)	-	-	-	-	-	-	-
D: Conflict, Stability and Security Fund	160	-	160	200	40	40	507
E: Regional Programmes	373,366	(3)	373,363	384,265	10,902	1,902	485,196
F: Other Central Programmes	8,297	(26,723)	(18,426)	9,200	27,626	20,626	(17,848)
G: Policy Priorities, International Organisations and Humanitarian	1,754,795	(93,000)	1,661,795	1,645,942	(15,853)	147	2,601,321
H: Prosperity Fund	19,394	-	19,394	20,000	606	606	35,354
<b>Non-voted</b>							
I: European Union Attributed Aid	-	-	-	-	-	-	-
<b>Total spending in DEL</b>	<b>2,156,012</b>	<b>(119,726)</b>	<b>2,036,286</b>	<b>2,059,607</b>	<b>23,321</b>	<b>23,321</b>	<b>3,104,530</b>
<b>Annually Managed Expenditure (AME)</b>							
<b>Voted</b>							
J: Other Central Programmes	-	-	-	-	-	-	-
K: Policy Priorities, International Organisations and Humanitarian	955,000	-	955,000	955,000	-	-	736,000
<b>Total spending in AME</b>	<b>955,000</b>	<b>-</b>	<b>955,000</b>	<b>955,000</b>	<b>-</b>	<b>-</b>	<b>736,000</b>
<b>Total</b>	<b>3,111,012</b>	<b>(119,726)</b>	<b>2,991,286</b>	<b>3,014,607</b>	<b>23,321</b>	<b>23,321</b>	<b>3,840,530</b>

The total Estimate columns include virements. Virements are the reallocation of provision in the Estimates that do not require parliamentary authority (because Parliament does not vote to that level of detail and delegates to HM Treasury). Further information on virements are provided in the Supply Estimates Manual, available on gov.uk. The outturn vs estimate column is based on the total including virements. The estimate total before virements have been made is included so that users can tie the estimate back to the Estimates laid before Parliament. Explanations of variances between Estimate and outturn are given in the Financial Review on page 67.

## SOPS2 Reconciliation of outturn to net operating expenditure

### SOPS2.1 Reconciliation of net resource outturn to net operating expenditure

	SOPS Note	2019-20 £000 Outturn	2018-19 £000 Outturn
Total resource outturn in Statement of Parliamentary Supply			
Budget	1.1	7,838,658	7,041,615
Non-Budget	1.1	–	–
		<u>7,838,658</u>	<u>7,041,615</u>
Add:			
Capital Grants		1,937,617	3,031,672
Capital Grant in Kind – expense		–	313,828
		<u>1,937,617</u>	<u>3,345,500</u>
Less:			
Income payable to the Consolidated Fund		(3,286)	(3,814)
Non-voted <sup>[1]</sup> EU attribution		(475,000)	(452,000)
Other Adjustments - Finance Expense		–	(37)
		<u>(478,286)</u>	<u>(455,851)</u>
Net Operating Expenditure in Consolidated Statement of Comprehensive Net Expenditure		<u>9,297,989</u>	<u>9,931,264</u>

<sup>[1]</sup> 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 its 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.

As noted in the introduction to the SoPS above, outturn and the Estimates are compiled against the budgeting framework, which is similar to, but different from, IFRS. Therefore this reconciliation bridges the resource outturn to net operating expenditure, linking the SoPS to the financial statements.

## SOPS3 Reconciliation of net resource outturn to net cash requirement

	SOPS Note	Outturn £000	Estimate £000	Net total outturn compared with Estimate: saving/ (excess) £000
<b>Resource outturn</b>	1.1	7,838,658	8,174,241	335,583
<b>Capital outturn</b>	1.2	2,991,286	3,014,607	23,321
<b>Accruals to cash adjustments:</b>				
<i>Adjustments to remove non-cash items:</i>				
Depreciation and impairment		(9,767)	(19,000)	(9,233)
New provisions and adjustments to previous provisions		(21,290)	(277,693)	(256,403)
Other non-cash items		35,883	34,446	(1,437)
<i>Adjustments for ALBs:</i>				
Remove voted resource and capital		(31,207)	(31,493)	(286)
Add cash grant-in-aid		31,337	31,493	156
<i>Adjustments to reflect movements in working balances</i>				
Increase in receivables		(36,733)	–	36,733
Increase in payables		497,157	701,091	203,934
Use of provisions		145,123	148,704	3,581
		<b>11,440,447</b>	<b>11,776,396</b>	<b>335,949</b>
<b>Removal of non-voted budget items:</b>				
Consolidated Fund Standing Services		(475,000)	(465,000)	10,000
Other adjustments		–	–	–
<b>Net cash requirement</b>		<b>10,965,447</b>	<b>11,311,396</b>	<b>345,949</b>

As noted in the introduction to the SoPS above, outturn and the Estimates are compiled against the budgeting framework, not on a cash basis. Therefore, this reconciliation bridges the resource and capital outturn to the net cash requirement. Explanations of variances between Estimate and outturn are given in the Financial Review on page 67.

## SOPS4 Income payable to the Consolidated Fund

### SOPS4.1 Analysis of 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 2019-20 £000		Outturn 2018-19 £000	
	Income	<i>Receipts</i>	Income	<i>Receipts</i>
Operating income outside the ambit of the Estimate	(3,286)	<i>(3,286)</i>	(3,814)	<i>(3,814)</i>
Excess cash surrenderable to the Consolidated Fund	–	–	–	–
<b>Total income payable to the Consolidated Fund</b>	<b>(3,286)</b>	<b><i>(3,286)</i></b>	<b>(3,814)</b>	<b><i>(3,814)</i></b>

## Parliamentary Accountability Disclosures

### Losses and special payments (audited)

#### Losses statement

	2019-20		2018-19	
	DFID	Departmental Group <sup>(1)</sup>	DFID	Departmental Group <sup>(1)</sup>
Total number of losses	70	70	69	203
Total value of losses (£000)	1,320	1,320	1,105	1,106

<sup>(1)</sup> DFID includes core department and ICAI (an advisory NDPB). The Departmental Group also includes CSC (Equality & Human Rights Commission was only part of the group in 2018-19).

DFID takes a robust approach to pursuing loss recovery.

There was one significant constructive loss greater than £300,000 during the year and no individual reportable losses:

Details of losses greater than £300,000:	2019-20 £000
Write-off expired drug stocks in DRC	653
<b>Total losses greater than £300,000</b>	<b>653</b>

#### Special payments

	2019-20		2018-19	
	DFID	Departmental Group	DFID	Departmental Group
Total number of special payments	6	6	10	18
Total value of special payments (£000)	3,922	3,922	1,880	2,220

There were two special payments greater than £300,000 during the year:

Details of special payments greater than £300,000:	2019-20 £000
Payment for Jordan Conference made outside of contract	535
Payment made in relation to COVID-19 programme	3,200
<b>Total special payments greater than £300,000</b>	<b>3,735</b>

#### Remote contingent liabilities (audited)

In addition to contingent liabilities disclosed in accordance with IAS 37 at note 12.2 of the accounts, 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 £16,566.4 million (2018-19: £14,519.4 million) and comprise:

- £16,327.6 million (2018-19: £14,305.7 million) in respect of callable capital on investments in International Financial Institutions (IFIs). These are subject to call only when required and to the extent necessary to meet the obligations of the IFIs on borrowings of funds or guarantees. The equity base of each IFI allows the institutions to meet their financial objectives by absorbing risk out of their own resources and protecting member countries from a possible call on callable capital. No call has ever been made on the IFIs' callable capital stock to date.

- £51.3 million (2018-19: £48.8 million) through the issuance of a promissory note for maintenance of value obligations in respect of subscriptions already paid to the capital stock of the International Bank for Reconstruction and Development (IBRD). Members are required to make payments to IBRD if their currencies (Sterling for UK) depreciate significantly from the subscription date, relative to the US Dollar. This promissory note has never been drawn down.
- £187.5 million (2018-19: £164.9 million) in respect of the UK share of EU member states' collective guarantees of the European Investment Bank's lending under the Lomé Convention and the parallel Council decisions on the Association of Overseas Countries and Territories. Prior to any call on member states, the European Investment Bank must first exhaust its own capital resources and so a call is considered remote.
- £nil (2018-19: £nil) 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.

The Department has entered into other unquantifiable contingent liabilities relating to maintenance of the value of subscriptions paid to capital stock of regional development banks and funds. None of these is a contingent liability within the meaning of IAS 37 since the possibility of a transfer of economic value is considered remote. DFID does not expect any liabilities to arise in relation to these contingent liabilities.

### **Common Core tables (unaudited)**

The Core tables for DFID can be found in Annex C.

### **Nick Dyer CB**

Interim Accounting Officer for the Department for International Development  
10 July 2020

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

## Opinion on financial statements

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 2020 under the Government Resources and Accounts Act 2000. The Department comprises the core Department and its advisory non departmental 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 2019. The financial statements comprise: the Department's and Departmental Group's Statements of Comprehensive Net Expenditure, Financial Position, Cash Flow, Changes in Taxpayers' Equity; and the related notes, including the significant accounting policies. These financial statements have been prepared under the accounting policies set out within them.

I have also audited the Statement of Parliamentary Supply and the related notes, and the information in the Accountability Report that is described in that report as having been audited.

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 2020 and of the Department's net expenditure for the year and Departmental Group's net expenditure 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.

## Emphasis of matter – Valuation of Financial Investments

I draw attention to Note 5, Financial Investments, and Note 1.10 – Financial Investments and Loans, of the financial statements, which describes the material uncertainty in the valuation of the Department's financial investments in International Financial Institutions and CDC Group plc. My opinion is not modified in respect of this matter.

## 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 2020 and shows that those totals have not been exceeded; and
- the income and expenditure 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.

## Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK) and Practice Note 10 '*Audit of Financial Statements of Public Sector Entities in the United Kingdom*'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate. Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2016. I am independent of the Department for International Development in accordance with the ethical requirements that are relevant to my audit and the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.



## Conclusions relating to going concern

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- the Department for International Development's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Department for International Development has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Department's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## Responsibilities of the Accounting Officer for the financial statements

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.

## Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act 2000.

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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's and the Department for International Development's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the group financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.
- Conclude on the appropriateness of the Department for International Development's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Department's or where relevant, the group's ability to continue as a going concern. If I conclude

that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Department or where relevant, the group to cease to continue as a going concern.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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.

## Other Information

The Accounting Officer is responsible for the other information. The other information comprises information included in the annual report, but does not include the parts of the Accountability Report described in that report as having been audited, the financial statements and my auditor's report thereon. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

## Opinion on other matters

In my opinion:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with HM Treasury directions made under the Government Resources and Accounts Act 2000;
- in the light of the knowledge and understanding of the group and the parent and its environment obtained in the course of the audit, I have not identified any material misstatements in the Performance Report or the Accountability Report; and
- the information given in the Performance and Accountability Reports 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 parts of the Accountability 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.

**Gareth Davies**  
**Comptroller and Auditor General**

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

**Date: 14 July 2020**

# Financial Statements

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. The presentational currency is GBP.

## Consolidated Statement of Comprehensive Net Expenditure<sup>[1]</sup>

for the year ended 31 March 2020

		2019-20		2018-19	
	Note	DFID £000	Departmental Group £000	DFID £000	Departmental Group £000
Effective Interest Rate (EIR) Interest Income <sup>[2]</sup>		(36,368)	(36,368)	(35,218)	(35,218)
Other Income		(9,431)	(10,289)	(9,474)	(11,445)
<b>Total operating income</b>		<b>(45,799)</b>	<b>(46,657)</b>	<b>(44,692)</b>	<b>(46,663)</b>
Staff costs	3	216,009	216,009	212,842	224,341
Grants and current expenditure	3	6,718,066	6,746,922	5,840,758	5,875,898
Promissory note deposits	3	2,350,069	2,350,069	3,568,965	3,568,965
Discounting	3	14,499	14,499	3,607	3,826
Other costs	3	17,147	17,147	(10,084)	(8,931)
Grant-in-kind	3	–	–	313,828	313,828
Grant-in-aid to NDPBs		28,127	–	46,637	–
<b>Total operating expenditure</b>		<b>9,343,917</b>	<b>9,344,646</b>	<b>9,976,553</b>	<b>9,977,927</b>
<b>Net operating expenditure</b>		<b>9,298,118</b>	<b>9,297,989</b>	<b>9,931,861</b>	<b>9,931,264</b>
Loss on transfer of functions	1.2	–	(2,574)	–	2,991
Finance expense		–	–	–	37
<b>Net expenditure for the year</b>		<b>9,298,118</b>	<b>9,295,415</b>	<b>9,931,861</b>	<b>9,934,292</b>
<b>Other comprehensive net expenditure</b>					
Items which will not be reclassified to net operating expenditure:					
– Net (gain)/loss on revaluation of property, vehicles and equipment	14	(123)	(306)	(115)	68
– Net gain on revaluation of intangibles	14	–	1	–	(1)
– Actuarial gain on pensions provision		–	–	–	(5)
– Net (gain)/loss on revaluation of Development Capital Investments	5,14	1,982	1,982	(3,018)	(3,018)
– Net gain on revaluation of International Financial Institution investments	5,14	(171,564)	(171,564)	(404,320)	(404,320)
– Net (gain)/loss on revaluation of investment in CDC	5,14	702,700	702,700	(6,000)	(6,000)
<b>Comprehensive net expenditure for the year</b>		<b>9,831,113</b>	<b>9,828,228</b>	<b>9,518,408</b>	<b>9,521,016</b>

The notes on pages 135 to 169 form part of these accounts.

[1] DFID includes core department and ICAI (an advisory NDPB). The Departmental Group also includes CSC and EHRC (EHRC for 2018-19 only).

[2] Notional income reflecting the release of discounting on loans.

**Consolidated Statement of Financial Position**<sup>[1]</sup>

as at 31 March 2020

	Note	31 March 2020		31 March 2019	
		DFID £000	Departmental Group £000	DFID £000	Departmental Group £000
<b>Non-current assets</b>					
Property, vehicles and equipment	4	93,793	93,793	94,887	96,173
Intangible assets		9,921	9,921	10,542	10,662
Financial investments	5	11,350,291	11,350,291	10,817,237	10,817,237
Trade and other receivables	9	983,260	983,260	985,990	985,990
<b>Total non-current assets</b>		<b>12,437,265</b>	<b>12,437,265</b>	<b>11,908,656</b>	<b>11,910,062</b>
<b>Current assets</b>					
Trade and other receivables	9	227,320	227,320	238,371	238,978
Cash and cash equivalents	8	1,565	2,687	116,976	118,068
<b>Total current assets</b>		<b>228,885</b>	<b>230,007</b>	<b>355,347</b>	<b>357,046</b>
<b>Total assets</b>		<b>12,666,150</b>	<b>12,667,272</b>	<b>12,264,003</b>	<b>12,267,108</b>
<b>Current liabilities</b>					
Bank overdraft	8	(5,971)	(5,971)	(280)	(280)
Trade and other payables	10	(6,008,840)	(6,009,435)	(6,619,716)	(6,623,312)
Provisions	11	(168,511)	(168,511)	(157,322)	(157,542)
<b>Total current liabilities</b>		<b>(6,183,322)</b>	<b>(6,183,917)</b>	<b>(6,777,318)</b>	<b>(6,781,134)</b>
<b>Total assets less current liabilities</b>		<b>6,482,828</b>	<b>6,483,355</b>	<b>5,486,685</b>	<b>5,485,974</b>
<b>Non-current liabilities</b>					
Trade and other payables	10	(24,894)	(24,894)	(25,171)	(25,171)
Pension Liability <sup>[2]</sup>		–	–	–	(1,434)
Provisions	11	(644,102)	(644,102)	(779,124)	(779,337)
<b>Total non-current liabilities</b>		<b>(668,996)</b>	<b>(668,996)</b>	<b>(804,295)</b>	<b>(805,942)</b>
<b>Total assets less total liabilities</b>		<b>5,813,832</b>	<b>5,814,359</b>	<b>4,682,390</b>	<b>4,680,032</b>
<b>Taxpayers' equity and other reserves</b>					
General fund	13	(116,025)	(115,498)	(1,780,462)	(1,782,638)
Revaluation reserve	14	5,929,857	5,929,857	6,462,852	6,462,670
<b>Total equity</b>		<b>5,813,832</b>	<b>5,814,359</b>	<b>4,682,390</b>	<b>4,680,032</b>

[1] DFID includes core department and ICAI (an advisory NDPB). The Departmental Group also includes CSC and EHRC (EHRC for 2018-19 only).

[2] For 2018-19, the departmental group includes pension liability for the former Chair of the Commission and former Chairs and Deputy Chairs of legacy Commissions within EHRC.

**Nick Dyer CB**

Interim Accounting Officer for the Department for International Development  
10 July 2020

The notes on pages 135 to 169 form part of these accounts.

## Consolidated Statement of Cash Flows

for the year ended 31 March 2020

		2019-20	2018-19
	Note	Departmental Group <sup>[1]</sup> £000	Departmental Group <sup>[1]</sup> £000
<b>Cash flows from operating activities</b>			
Net expenditure for the year		(9,295,415)	(9,934,292)
Adjustment for grant-in-kind	3	–	313,828
Adjustments for non-cash transactions		(9,022)	4,424
(Increase)/decrease in trade and other receivables		46,449	(42,263)
Increase/(decrease) in trade payables		(497,232)	1,601,944
Use of provisions	11	(145,123)	(113,802)
Difference between movement on pension liabilities and amounts recognised in Statement of Comprehensive Net Expenditure			(59)
<b>Net cash outflow from operating activities</b>		<b>(9,900,343)</b>	<b>(8,170,220)</b>
<b>Cash flows from investing activities</b>			
Purchase of intangible assets		(2,820)	(3,462)
Purchase of property, vehicles and equipment		(6,112)	(10,087)
Proceeds of disposal of property, vehicles and equipment		405	240
Proceeds of disposal of financial investments		2,252	3,474
Additions to financial investments	5	(1,072,057)	(826,688)
Additions to loans		–	–
Repayment from other bodies		16,602	15,902
<b>Net cash outflow from investing activities</b>		<b>(1,061,730)</b>	<b>(820,621)</b>
<b>Cash flows from financing activities</b>			
From the Consolidated Fund (supply) – current year		10,844,963	9,108,455
From the Consolidated Fund (supply) – prior year		–	9,853
Cash acquired on transfer of function by absorption		(26)	25
<b>Net financing</b>		<b>10,844,937</b>	<b>9,118,333</b>
<b>Net increase in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund</b>		<b>(117,136)</b>	<b>127,492</b>
Payment of amounts due to the Consolidated Fund		(3,936)	(431)
<b>Net increase/(decrease) in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund</b>		<b>(121,072)</b>	<b>127,061</b>
<b>Cash and cash equivalents at the beginning of the period</b>	8	117,788	(9,273)
<b>Cash and cash equivalents at the end of the period</b>	8	<b>(3,284)</b>	<b>117,788</b>

[1] Only the Departmental Group cashflow is shown as there is no material difference between DFID and Departmental Group figures.

The notes on pages 135 to 169 form part of these accounts.

**Consolidated Statement of Changes in Taxpayers' Equity**<sup>[1]</sup>

for the year ended 31 March 2020

	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
<b>Balance at 1 April 2018</b>		<b>(965,135)</b>	<b>6,174,272</b>	<b>5,209,137</b>	<b>(964,885)</b>	<b>6,174,272</b>	<b>5,209,387</b>
Net Parliamentary Funding – drawn down	13	9,108,455	–	9,108,455	9,108,455	–	9,108,455
Supply receivable adjustment	13	(113,346)	–	(113,346)	(113,346)	–	(113,346)
Operating income payable to the Consolidated Fund	13	(3,814)	–	(3,814)	(3,814)	–	(3,814)
Comprehensive net expenditure for the year	13, 14	(9,931,861)	413,453	(9,518,408)	(9,934,292)	413,271	(9,521,021)
<b>Non-cash adjustments:</b>							
Non-cash charges – auditor's remuneration	3	366	–	366	366	–	366
Actuarial gain on pension scheme liabilities		–	–	–	5	–	5
<b>Movements in Reserves</b>							
Realised element to General Fund		124,873	(124,873)	–	124,873	(124,873)	–
<b>Balance at 31 March 2019</b>		<b>(1,780,462)</b>	<b>6,462,852</b>	<b>4,682,390</b>	<b>(1,782,638)</b>	<b>6,462,670</b>	<b>4,680,032</b>
Net Parliamentary Funding – drawn down	13	10,844,963	–	10,844,963	10,844,963	–	10,844,963
Net Parliamentary Funding – deemed	13	113,346	–	113,346	113,346	–	113,346
Supply receivable adjustment	13	7,138	–	7,138	7,138	–	7,138
Operating income payable to the Consolidated Fund	13	(3,286)	–	(3,286)	(3,286)	–	(3,286)
Comprehensive net expenditure for the year	13, 14	(9,298,118)	(532,995)	(9,831,113)	(9,295,415)	(532,813)	(9,828,228)
<b>Non-cash adjustments:</b>							
Non-cash charges – auditor's remuneration	3	394	–	394	394	–	394
<b>Movements in Reserves</b>							
Realised element to General Fund	13, 14	–	–	–	–	–	–
<b>Balance at 31 March 2020</b>		<b>(116,025)</b>	<b>5,929,857</b>	<b>5,813,832</b>	<b>(115,498)</b>	<b>5,929,857</b>	<b>5,814,359</b>

[1] DFID includes core department and ICAI (an advisory NDPB). The Departmental Group also includes CSC and EHRC (EHRC for 2018-19 only).

The notes on pages 135 to 169 form part of these accounts.

## Notes to the Departmental Accounts

### 1. Statement of accounting policies

In accordance with the direction received from HM Treasury under the Government Resources and Accounts Act 2000 (GRAA), these financial statements have been prepared in accordance with the 2019-20 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 taking account of the designation of those entities to be included within the consolidated Departmental Group (the Departmental Group) as determined by Statutory Instrument and accordingly are drawn up on that basis to give a true and fair view. 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.

#### 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.

#### 1.2 Basis of consolidation

In accordance with the FReM, these financial statements comprise a consolidation of DFID and those entities which fall within its Departmental Group as defined by Statutory Instrument 2019 No 476 The Government Resources and Accounts Act 2000 (Estimates and Accounts) Order 2019. Transactions between entities included in the consolidation are eliminated.

As a result of a machinery of government change, DFID has transferred responsibility for the Government Equalities Office (GEO) and their non-departmental public body (NDPB) the Equality and Human Rights Commission (EHRC) to the Cabinet Office on 1 April 2019. Comparative figures have not been restated and no adjustment has been made to align accounting policies as the impact of the machinery of government change is not considered material to the Group. The impact in year of the transfer was a net gain of £2.6 million reflecting the net liabilities transferred.

A list of all those entities within the departmental boundary is provided at note 16.2.

#### 1.3 Coverage of accounts

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

DFID is the sponsor department for CDC Group plc (CDC), a wholly owned public limited company classified in accordance with the European system of accounts (ESA 2010) as applied by the Office for National Statistics (ONS), as a 'self-financing public corporation'. DFID is the controlling entity of CDC under IFRS, but due to the application of ESA 2010 and HM Treasury direction, CDC is not consolidated; in accordance with Statutory Instrument 2019 No 476 The Government Resources and Accounts Act 2000 (Estimates and Accounts) Order 2019 (see 1.2 above) and with the FReM, it is deemed to fall outside the departmental resource accounting boundary. DFID's ownership interest in CDC is recognised in these financial statements within non-current financial asset investments adopting the recognition and measurement provisions of IFRS 9.



## 1. Statement of accounting policies (continued)

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 note SOPS2, detailing the reconciliation between resource outturn for the year and the total included in the Consolidated Statement of Comprehensive Net Expenditure.

### 1.4 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, expenditure is recognised in the period when agreed conditions for payment by DFID to the programme partner have been met (note 3).

In certain cases, grant contributions to international organisations are made in the form of promissory notes. A promissory note is a financial instrument, in which one party promises in writing to pay a determinate sum of money to the other either at a fixed or determinable future time or on demand of the payee. The full amount of the note is deposited, and a corresponding liability is recognised. Amounts not drawn down in cash from promissory notes at the Consolidated Statement of Financial Position date are included in 'Trade payables and other liabilities' (note 10).

### 1.5 Value Added Tax (VAT)

The Department is registered for VAT and pays tax on its purchases in accordance with the 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' (note 9).

### 1.6 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 as part of the fair value revaluation. Exchange differences on provisions are recognised within the Consolidated Statement of Comprehensive Net Expenditure, all others are taken to the Revaluation Reserve.

### 1.7 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. Assets under construction are held at historic cost.

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

## 1. Statement of accounting policies (continued)

of the asset. Property, vehicles and equipment do not include items purchased from programme expenditure.

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.

Freehold land, buildings and dwellings and leasehold buildings are accounted for at market value based on professional valuations carried out at not more than 5-year intervals.

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.

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 ONS website.

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.

### 1.8 Depreciation

Depreciation is provided on 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
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

### 1.9 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 of the department. 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 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. Financial assets 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. Financial liabilities are derecognised if the Department's obligations specified in the contract expire or are discharged or cancelled.

All other financial assets and liabilities that are not separately disclosed in the accounting policies are recorded at amortised cost using the effective interest rate method to amortise, or spread, cash flows such as interest or discounts over the life of the instrument.

## 1. Statement of accounting policies (continued)

### 1.10 Financial investments and loans

Development capital (DC) assets are investments made by DFID to achieve defined development objectives while retaining an ongoing, recoverable interest in the assets funded.

The Departmental Group's financial investments 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. After initial recognition, these financial assets are carried at fair value.

IFRS 9 requires DFID's financial assets to be classified as either held at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL), dependent on the business model and cash flow characteristics of the financial asset.

All of DFID's financial investments are held to collect contractual cash flows. Where the cash flows are solely payments of interest and principal on specified dates, the assets are held at amortised cost. For all other assets, they are measured at either FVOCI or FVTPL.

Investments at 31 March 2020 and 2019 include:

#### 1. Investments measured at FVOCI

DFID has applied the irrevocable election available in IFRS 9 to measure equity instruments at fair value through other comprehensive income.

#### International Financial Institutions

Investments include the UK interest in certain IFIs. Shares in these bodies are not traded securities.

Investments in IFIs are valued at fair value. In the absence of available market data, an approximation of the fair value of DFID's interests is assessed as DFID's share of the net assets of the IFIs, based on the number of shares subscribed by DFID (taking into consideration the department's assessment of material changes to fair value for bodies with non-coterminous reporting dates). The Articles of Agreement of all the IFIs specify that this is the valuation basis that would be used to determine the value that DFID would realise on dissolution of the individual institutions. This value is determined based on the net assets disclosed in the Statement of Financial Position of each IFI at the date closest to DFID's year-end, adjusted for any subsequent and material known changes. The Articles of Agreement of EBRD also state that if the UK was to cease to be a member of the bank, the bank would buy back the UK's shares at a maximum of DFID's purchase price. DFID have chosen to value its investment in EBRD using the share of net assets in order to be consistent with the other IFIs. The IFIs apply Generally Accepted Accounting Principles (United States) or IFRS.

#### Public corporations

In the absence of observable market data for investments in public corporations outside the departmental boundary, net asset value per recent audited accounts (taking into consideration the department's assessment of material changes to fair value for bodies with non-coterminous reporting dates) is used as a measure for determining fair value. This applies to DFID's investment in CDC. CDC's financial investments are held at fair value under IFRS, and changes in the value of CDC's net assets are recorded as changes in the value of DFID's investment in CDC.

#### Other development capital (DC) – equities

The fair values of DC equity 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 using the discount rate set by HM Treasury and net asset values.

## 2. Investments and loans measured at amortised cost

### Long-term loans

Long-term loans and receivables have been valued at amortised cost (see note 1.9) based on expected future cash flows, net of provisions. The discount rate applied to future cash flows to

## 1. Statement of accounting policies (continued)

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 are based on appropriate evidence and likelihood of default. Further information on expected credit loss provisions (ECLs) are set out in note 7.

### Other development capital (DC) – amortised cost

The fair value of DC assets held at amortised cost is estimated based on discounted cash flow analysis using the discount rate set by HM Treasury.

### 3. Investments and convertible loans measured at FVTPL

Embedded derivatives and debt instruments which do not meet the criteria to be measured at fair value through other comprehensive income are measured at fair value through profit or loss. This includes convertible loans.

The fair values of these 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 and discounted cash flows analysis using the discount rate set by HM Treasury.

#### 1.11 Impairment of financial assets

##### Financial investments measured at FVTPL

Gains and losses (the difference between the acquisition cost and the current fair value) on financial investments measured at FVTPL are recognised in the Consolidated Statement of Comprehensive Net Expenditure.

##### Financial investments measured at amortised cost

IFRS 9 requires a loss allowance to be recognised at an amount equal to either 12-month or lifetime expected credit losses (ECLs), dependent on the level of credit risk. Lifetime ECLs are those that result from all possible default events over the life of a financial instrument, whereas 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date. This will require considerable judgement and ECLs will be determined on a probability-weighted basis. Most of DFID's receivables balances have a low credit risk at the reporting date. However, for trade receivables, the FReM requires government departments to recognise lifetime ECLs.

The department will consider a financial asset to be in default when the borrower is unlikely to pay its credit obligations to DFID in full. The department will consider reasonable and supportable information that is relevant and available without undue cost or effort when determining whether credit risk has increased significantly since initial recognition. This will include qualitative and quantitative information and analysis based on historical experience, expert credit assessment (where available) and forward-looking information. The credit risk at initial recognition for some of DFID's historic loan balances is not known. However, many of these balances are fully provided for already. For those without an existing provision, all available information will be used to determine the level of loss allowances required. For callable capital, DFID will consider the balance likely to be drawn down in the next 12 months from the reporting date and will calculate loss allowances based on this. For financial guarantee contracts, no fees are received and so there is no associated financial asset. However, where the risk of default increases significantly, a provision for the potential payments will be recognised and will be assessed in accordance with principles of IFRS 9.

#### 1.12 Cash and cash equivalents

Cash comprises cash on hand with UK and overseas banks and demand deposits at the Consolidated 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. Statement of accounting policies (continued)

### 1.13 Provisions

DFID provides for legal and constructive obligations, related to past events, where the obligations are of uncertain timing or value at the Consolidated 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 nominal discount rate set by HM Treasury (0.51% between 0 and 5 years, 0.55% between 5 and 10 years and 1.99% exceeding 10 years). DFID provides for irreversible, pledged funding commitments to partners as the nature of the expenditure in supporting international development programmes means there will be an outflow of economic benefits. Further information on DFID's provisions are provided at Note 11.

### 1.14 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 and guarantees 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'.

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.

### 1.15 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 Consolidated Statement of Financial Position date are disclosed in 'Third party assets' (note 15).

### 1.16 Critical accounting judgements and estimates

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) Impairment review of financial assets held at amortised cost

DFID carries out an annual impairment review of the carrying value of its financial assets which are measured at amortised cost as IFRS 9 does not require impairment reviews for FVTPL assets. Details of this policy are set out in note 1.11. Impairment losses are calculated based on the best estimate of the current fair value and judging whether losses are permanent or temporary.

Long-term loan balances are held with a number of overseas governments and organisations. DFID carries out an annual review to assess whether there has been a significant increase in credit risk. This is done by 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. Expected Credit Losses (ECLs) are then measured for all amortised cost financial assets over their lifetime. DFID estimates the value of the ECLs by reviewing history of default and credit ratings together with a forward look of expected economic conditions and apply that information to estimate expected future cash flows.

## 1. Statement of accounting policies (continued)

### (b) Fair value of financial investments

Financial investments are measured at fair value at the Consolidated 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. The valuation of the department's investments is subjective as there is no observable market and there is an inherent risk that valuations may not reflect fair value. As a result, there is a level of estimation uncertainty of investment valuations. Details of these uncertainties and relevant sensitivity analyses are available in note 7. In 2019-20, there may be further estimation uncertainty due to the impact of COVID-19 which is detailed in note 5.

For a number of financial investments, the valuation date is prior to 31 March because of the timing of investment reporting. Where this is the case, an estimate for the fair value at year end is made based on judgements around any material changes between the valuation point and 31 March and recording any additions in this time at cost as a proxy for fair value.

In the absence of available market data, an approximation of the fair value of DFID's interests is assessed as DFID's share of the net assets based on the number of shares subscribed by DFID. Where possible, valuations are based on financial information contained within published annual accounts, but given that year-ends of most entities are non-coterminous with DFID, quarterly financial information has been used to value investments where DFID judges these provide a more accurate valuation of shareholding. For these entities a letter of assurance is also sought to give additional confidence over valuation procedures and methodology.

#### 1.17 Effects of newly adopted accounting policies

There are no newly adopted accounting policies in 2019-20.

#### 1.18 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:

##### IFRS 16

IFRS 16 'Leases' is now not expected to be adopted by the public sector until 2021-22. IFRS 16 represents a significant change in lessee accounting by largely removing the distinction between operating and finance leases and introducing a single lessee accounting model. The Department has assessed the impact of adopting IFRS 16 and due to the relatively low number of leases in place with relatively low value, the effect will likely be immaterial. The accounting treatment of the peppercorn lease in Whitehall has been considered and is not expected to be materially impacted.

##### IFRS 17

IFRS 17 'Insurance contracts' is anticipated to have an effective date in the private sector of 1 January 2023. There is not yet an implementation date for the public sector. The standard is not expected to have a material impact on the Department.

#### 1.19 Operating segments

IFRS 8 'Operating segments' 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 Management Board. Budgets and resources are allocated

## 1. Statement of accounting policies (continued)

to divisions based on business plans. These are reviewed and signed off, firstly by the responsible director, then ultimately by the responsible Director General. The Management Board 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.

### 1.20 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 Expenditure 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 1.19.

The standard also includes a requirement to show net assets per operating segment. The structure of DFID means that all assets included in the Consolidated Statement of Financial Position are used for the general administration and benefit of DFID as a whole. As such, DFID considers the Consolidated 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 2020

Director General	Division	Gross expenditure £000	Income £000	2019-20 Net expenditure £000
Corporate Performance	Central Department Division	(97,223)	(40,711)	(137,934)
	Business Change and Strategy Division	2,121	(37)	2,084
	Business Solutions Division Level	20,472	–	20,472
	Communications Division	4,057	–	4,057
	Finance and Corporate Performance Division	14,171	4	14,175
	Group Operations	18,217	(5)	18,212
	Human Resources	5,685	–	5,685
	Internal Audit	2,916	–	2,916
	Non-Departmental Public Body	3,210	–	3,210
	BSD Service Centre	7,176	(7,276)	(100)
	CPO Business Performance Division	1,912	–	1,912
	<b>Corporate Performance</b>		<b>(17,286)</b>	<b>(48,025)</b>
Permanent Secretary	Top Management Group	4,766	–	4,766
<b>Permanent Secretary</b>		<b>4,766</b>	<b>–</b>	<b>4,766</b>
Policy, Research and Humanitarian	Policy Division	1,657,969	–	1,657,969
	Research and Evidence Division	436,026	–	436,026
	Humanitarian, Security and Migration Division	690,819	–	690,819
	PRH Cabinet	1,367	–	1,367
<b>Policy, Research and Humanitarian</b>		<b>2,786,181</b>	<b>–</b>	<b>2,786,181</b>
Country Programmes	Asia, Caribbean and Overseas Territories	1,137,664	(4)	1,137,660
	East and Central Africa	1,339,238	–	1,339,238
	Country Programmes Cabinet	1,453	–	1,453
	West and Southern Africa	926,491	(16)	926,475

## 2. Statement of Operating Expenditure by Operating Segment (continued)

Director General	Division	Gross expenditure £000	Income £000	2019-20 Net expenditure £000
	Middle East and North Africa Division	914,945	–	914,945
<b>Country Programmes</b>		<b>4,319,791</b>	<b>(20)</b>	<b>4,319,771</b>
Economic Development	Economic Development Division	872,684	(2)	872,682
	International Relations Division	1,380,757	(857)	1,379,900
<b>Economic Development and International</b>		<b>2,253,441</b>	<b>(859)</b>	<b>2,252,582</b>
<b>Total Net Operating Expenditure</b>		<b>9,346,893</b>	<b>(48,904)</b>	<b>9,297,989</b>

### For the year ended 31 March 2019

Director General	Division	Gross expenditure £000	Income £000	2018-19 Net expenditure £000
Corporate Performance	Central Department	242,079	(39,596)	202,483
	Business Change and Strategy Division	2,189	–	2,189
	Business Solutions Division Level	22,763	–	22,763
	Communications Division	3,827	–	3,827
	Finance and Corporate Performance Division	13,179	–	13,179
	Group Operations	16,116	–	16,116
	Human Resources	7,378	–	7,378
	Internal Audit	2,614	–	2,614
	Non-Departmental Public Body	3,427	–	3,427
	BSD Service Centre	4,925	(4,965)	(40)
	CPO Business Performance Division	210	–	210
	Equality and Human Rights Commission	18,645	(425)	18,220
	Government Equalities Office	18,453	(35)	18,418
<b>Corporate Performance</b>		<b>355,805</b>	<b>(45,021)</b>	<b>310,784</b>
Permanent Secretary	Top Management Group	4,244	–	4,244
<b>Permanent Secretary</b>		<b>4,244</b>	<b>–</b>	<b>4,244</b>
Policy, Research and Humanitarian	Policy Division	1,408,612	–	1,408,612
	Research and Evidence Division	430,199	–	430,199
	Humanitarian, Security and Migration Division	405,131	–	405,131
	PRH Cabinet	1,313	–	1,313
<b>Policy, Research and Humanitarian</b>		<b>2,245,255</b>	<b>–</b>	<b>2,245,255</b>
Country Programmes	Asia, Caribbean and Overseas Territories	1,159,834	(4)	1,159,830
	East and Central Africa	1,341,552	(27)	1,341,525
	Country Programmes Cabinet	1,784	–	1,784
	West and Southern Africa	943,756	(43)	943,713
	Middle East and North Africa Division	805,428	(1)	805,427
<b>Country Programmes</b>		<b>4,252,354</b>	<b>(75)</b>	<b>4,252,279</b>
Economic Development	Economic Development Division	869,491	(22)	869,469
	International Relations Division	2,250,778	(1,545)	2,249,233
<b>Economic Development</b>		<b>3,120,269</b>	<b>(1,567)</b>	<b>3,118,702</b>
<b>Total Net Operating Expenditure</b>		<b>9,977,927</b>	<b>(46,663)</b>	<b>9,931,264</b>



### 3. Expenditure

	Note	2019-20		2018-19	
		DFID £000	Departmental Group £000	DFID £000	Departmental Group £000
Rentals under operating leases		966	966	64	710
Charges under finance leases		–	–	–	–
		966	966	64	710
Staff costs <sup>[1]</sup>					
Wages and salaries		167,417	167,417	169,131	178,027
Social security costs		11,569	11,569	12,764	13,684
Other pension costs		37,097	37,097	31,042	32,791
Recoveries in respect of outward secondments		(74)	(74)	(95)	(161)
Grants and current expenditure		6,718,066	6,746,922	5,840,758	5,875,898
Promissory note deposits <sup>[2]</sup>	10.2	2,350,069	2,350,069	3,568,965	3,568,965
Auditors' remuneration and expenses – cash		15	15	–	52
Non-cash items					
Grant in kind <sup>[3]</sup>	5	–	–	313,828	313,828
Revaluation of investments through profit and loss	5	4,786	4,786	18,099	18,099
Loss/(gain) on foreign exchange		(14)	(14)	293	293
Increase/(decrease) in provisions (provision provided for in year less any release)	11	1,400	1,400	976	1,070
(Decrease)/Increase in pension liability <sup>[4]</sup>		–	–	(35,150)	(35,214)
Borrowing costs (unwinding of discount) on provisions	11	18,665	18,665	7,546	7,516
Other discounting		(4,166)	(4,166)	(3,939)	(3,690)
Depreciation: property, vehicles and equipment	4	6,352	6,352	3,313	3,707
Amortisation: intangible assets		3,415	3,415	2,144	2,161
Gain on disposal of property, vehicles and equipment	6	(139)	(139)	(192)	(178)
Loss on disposal of intangible assets	6	139	139	194	194
Gain on disposal of investments		(167)	(167)	(191)	(191)
Auditors' remuneration and expenses – notional <sup>[5]</sup>		394	394	366	366
<b>Total net expenditure</b>		<b>9,315,790</b>	<b>9,344,646</b>	<b>9,929,916</b>	<b>9,977,927</b>

[1] For more information on staff costs refer to the Staff Report section of the Remuneration Report on page 102.

[2] In 2019-20 2 PN's were cancelled with a total value of £29.1m. This value is netted off the total PN deposit value.

[3] Grant-in-kind in 2018/19 reflected the transfer of Asian Infrastructure Investment Bank (AIIB) shares to HM Treasury.

[4] The decrease in pension liabilities is due to the pension liability transferring to Overseas Superannuation Scheme on 1 April 2018.

[5] In addition, DFID directly paid the National Audit Office (NAO) cash fees of £14,776 during 2019-20 (2018-19: £nil) for carrying out advisory services. The NAO also received fees for similar purposes indirectly from DFID via other organisations to which the NAO is a sub-contractor. Indirect fees totalled £6,505 in 2019-20 (2018-19: £4,967). DFID is in discussion with the NAO about it contributing to the Partnerships for Development programme in future, for which DFID would pay a fee, but no agreement is yet in place and no monies have been paid under this arrangement.

## 4. Property, vehicles and equipment

Department 2019-20 <sup>[1]</sup>		Land, buildings and dwellings	Leasehold related assets	Vehicles	Furniture and fittings	Information technology	Assets under construction	DFID 2019-20 Total
		£000	£000	£000	£000	£000	£000	£000
<b>Cost or valuation</b>								
At 1 April 2019		79,472	1,190	722	6,018	24,603	619	112,624
Additions		130	108	-	2,861	1,912	703	5,714
Revaluation		-	-	6	21	179	-	206
Brought into use/reclassifications		-	-	-	-	741	(949)	(208) <sup>[2]</sup>
Disposals		-	-	-	(779)	(2,764)	-	(3,543)
<b>At 31 March 2020</b>		<b>79,602</b>	<b>1,298</b>	<b>728</b>	<b>8,121</b>	<b>24,671</b>	<b>373</b>	<b>114,793</b>
<b>Depreciation</b>								
At 1 April 2019		(1,526)	(677)	(670)	(2,060)	(12,804)	-	(17,737)
Charged in year		(1,301)	(139)	(50)	(776)	(4,086)	-	(6,352)
Depreciation on revaluation		-	-	(5)	(4)	(74)	-	(83)
Disposals		-	-	-	452	2,720	-	3,172
<b>At 31 March 2020</b>		<b>(2,827)</b>	<b>(816)</b>	<b>(725)</b>	<b>(2,388)</b>	<b>(14,244)</b>	<b>-</b>	<b>(21,000)</b>
<b>Carrying amount at 31 March 2020</b>		<b>76,775</b>	<b>482</b>	<b>3</b>	<b>5,733</b>	<b>10,427</b>	<b>373</b>	<b>93,793</b>
<b>Carrying amount at 31 March 2019<sup>[1]</sup></b>		<b>77,946</b>	<b>513</b>	<b>52</b>	<b>3,958</b>	<b>11,799</b>	<b>619</b>	<b>94,887</b>

[1] The above relates to assets held by DFID. CSC and ICAI do not hold any assets. The 2018-19 Departmental Group includes EHRC which was part of the group from 1 April 2018 to 31 March 2019 and therefore 31 March 2019 balance in prior year table below includes EHRC asset balances in Departmental Group, but these are excluded for 1 April 2019.

[2] £208 thousand was brought into use/reclassified to intangibles during 2019-20.

## 4. Property, vehicles and equipment (continued)

The Department's freehold property in East Kilbride was most recently valued at 31 March 2016 by GVA Grimley Limited using Royal Institute of Chartered Surveyors (RICS) guidelines. A revised market value based on existing use of £4.2 million (land £1.1 million, buildings £3.1 million) was reported.

Included in buildings is 22/26 Whitehall which was most recently valued on 31 March 2018 by Montagu Evans LLP using Royal Institute of Chartered Surveyors (RICS) guidelines. A revised market value based on existing use of £75.0 million (land £45.0 million, buildings £30.0 million) was reported.

Due to the COVID-19 pandemic there is a degree of uncertainty over the valuation of DFID's properties as at 31 March 2020. However, it is deemed that this is not material in the context of these accounts.

The Department leases 22/26 Whitehall from the Ministry of Housing, Communities and Local Government (MHCLG) for no consideration. Effective from 3 March 2015, the ownership transferred to HM Treasury UK Sovereign Sukuk plc, which is wholly owned by HM Treasury. The ownership reverted back to MHCLG effective 1 August 2019. There were no financial transactions or cash movements with investors involving DFID or 22-26 Whitehall. 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 the 'Land, buildings and dwellings' column above.

#### 4. Property, vehicles and equipment (continued)

Department 2018-19	Land, buildings and dwellings	Leasehold related assets	Vehicles	Furniture and fittings	Information technology	Assets under construction	DFID 2018-19 Total	Departmental Group 2018-19 Total
	£000	£000	£000	£000	£000	£000	£000	£000
<b>Cost or valuation</b>								
At 1 April 2018	79,150	1,190	1,177	4,639	21,240	626	108,022	113,719
Additions	273	-	-	1,323	3,347	419	5,362	5,470
Revaluation	-	-	9	49	162	-	220	(360)
Brought into use/reclassifications	49	-	-	18	550	(426)	191	191 <sup>[1]</sup>
Disposals	-	-	(464)	(11)	(696)	-	(1,171)	(3,026)
<b>At 31 March 2019</b>	<b>79,472</b>	<b>1,190</b>	<b>722</b>	<b>6,018</b>	<b>24,603</b>	<b>619</b>	<b>112,624</b>	<b>115,994</b>
<b>Depreciation</b>								
At 1 April 2018	(759)	(576)	(1,009)	(1,711)	(11,387)	-	(15,442)	(19,356)
Charged in year	(767)	(101)	(85)	(334)	(2,026)	-	(3,313)	(3,707)
Depreciation on revaluation	-	-	(8)	(18)	(79)	-	(105)	292
Disposals	-	-	432	3	688	-	1,123	2,950
<b>At 31 March 2019</b>	<b>(1,526)</b>	<b>(677)</b>	<b>(670)</b>	<b>(2,060)</b>	<b>(12,804)</b>	<b>-</b>	<b>(17,737)</b>	<b>(19,821)</b>
<b>Carrying amount at 31 March 2019</b>	<b>77,946</b>	<b>513</b>	<b>52</b>	<b>3,958</b>	<b>11,799</b>	<b>619</b>	<b>94,887</b>	<b>96,173</b>
<b>Departmental Group carrying amount at 31 March 2019</b>	<b>77,946</b>	<b>513</b>	<b>52</b>	<b>4,550</b>	<b>12,436</b>	<b>676</b>		<b>96,173</b>
<b>Carrying amount at 31 March 2018</b>	<b>78,391</b>	<b>614</b>	<b>168</b>	<b>2,928</b>	<b>9,853</b>	<b>626</b>	<b>92,580</b>	
<b>Departmental Group carrying amount at 1 April 2018</b>	<b>78,391</b>	<b>614</b>	<b>168</b>	<b>3,831</b>	<b>10,390</b>	<b>968</b>		<b>94,362</b>

[1] £191 thousand was brought into use/reclassified from intangibles during 2018-19.

## 5. Financial investments

	Other development capital £000	International Financial Institutions £000	CDC Group plc £000	Total £000
<b>Balance at 1 April 2019</b>	<b>165,999</b>	<b>4,796,738</b>	<b>5,854,500</b>	<b>10,817,237</b>
Additions	71,343	45,714	955,000	1,072,057
Disposals	(2,202)	–	–	(2,202)
(Losses)/gains taken to other comprehensive income	(1,982)	171,564	(702,700)	(533,118)
(Losses) taken to profit and loss	(4,786)	–	–	(4,786)
Financing cost <sup>[2]</sup>	1,103	–	–	1,103
<b>At 31 March 2020</b>	<b>229,475</b>	<b>5,014,016</b>	<b>6,106,800</b>	<b>11,350,291</b>
<b>At 1 April 2018</b>	<b>97,134</b>	<b>4,698,905</b>	<b>5,112,500</b>	<b>9,908,539</b>
Adjustment on Adoption of IFRS 9 <sup>[1]</sup>	3,093	–	–	3,093
<b>Restated Balance at 1 April 2018</b>	<b>100,227</b>	<b>4,698,905</b>	<b>5,112,500</b>	<b>9,911,632</b>
Additions	83,347	7,341	736,000	826,688
Disposals	(3,284)	(313,828)	–	(317,112)
Gains taken to other comprehensive income	3,018	404,320	6,000	413,338
(Losses) taken to profit and loss	(18,099)	–	–	(18,099)
Financing cost <sup>[2]</sup>	790	–	–	790
<b>At 31 March 2019</b>	<b>165,999</b>	<b>4,796,738</b>	<b>5,854,500</b>	<b>10,817,237</b>

[1] Adjustment in relation to Global Parametrics loan, reclassified from receivables on adoption of IFRS 9.

[2] Financing cost is the release of discounting on returnable grants.

DFID has made the irrevocable election available in IFRS 9 to measure equity investments (other development capital equity investments, International Financial Institutions and CDC) at fair value through other comprehensive income because they are not held for trading and to be consistent with previous treatment under IAS 39. Further information is available in Accounting Policy 1.10. The above financial investments relate to investments held by DFID. CSC, EHRC (2018-19 only) and ICAI do not hold any financial investments.

### Other development capital

Other development capital (DC) assets are investments made by DFID to achieve defined development objectives while retaining an ongoing, recoverable interest in the assets funded. As at 31 March 2020, these include equity investments (£115.7 million), debt instruments (£76.7 million), convertible loans (£19.0 million) and other returnable grant arrangements (£18.1 million), the terms of which will vary depending on programme circumstances. The convertible loans are embedded derivatives.

Included within DC assets is DFID'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 investments in 2014-15 was 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 of the encashed value of the promissory note and any gains and losses in fair value are recognised in the Revaluation Reserve.

During 2019-20, the remaining balance of the promissory note to Asia Climate Partners Fund of £22.7 million was cancelled and Asia Climate Partners Fund will be wound down in 2020-21. The

## 5. Financial investments (continued)

promissory note was originally US\$38.9 million (£24.8 million) and of this, US\$9.6 million (£6.8 million) was drawn down leaving US\$29.3 million (£22.7 million). The foreign exchange gain has been recognised as part of the revaluation of promissory notes.

### International financial institutions

Investments in 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).

	Currency 000	2019-20 £000	Currency 000	2018-19 £000
International Bank for Reconstruction and Development	\$1,746,820	1,411,413	\$1,696,481	1,300,895
European Bank for Reconstruction and Development	€1,399,760	1,244,064	€1,399,588	1,203,702
International Finance Corporation	\$1,198,354	968,258	\$1,305,408	1,001,013
Asian Development Bank	\$1,057,916	854,785	\$1,038,884	796,637
Inter-American Development Bank	\$326,185	263,554	\$317,113	243,169
African Development Bank (in Units of Account)	133,802	147,739	130,388	138,118
Caribbean Development Bank	\$86,886	70,203	\$83,631	64,130
Multilateral Investment Guarantee Agency	\$66,832	54,000	\$63,997	49,074
		5,014,016		4,796,738

### CDC

DFID, on behalf of the UK Government, owns 100% of the issued ordinary share capital of CDC Group plc, an investment company that invests in private sector businesses in developing countries. CDC aims to demonstrate that it is possible to invest successfully in challenging environments, thereby attracting other sources of capital including fully commercial capital. 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 and management.

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. CDC investments aim to achieve returns from capital appreciation, investment income or both. All CDC's profits are reinvested in businesses throughout its target emerging markets. Information on CDC's strategies can be found at <http://www.cdcgroup.com/What-we-do/Our-Mission/>.

In 2017, CDC and DFID agreed a new strategic framework for the 5 years to 2021 to support DFID's economic development policy. The new framework is an extension of the 2012 investment policy whereby CDC invests only in Africa and South Asia, seeking to focus in the countries and sectors where there is the most potential for development impact. This provides the added ability for CDC to make investments under a new Higher Risk Portfolio to generate significant development impact by accepting greater risks that

## 5. Financial investments (continued)

would not be possible under the existing Commercial Risk Portfolio. Further information on CDC is provided in the Governance Statement within section 2.

The fair value of the CDC investment is based on the net asset value of CDC per the audited financial statements at 31 December 2019 which are prepared in accordance with applicable law and International Financial Reporting Standards ([www.cdcgroup.com/Corporate-information/Published-Information/](http://www.cdcgroup.com/Corporate-information/Published-Information/)). This is then adjusted for any additions or disposals to 31 March 2020 and a post-financial statement review of CDC is performed to 31 March 2020 to identify other possible adjustments. At 31 March 2020, this post-financial statement review noted a change of an estimated £331.1 million to DFID's investment.

DFID's fair value of its investment in CDC increased by £252.3 million during the year to 31 March 2020 due to further shares being subscribed of £955.0 million (detailed below), an audited loss to 31 December 2019 of £371.6 million and an estimated negative impact of £331.1 million for the 3 months to 31 March 2020 due to negative market changes in CDC's investments due to the COVID-19 pandemic. The audited loss to 31 December 2019 is partly foreign exchange losses due to an increase in the Sterling to US dollar exchange rate in the year as the majority of CDC's investments are held in US dollars. Other factors include increased financial risk in the portfolio and increased operating costs driven primarily by increased headcount.

CDC total net assets increased during 2019 from £5,801.5 million to £6,437.9 million, a rise of 11.0% (2018: 14.8%). CDC's investment portfolio of £4,736.5 million at 31 December 2019 (2018: £4,339.8 million) comprised £895.9 million debt, £1,931.3 million equity, £1,875.0 million funds and £34.3 million forward foreign exchange contracts (2018: £751.3 million debt, £1,621.5 million equity and £1,984.0 million funds and £(17.0) million forward foreign exchange contracts). The net increase of £396.7 million in CDC's investment portfolio was driven primarily by net new investments and foreign exchange gains. The portfolio return measured a loss in US dollars of 2.1% (2018: 2.6% loss). Most of the CDC portfolio is denominated in US dollars and the sterling result has benefited from currency translation gains following a decrease in the sterling to US dollar exchange rate.

During the year ending 31 March 2020, DFID subscribed for a further 955 million shares in CDC Group Plc for £955.0 million consideration (2018-19: 736 million shares for £736.0 million consideration). These transactions were funded through the use of promissory notes (refer to notes 10.2, 10.3 and 16.1).

The preparation of CDC's financial statements under IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates are reviewed on an ongoing basis. The area on which the most significant estimates and judgements are made is on the fair value of equity investments. In the process of applying its accounting policies, CDC has made the judgement that it meets the definition of an investment entity within IFRS 10 'Consolidated Financial Statements'.

CDC's operations are managed within the risk appetite defined by the CDC Board of Directors and set out in the CDC Risk Management Policy. The Board regularly reviews the overall risks inherent in CDC's business and the actions taken to mitigate those risks where appropriate.

## 5. Financial investments (continued)

CDC's Risk Committee oversees the implementation of the Risk Management Policy and the risks facing CDC. CDC's principal risks, mitigating policies and processes are summarised in the table below:

Principal risks	Summary of risk	Mitigating policies and processes
Financial risk	CDC invests in developing countries where such investments are inherently risky with the potential for loss of portfolio value. The timing of cash distributions from these investments is uncertain.	<ul style="list-style-type: none"> <li>■ Portfolio diversification of debt and equity investments held directly or indirectly via a range of fund managers</li> <li>■ Cash management through a cash balance of £349.2 million as at 31 December 2019, and a promissory note receivable of £955.0 million from DFID as at 31 March 2020.</li> <li>■ Hedging of debt investments and foreign currency cash balances</li> <li>■ CDC's valuation guidelines have been developed in accordance with the International Private Equity and Venture Capital Valuation Guidelines (December 2015), which in turn are in accordance with the fair value requirements contained within IFRS 13. New guidelines were issued by IPEV in December 2018 and were adopted from 1 January 2019. Debt investments are valued in accordance with IFRS 9.</li> </ul>
Environment and social risk	CDC is exposed to a variety of environmental and social risks through the companies that it invests in, both directly and indirectly.	<ul style="list-style-type: none"> <li>■ Established environmental and social team which contributes to due diligence on potential investments in addition to assisting investee companies in developing or improving their approach and monitoring performance.</li> <li>■ All fund managers and investee businesses receiving CDC capital must sign up to and comply with CDC's Code of Responsible Investing. The Code requires companies to assess, monitor and improve environmental and social standards.</li> </ul>
Business integrity risk	Fraud, bribery, corruption and other financial crimes can damage the development goals of CDC in the countries in which it invests.	<ul style="list-style-type: none"> <li>■ Developed policies and practical procedures to promote good practices.</li> <li>■ When investing CDC seeks to ensure that its investments:               <ul style="list-style-type: none"> <li>– are made into companies with a commitment to high standards of business conduct;</li> <li>– do not knowingly support financial crime; – help companies and fund managers develop and enhance corporate governance standards and practices.</li> </ul> </li> </ul>
Development impact risk	Risk that CDC will fail to achieve its development objective to create jobs and make a lasting difference to people's lives in developing countries.	<ul style="list-style-type: none"> <li>■ Creation of a Development Impact Grid, an ex-ante tool that ensures it is best able to invest capital towards the objective of creating jobs, especially in the more challenging places. This methodology is embedded into investment processes and is used to assess every investment opportunity at Investment Committee.</li> </ul>
Operational risk	Risk of loss or damage to CDC caused by errors or weaknesses in its internal systems and processes or in the way they are operated or external events.	<ul style="list-style-type: none"> <li>■ Implemented policies, procedures and processes in place that include appropriate control measures.</li> <li>■ Hiring skilled staff to operate these processes and providing adequate training for staff.</li> <li>■ CDC's internal audit function performs regular reviews to assess the adequacy and effectiveness of the control measures. The internal audit programme is approved by the CDC Audit and Compliance Committee.</li> </ul>
Strategic and external risk	Risks which arise from the context in which CDC is operating and the strategic decisions that CDC has made, including the effect of external events on CDC.	<ul style="list-style-type: none"> <li>■ Maintaining the confidence of key opinion formers and political stakeholders in the role of CDC.</li> <li>■ Being aware and preparing for the impact of political changes that could affect CDC.</li> <li>■ Developing plans to ensure the continuity of business-critical processes</li> </ul>



## 5. Financial investments (continued)

### Significant uncertainty arising from the nature of the Department's investments in IFIs and CDC

The management of the IFIs and CDC make estimates and assumptions that affect the reported amounts of assets and liabilities as at 31 March 2020. Due to the inherent uncertainty involved in making those estimates, actual results could differ from those estimates. Areas in which the IFIs and CDC have made significant estimates when reporting their financial results as at 31 March 2020 include, but are not limited to, the provision for losses on loans and other exposures, the valuation of certain financial instruments carried at fair value, the valuation of certain loans not held at fair value and the valuation of certain funds.

COVID-19 has created significant additional credit, market and operational risks for IFIs' and CDC's financial activities and added extra uncertainty to the valuations prepared by the IFIs and CDC as at 31 March 2020. The IFIs and CDC recognise that the duration of the COVID-19 pandemic and its effects are difficult to predict at this time. The length and severity of COVID-19, as well as the impact on the financial results and condition of the IFIs and CDC in future periods as a result of COVID-19 cannot be reasonably estimated at this point in time. The IFIs and CDC continue to monitor the situation closely and will continue to manage the associated risks within their existing financial, operational and risk management policies.

The Department considers that the impact of COVID-19 varies between individual IFIs, depending on their specific assets and liabilities. In respect of the IFIs where the Department has the most significant holdings:

For IBRD, the major risk and uncertainty lies with the current loan loss provisioning. As at 31 March 2020 IBRD conducted a review of the ratings of all borrowing member countries in the current portfolio and changed or maintained the risk ratings depending on the assessed extent of current credit vulnerabilities and the severity of the anticipated impact from COVID-19, and adjusted its loan provisioning accordingly. As at the reporting date, IBRD considered that country credit risk and counter-party credit risk remained in line with the existing governance framework and established credit limits.

For IFC, the major risk and uncertainty lies with the reserve against losses on loans and valuation of equities. At 31 March 2020, IFC included a qualitative estimate for the reserve against losses on loans due to the impact of COVID-19 that had not already been captured in the current modelling and also strengthened their process relating to underlying fund net asset values to incorporate COVID-19 impacts. As at the reporting date, IFC's response is within its existing financial, operational, and risk management policies as well as prescribed limits, which have not been modified as a result of the planned response to the outbreak.

For EBRD, the major risk and uncertainty lies with the valuation of equity instruments and increases in expected credit losses of loans. At 31 March 2020, this is expected to reduce short-term profitability but is not expected to lead to significant deterioration in capital ratios. EBRD expects to maintain adequate operational capacity and retain its strong capital and liquidity positions.

For CDC, the major risk and uncertainty lies with the fair valuing of equities and valuation of funds. CDC have conducted a review of the average market downturn in relevant industries due to COVID-19 and used this information to adjust their portfolio accordingly. CDC's board receive regular reports on liquidity, capital allocation and financial risk appetite from management.

The IFIs and CDC base their estimates and assumptions, and thus their reported financial results, on their current perceptions of risk, on the basis of information which is available at the time of preparing the financial information and by employing experience and judgement. Whilst the Department considers that the financial information reported by the IFIs and CDC are fairly stated, the ultimate realisable value of the reported assets and liabilities will vary as a result of subsequent information and events. Accordingly, so too will the value of the Department's investments in the IFIs and CDC as recorded in these financial statements.

Given the material value of the Department's reported financial interest in the IFIs and CDC, and given the significant additional uncertainties and risks to the reported value of that financial interest created by the impact of COVID-19, the Department has assessed that there is significant uncertainty attached to the valuation of its financial investments as at 31 March 2020.

## 6. Revaluation, impairments and disposals

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

	Note	2019-20		2018-19		Total	
		Consolidated Statement of Comprehensive Net Expenditure	Revaluation reserve	Consolidated Statement of Comprehensive Net Expenditure	Revaluation reserve		
		£000	£000	£000	£000		
Revaluation of information technology	4	–	(105)	(105)	–	(83)	(83)
Revaluation of furniture and fittings		–	(200)	(200)	–	152	152
Revaluation of vehicles	4	–	(1)	(1)	–	(1)	(1)
Revaluation of intangibles		–	1	1	–	(1)	(1)
Gain on disposal of property, vehicles and equipment	3	(139)	–	(139)	(178)	–	(178)
Loss on disposal of intangible assets	3	139	–	139	194	–	194
Revaluation of International Financial Institutions	5	–	(171,564)	(171,564)	–	(404,320)	(404,320)
Revaluation of investment in other development capital	5	4,786	1,982	6,768	18,099	(3,018)	15,081
Revaluation of investment in CDC	5	–	702,700	702,700	–	(6,000)	(6,000)
<b>Total</b>		<b>4,786</b>	<b>532,813</b>	<b>537,599</b>	<b>18,115</b>	<b>(413,271)</b>	<b>(395,156)</b>

## 7. Financial instruments

### 7(a) Fair values of financial instruments

The carrying values of financial assets and financial liabilities do not differ from fair values in these accounts at either 31 March 2020 or 31 March 2019. The fair values of all financial assets and liabilities by class together with their carrying amounts shown in the Consolidated Statement of Financial Position are as follows:

						2019-20
	Note	Financial assets at amortised cost £000	Financial liabilities at amortised cost £000	Financial assets at FVTPL £000	Financial assets at FVOCI £000	Total carrying value £000
<b>Financial assets</b>						
<b>Non-current</b>						
Financial investments	5	18,059	–	95,718	11,236,514	11,350,291
Trade and other receivables	9	983,260	–	–	–	983,260
<b>Current</b>						
Trade and other receivables	9	62,365	–	–	–	62,365
Cash and cash equivalent	8	2,687	–	–	–	2,687
<b>Total financial assets</b>		<b>1,066,371</b>	<b>–</b>	<b>95,718</b>	<b>11,236,514</b>	<b>12,398,603</b>
<b>Financial liabilities</b>						
<b>Current</b>						
Bank overdraft	8	–	(5,971)	–	–	(5,971)
Trade and other payables	10	–	(6,009,435)	–	–	(6,009,435)
<b>Total financial liabilities</b>		<b>–</b>	<b>(6,015,406)</b>	<b>–</b>	<b>–</b>	<b>(6,015,406)</b>

						2018-19
	Note	Financial assets at amortised cost £000	Financial liabilities at amortised cost £000	Financial assets at FVTPL £000	Financial assets at FVOCI £000	Total carrying value £000
<b>Financial assets</b>						
<b>Non-current</b>						
Financial investments	5	16,956	–	52,245	10,748,036	10,817,237
Trade and other receivables	9	985,990	–	–	–	985,990
<b>Current</b>						
Trade and other receivables	9	39,967	–	–	–	39,967
Cash and cash equivalent	8	118,068	–	–	–	118,068
<b>Total financial assets</b>		<b>1,160,981</b>	<b>–</b>	<b>52,245</b>	<b>10,748,036</b>	<b>11,961,262</b>
<b>Financial liabilities</b>						
<b>Current</b>						
Bank overdraft	8	–	(280)	–	–	(280)
Trade and other payables	10	–	(6,623,312)	–	–	(6,623,312)
<b>Total financial liabilities</b>		<b>–</b>	<b>(6,623,592)</b>	<b>–</b>	<b>–</b>	<b>(6,623,592)</b>

## 7. Financial instruments (continued)

### Valuation of financial instruments

The department measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.
- Level 2: Valuation techniques based on observable inputs, either directly (ie as prices) or indirectly (ie derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3: Valuation techniques using inputs that are not based on observable market data (unobservable inputs). This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

	Note	2019-20 £000	2018-19 £000
<b>Financial assets</b>			
<b>Level 1</b>			
Cash and cash equivalents	8	2,687	118,068
<b>Level 2</b>			
Trade and other receivables	9	1,045,625	1,025,957
<b>Level 3</b>			
Financial investments	5	11,350,291	10,817,237
		<b>12,398,603</b>	<b>11,961,262</b>
<b>Financial liabilities</b>			
<b>Level 1</b>			
Bank overdraft	8	(5,971)	(280)
<b>Level 2</b>			
Trade and other payables	10	(6,009,435)	(6,623,312)
		<b>(6,015,406)</b>	<b>(6,623,592)</b>

There have been no transfers between Level 1 and Level 2 of the fair value hierarchy in 2019-20 or 2018-19.

A reconciliation from the opening balances to the closing balances of recurring fair value measurements within Level 3 of the fair value hierarchy is given in the table below:

	Note	Level 3 Financial investments £000
<b>Balance at 31 March 2018</b>		<b>9,908,539</b>
Adjustment on adoption of IFRS 9	5	3,093
Additions	5	826,688
Disposals	5	(317,112)
Gains taken to other comprehensive income	5	413,338
Gains taken to profit and loss	5	(18,099)
Other movements		790
<b>Balance at 31 March 2019</b>		<b>10,817,237</b>
Additions	5	1,072,057
Disposals	5	(2,202)
Losses taken to other comprehensive income	5	(533,118)
Gains taken to profit and loss	5	(4,786)
Other movements	5	1,103
<b>Balance at 31 March 2020</b>		<b>11,350,291</b>

## 7. Financial instruments (continued)

There were no transfers into or out of Level 3 during 2019-20. During 2018-19 there was one transfer into Level 3 in relation to a convertible loan, due to the adoption of IFRS 9.

### 7(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 DFID's receivables from sovereign debt and investment instruments.

#### Exposure to credit risk

The fair value of financial assets held at amortised cost, trade receivables and cash and cash equivalents in note 7(a) represents the maximum credit exposure to DFID. Bilateral and multilateral loans within trade and other receivables at the Consolidated Statement of Financial Position date, which are past due, have allowances for expected credit losses (2019-20: £51.9 million, 2018-19 restated: £54.6 million).

Bilateral loans, and loans formerly managed by CDC, are made directly to sovereign states; multilateral loans are made to 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 good credit ratings.

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

Liquid assets are divided between a number of different financial institutions, each of whose credit rating is assessed.

Under IFRS 9, an entity must determine whether the financial asset is in one of three stages in order to determine both the amount of expected credit loss (ECL) to recognise as well as how interest income should be recognised.

- Stage 1 is where credit risk has not increased significantly since initial recognition. For financial assets in stage 1, entities are required to recognise 12-month ECL and recognise interest income on a gross basis – this means that interest will be calculated on the gross carrying amount of the financial asset before adjusting for ECL.
- Stage 2 is where credit risk has increased significantly since initial recognition. When a financial asset transfers to stage 2 entities are required to recognise lifetime ECL but interest income will continue to be recognised on a gross basis.
- Stage 3 is where the financial asset is credit impaired.

For financial assets in stage 3, entities will continue to recognise lifetime ECL, but they will now recognise interest income on a net basis. This means that interest income will be calculated based on the gross carrying amount of the financial asset less ECL.

The FReM requires lifetime losses to be recognised for trade receivables. The most significant assumption included within the ECL model for both 12-month and lifetime losses is that future performance will be reflective of past performance. To address this risk, DFID reviews and updates default rates on a regular basis to ensure they incorporate the most up to date assumptions along with forward looking information. Forward looking information is gathered through discussions with programme teams including economists who have a deep knowledge and understanding of the conditions surrounding each instrument.

DFID defines default as a history of non-payment with no reasonable expectation of repayment in the future. Where there is no history of default, DFID uses standard industry default rates (CRISIL rates) and

## 7. Financial instruments (continued)

Moody's credit agency ratings to predict expected losses on future cashflows. Details of how DFID determines whether assets are credit impaired can be found in Note 1.16. Financial assets are deemed fully credit impaired when there is no reasonable expectation of recovery. Write offs are restricted due to agreements with the Paris Club, more information can be found in Note 1.16.

Stage 1 loans consist of all development capital loans, most multilateral loans and more than half of bilateral loans. One bilateral loan has no repayments until 2041 and therefore has no 12-month ECL allowance. Default risk of the remaining loans is considered by the programme teams to be equivalent to investment grade bonds therefore a low ECL allowance of £0.1 million has been assessed. If the credit ratings were to be downgraded by one notch due to COVID-19 factors, they would still be investment grade and therefore there would not be a significant impact on the credit risk and would not move to Stage 2. Stage 2 loans consist of the remaining multilateral and bilateral loans. These loans carry higher credit risk which is reflected in the higher ECL allowance of £51.8 million. Stage 2 ECL allowances have decreased in the year mostly due to increased recoveries which are predicted to continue going forward.

### Reconciliation of Expected Credit Losses

	Stage 1: Loss allowance based on 12-month ECLs	Stage 2: Loss allowance based on lifetime ECLs – not credit impaired	Stage 3: Loss allowance based on lifetime ECLs – credit impaired	Loss allowance based on lifetime ECLs for trade receivables	Total
	£000	£000	£000	£000	£000
<b>Balance at 1 April 2018 – restated<sup>[1]</sup></b>	<b>32</b>	<b>56,656</b>	<b>–</b>	<b>661</b>	<b>57,349</b>
Impact of change to cashflows	–	–	–	–	–
Impact of change of credit rating assessment – restated	–	(314)	–	–	(314)
<b>Balance at 1 April 2019 – restated<sup>[1]</sup></b>	<b>32</b>	<b>56,342</b>	<b>–</b>	<b>661</b>	<b>57,035</b>
Impact of change to cashflows	46	(3,014)	–	269	(2,699)
Impact of change of credit rating assessment	–	(1,547)	–	–	(1,547)
<b>Balance at 31 March 2020</b>	<b>78</b>	<b>51,781</b>	<b>–</b>	<b>930</b>	<b>52,789</b>

### Credit quality of loans held at amortised cost

	2019-20			2018-19 – restated <sup>[1]</sup>		
	Stage 1: £000	Stage 2: £000	Stage 3: £000	Stage 1: £000	Stage 2: £000	Stage 3: £000
<b>Loan balance excluding allowances:</b>						
Neither past due nor credit impaired	998,241	–	–	975,366	–	–
Past due but not credit impaired	–	83,476	–	–	89,201	–
Credit impaired	–	–	–	–	–	–
Less: impairment allowances	(78)	(51,781)	–	(32)	(56,342)	–
<b>Loan balance net of allowances</b>	<b>998,163</b>	<b>31,695</b>	<b>–</b>	<b>975,334</b>	<b>32,859</b>	<b>–</b>

[1] This is a presentational restatement as a result of the adoption of IFRS 9 in 2018-19 but there have been no changes to the underlying results. This restatement affects these two tables only.

#### 7(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.

## 7. Financial instruments (continued)

### Exposure to market risk

#### (i) Foreign currency risk

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

31 March 2020					
	Sterling £000	Euro £000	US dollar £000	Other £000	Total £000
Financial investments	6,167,425	1,244,065	3,688,367	250,434	11,350,291
Trade and other receivables	976,948	29,589	39,088	–	1,045,625
Cash and cash equivalents	(5,582)	–	469	707	(4,406)
Trade and other payables	(6,005,746)	–	(3,689)	–	(6,009,435)
<b>Net exposure</b>	<b>1,133,045</b>	<b>1,273,654</b>	<b>3,724,235</b>	<b>251,141</b>	<b>6,382,075</b>

31 March 2019					
	Sterling £000	Euro £000	US dollar £000	Other £000	Total £000
Financial investments	5,883,629	1,203,702	3,507,441	222,465	10,817,237
Trade and other receivables	957,393	32,795	35,769	–	1,025,957
Cash and cash equivalents	116,419	–	270	7	116,696
Trade and other payables	(6,597,064)	–	(26,248)	–	(6,623,312)
<b>Net exposure</b>	<b>360,377</b>	<b>1,236,497</b>	<b>3,517,232</b>	<b>222,472</b>	<b>5,336,578</b>

### Sensitivity analysis

A 10% strengthening of the following currencies against the pound sterling at 31 March 2020 and at 31 March 2019 would have increased taxpayers' equity and lowered net comprehensive expenditure by the amounts shown below. This calculation assumes that the change occurred at the Consolidated 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.

	Equity		(Profit) or loss	
	2019-20	2018-19	2019-20	2018-19
	£000	£000	£000	£000
€	141,517	123,650	(3,288)	(3,280)
\$	413,804	351,432	(3,985)	(687)
	<b>555,321</b>	<b>475,082</b>	<b>(7,273)</b>	<b>(3,967)</b>

A 10% weakening of the above currencies against the pound sterling at 31 March 2020 and at 31 March 2019 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 Consolidated Statement of Financial Position date, the interest rate profile of DFID's interest-bearing financial instruments was:

## 7. Financial instruments (continued)

	2019-20	2018-19
	£000	£000
<b>Fixed rate instruments</b>		
Cash and cash equivalents	–	–
Trade and other receivables	996,938	973,853
	<b>996,938</b>	<b>973,853</b>
<b>Variable rate instruments</b>		
Cash and cash equivalents	1,460	809
Trade and other receivables	968	1,513
	<b>2,428</b>	<b>2,322</b>

For the financial year ending 31 March 2020 the department earned interest from financial instruments of £2.1 million (2018-19 £2.0 million). The interest earned from these financial instruments does not represent a material source of income for DFID.

### (iii) Equity price risk

The department's exposure to equity price risk arises from its investment in equity securities which are classified as financial assets, held at fair value through other comprehensive income and fair value through profit or loss, and are shown on the Statement of Financial Position as financial investments (see note 5).

In 2019-20, the equity price risk has increased due to increased estimation uncertainty as a result of COVID-19. Note 5 considers this in more detail.

### Sensitivity analysis

DFID's investments in IFIs are based on DFID's share of the net assets of each IFI, which are recorded 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 2020, a 10% reduction in net asset values of the IFIs, with all other variables held constant, would result in DFID's net assets being reduced by £501.4 million (at 31 March 2019: £479.7 million).

DFID's investment in CDC is based on the net assets as included in their most recent audited financial statements drawn up to 31 December 2019 and reflecting any capital contributions by DFID in the period between that date and 31 March 2020. The resultant value is adjusted to reflect any other material movements in fair value over that 3-month period based on management information provided. As at 31 March 2020, a 10% reduction in the fair value of this organisation, with all other variables held constant, would result in the Department's net assets being reduced by £610.7 million (at 31 March 2019: £585.5 million).

This sensitivity analysis does not take into account any possible COVID-19 effects.

### 7(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 £5,576.4 million (2018-19: £6,034.1 million) due on demand and £435.2 million (2018-19: £472.5 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 2020-21 amounts has already been provided and there is no reason to believe the allocation for 2021-22 and beyond will not be forthcoming.



## 8. Cash and cash equivalents

	31 March 2020		31 March 2019	
	DFID	Departmental Group	DFID	Departmental Group
	£000	£000	£000	£000
Balance at 1 April <sup>[1]</sup>	116,696	117,763	(9,888)	(9,248)
Net change in cash and cash equivalent balances	(121,102)	(121,047)	126,584	127,036
<b>Balance at 31 March<sup>[1]</sup></b>	<b>(4,406)</b>	<b>(3,284)</b>	<b>116,696</b>	<b>117,788</b>
<i>Of which:</i>				
Cash & cash equivalents	1,565	2,687	116,976	118,068
Bank overdraft	(5,971)	(5,971)	(280)	(280)
<b>Balance at 31 March</b>	<b>(4,406)</b>	<b>(3,284)</b>	<b>116,696</b>	<b>117,788</b>
The following balances at 31 March were held at:				
Government Banking Service – Core Department <sup>[2]</sup>	(5,868)	(5,868)	115,889	115,889
Government Banking Service – NDPB <sup>[3]</sup>		1,122	–	1,092
Commercial banks and cash in hand	1,462	1,462	807	807
<b>Balance at 31 March</b>	<b>(4,406)</b>	<b>(3,284)</b>	<b>116,696</b>	<b>117,788</b>

[1] Note that the Departmental Group closing balance at 31 March 2019 is different from the 1 April 2019 opening balance due to transfer of EHRC and associated assets to Cabinet Office on this date

[2] Includes notional bank overdraft.

[3] 2019-20 is CSC only. 2018-19 includes CSC and EHRC (EHRC transferred to Cabinet Office on 1 April 2019).

Cash balances at the Government Banking Service were held in sterling. No interest is earned on cash balances held at the Government Banking Service. Local commercial bank accounts and imprest balances are held in a variety of local currencies.

## 9. Trade and other receivables

	31 March 2020		31 March 2019	
	DFID	Departmental Group	DFID	Departmental Group
	£000	£000	£000	£000
<b>Amounts falling due within 1 year</b>				
Development capital loans	16,425	16,425	16,571	16,571
Bilateral and multilateral loans	30,177	30,177	5,635	5,635
Deposits and advances	8,625	8,625	17,733	17,761
Prepayments and accrued income	164,955	164,955	198,432	199,011
Amounts due from the Consolidated Fund in respect of supply	7,138	7,138	–	–
	<b>227,320</b>	<b>227,320</b>	<b>238,371</b>	<b>238,978</b>
<b>Amounts falling due after more than 1 year</b>				
Development capital loans	13,103	13,103	28,536	28,536
Bilateral and multilateral loans	970,157	970,157	957,454	957,454
	<b>983,260</b>	<b>983,260</b>	<b>985,990</b>	<b>985,990</b>
<b>Total</b>	<b>1,210,580</b>	<b>1,210,580</b>	<b>1,224,361</b>	<b>1,224,968</b>

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

## 10. Trade payables and other liabilities

### 10.1 Analysis by type

	31 March 2020		31 March 2019	
	DFID	Departmental Group	DFID	Departmental Group
	£000	£000	£000	£000
<b>Amounts falling due within 1 year</b>				
Other taxation and social security	3,420	3,420	3,795	4,063
Other payables	6,176	6,176	74,400	75,362
Accruals	418,491	419,086	390,679	393,045
Deferred Income	1,630	1,630	2	2
Amounts issued from the Consolidated Fund for supply but not spent at year end	–	–	113,346	113,346
	<b>429,717</b>	<b>430,312</b>	<b>582,222</b>	<b>585,818</b>
Promissory notes: due on demand	5,576,391	5,576,391	6,034,112	6,034,112
Consolidated Fund extra receipts due to be paid to the Consolidated Fund – received	2,732	2,732	3,382	3,382
<b>Total</b>	<b>6,008,840</b>	<b>6,009,435</b>	<b>6,619,716</b>	<b>6,623,312</b>
<b>Amounts falling due after 1 year</b>				
Deferred income	24,894	24,894	25,171	25,171
<b>Total</b>	<b>6,033,734</b>	<b>6,034,329</b>	<b>6,644,887</b>	<b>6,648,483</b>

### 10.2 Promissory notes payable: movement during the year

	£000	£000
<b>Balance at 31 March 2018</b>		(4,516,480)
Charge to operating expenditure in 2018-19 – new notes deposited	(3,568,965)	
Cash drawn down against notes previously issued	2,053,672	
Foreign exchange losses	(2,339)	
		(1,517,632)
<b>Balance at 31 March 2019</b>		(6,034,112)
Charge to operating expenditure in 2019-20 – new notes deposited	(2,350,069)	
Cash drawn down against notes previously issued	2,808,499	
Foreign exchange losses	(709)	
		457,721
<b>Balance at 31 March 2020</b>		(5,576,391)

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 Consolidated Statement of Financial Position, and in note 7, shows the earliest date at which they could be payable. Included within promissory notes payable is an amount of £1,894.7 million which is expected to be encashed within 1 year and £3,681.7 million which is expected to be encashed after 1 year based on non-legally binding encashment schedules.

## 10. Trade payables and other liabilities (continued)

### 10.3 Promissory notes payable: analysis by institution

	At 31 March 2020 £000	At 31 March 2019 £000
International Development Association	2,855,030	3,074,236
CDC	955,000	736,000
African Development Fund	455,874	483,179
Green Climate Fund	380,000	380,000
Global Fund to Fight Aids, TB and Malaria	–	360,000
Climate Investment Funds (CIFs)	149,746	248,819
Caribbean Development Bank	191,325	204,067
World Health Organisation	225,000	159,000
Private Infrastructure Development Group	77,763	88,200
Global Environment Fund	93,199	88,198
Asian Development Fund	86,435	70,255
International Bank for Reconstruction and Development	5,658	29,178
Asia Climate Partnership Fund	–	22,512
KfW Group	18,271	20,311
International Fund for Agricultural Development	46,790	19,027
German Development Corporation	8,014	15,301
European Bank for Reconstruction and Development	14,000	14,000
International Finance Corporation	7,500	10,000
Other capital notes (Caribbean Development Bank and Asia Development Bank)	–	4,995
IFC Catalyst Fund	3,688	3,736
Multilateral Investment Guarantee Agency	3,098	3,098
<b>Total</b>	<b>5,576,391</b>	<b>6,034,112</b>

## 11. Provisions

	IFFIm	AMC	Other	DFID Total	Departmental Group Total
	£000	£000	£000	£000	£000
<b>Balance at 31 March 2018</b>	979,250	44,821	13,927	1,037,998	1,037,998
Adjustment for consolidation of EHRC	–	–	–	–	369
Adjustment on adoption of IFRS 9 <sup>[1]</sup>	–	–	324	324	324
<b>Restated Balance at 1 April 2018</b>	<b>979,250</b>	<b>44,821</b>	<b>14,251</b>	<b>1,038,322</b>	<b>1,038,691</b>
Provided in the year	–	–	2,666	2,666	2,807
Release of provision	(1,676)	–	(14)	(1,690)	(1,737)
Provision utilised in the year	(110,080)	–	(3,722)	(113,802)	(113,802)
Foreign exchange movement	–	3,404	–	3,404	3,404
Borrowing costs (unwinding of discount)	7,352	185	9	7,546	7,516
<b>Balance at 31 March 2019</b>	<b>874,846</b>	<b>48,410</b>	<b>13,190</b>	<b>936,446</b>	<b>936,879</b>
Adjustment for transfer of EHRC	–	–	–	–	(433)
Provided in the year	–	–	3,213	3,213	3,213
Release of provision	(1,812)	–	–	(1,812)	(1,812)
Provision utilised in the year	(119,018)	(25,333)	(772)	(145,123)	(145,123)
Foreign exchange movement	–	1,224	–	1,224	1,224
Borrowing costs (unwinding of discount)	18,455	210	–	18,665	18,665
<b>Balance at 31 March 2020</b>	<b>772,471</b>	<b>24,511</b>	<b>15,631</b>	<b>812,613</b>	<b>812,613</b>

[1] Adjustment regarding recognition of expected credit loss provision for guarantees on adoption of IFRS 9

<b>Analysis of expected timing of discounted flows as at 31 March 2020<sup>[2]</sup></b>	IFFIm	AMC	Other	DFID Total	Departmental Group Total
	£000	£000	£000	£000	£000
No later than 1 year	130,069	24,511	13,931	168,511	168,511
Later than 1 year and not later than 5 years	469,103	–	294	469,397	469,397
Later than 5 years	173,299	–	1,406	174,705	174,705
	<b>772,471</b>	<b>24,511</b>	<b>15,631</b>	<b>812,613</b>	<b>812,613</b>

<b>Analysis of expected timing of discounted flows as at 31 March 2019<sup>[2]</sup></b>	IFFIm	AMC	Other	DFID Total	Departmental Group Total
	£000	£000	£000	£000	£000
No later than 1 year	120,563	25,307	11,452	157,322	157,542
Later than 1 year and not later than 5 years	498,330	23,103	281	521,714	521,927
Later than 5 years	255,953	–	1,457	257,410	257,410
	<b>874,846</b>	<b>48,410</b>	<b>13,190</b>	<b>936,446</b>	<b>936,879</b>

[2] Within DFID, only the provisions for International Finance Facility for Immunisations (IFFIm) and Advanced Market Commitment (AMC) have been discounted on the basis that the impact of discounting would not be material on any of the other provisions. The discount rate used is the nominal discount rate adjusted for inflation, set by HM Treasury.

## 11. Provisions (continued)

IFFIm is an international development financing institution that provides funding to GAVI (the vaccine alliance) and is supported by sovereign donors. IFFIm will borrow operating funds in the international capital markets backed by these pledges. The UK has pledged a total of £1,630.0 million, representing 41.4% of the total amounts pledged at 31 March 2020 through a legally binding agreement which sets out payment obligations to 2029. The value of the payment is uncertain until the final notice is given to DFID. The value of DFID's payments can change based on a formula set out in the IFFIm grant agreement which makes an adjustment to DFID's payments when specified countries named in the agreement are in protracted arrears on International Monetary Fund financial obligations. The percentage reduction has never been higher than 4% in the history of the agreement and in recent years has been as low as 1.5%. Provision is therefore made for IFFIm representing the net present value of DFID's expected remaining contribution. As at 31 March 2020, the UK is liable for £772.5 million in net present value terms (after deducting payments made).

Provision for AMC (Advanced Market Commitments) represents the net present value of the UK's commitment to the pilot AMC for pneumococcal vaccine. It is an innovative mechanism to incentivise private manufacturers to invest in research and development (R&D) and/or building manufacturing capacity to supply vaccines to developing countries. The aim is to accelerate the availability of effective vaccines at cost-effective and sustainable prices. The UK has pledged a total of US\$485.0 million, representing 32.3% of the total commitments made. The net present value of this commitment as at 31 March 2020, after deducting payments already made, is £24.5 million, which will be covered by payment obligations up to 2020-21.

Other provisions include staff-related liabilities such as certain non-statutory pension obligations, terminal benefit payments to staff appointed in overseas offices, the cost of early retirement payments and expected credit losses for guarantees.

The above provisions relate to DFID only. CSC and ICAI do not hold any provisions.

## 12. Contingent assets and contingent liabilities

### 12.1 Contingent assets

The Department has one contingent asset.

On 30 April 2012, DFID signed a binding sale agreement with the management of Actis LLP ('Actis') regarding disposing of its 40% shareholding in Actis, a fund-management entity. This sale agreement confirmed DFID's intention to dispose of this shareholding to the management of Actis, in exchange for cash payments totalling US\$13.0 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 practicable to assess the value of the carried interest element of the sale proceeds reliably.

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 and the associated funds. During the year ended 31 March 2020 DFID received carried interest payments of US\$0.1 million (2018-19: US\$0.3 million)

### 12.2 Contingent liabilities

Contingent liabilities of £421.6 million (2018-19 £965.7 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.

Contingent liabilities of £40.0 million (2018-19: £40.0 million) exist in respect of callable capital to GuarantCo Ltd (GuarantCo), an entity that provides high-grade local currency-denominated guarantees supporting infrastructure projects in developing countries. GuarantCo is funded by a mix of debt and

## 12. Contingent assets and contingent liabilities (continued)

equity, and the ratio of debt to equity must stay within certain limits to preserve GuarantCo's credit rating. The callable capital can be drawn down if the GuarantCo leverage ratio exceeds 3 times its equity. Based on current projections, this is unlikely. The agreement is in place until June 2026.

A contingent liability of £29.6 million (2018-19: £19.0 million) exists, related to the UK membership of CABI, an intergovernmental organisation established by a UN treaty-level agreement. In the event of CABI's dissolution, the assets are shared among/liabilities met by the member governments. The potential liability is calculated in proportion to the member government's level of contribution.

Contingent liabilities of £0.6m (2018-19: £nil) exist in respect of a loan to Global Parametrics, part of the Disaster Risk Insurance programme. Two tranches of £0.6 million have been paid in the year and a final tranche of £0.6m is payable on Global Parametrics appointing a fundraising adviser and approving a fundraising strategy which is likely to be in 2020-21.

DFID has some ongoing legal cases and a contingent liability exists in DFID DRC regarding a rent conflict and another in DFID HSMD relating to a judicial review. No further information has been disclosed as this could be prejudicial to the outcome of the cases.

### 12.3 Guarantees, indemnities and letters of comfort

There is a guarantee arrangement for £193.9 million (2018-19: £193.0million), being the sterling equivalent of US\$239.9 million, in respect of the UK guarantee of part of the US\$1,000 million loan provided to the Government of Egypt by the International Bank for Reconstruction and Development.

There is a guarantee arrangement for £367.9 million (2018-19: £381.2 million), being the sterling equivalent of US\$455.2 million, in respect of the UK guarantee of part of the US\$1,444 million loan provided to the Republic of Iraq by the International Bank for Reconstruction and Development.

There is a guarantee arrangement for £305.8 million (2018-19: £nil), being the sterling equivalent of US\$378.4 million, in respect of the UK guarantee of the US\$250 million loan provided to the Hashemite Kingdom of Jordan by the International Bank for Reconstruction and Development including interest.

A fourth guarantee arrangement related to the European Investment Bank is judged to be remote, and so has been included within Section 2 Accountability Report.

### 13. General Fund

The general fund reflects the realised and unrealised balance of the cumulative difference between net operating expenditure and financing provided by Parliament, adjusted for amounts payable to the Consolidated Fund.

	Note	DFID £000	DFID £000	Departmental Group £000	Departmental Group £000
<b>General fund at 31 March 2018</b>			<b>(951,154)</b>		<b>(950,904)</b>
Adjustment on adoption of IFRS 9			(13,981)		(13,981)
<b>Restated General fund as at 1 April 2018</b>			<b>(965,135)</b>		<b>(964,885)</b>
Net expenditure for the year			<b>(9,931,861)</b>		<b>(9,934,292)</b>
Net parliamentary funding – current year		9,108,455		9,108,455	
Current year payable for supply		(113,346)		(113,346)	
<b>Financing provided</b>			<b>8,995,109</b>		<b>8,995,109</b>
Notional costs within operating expenditure			366		366
Realised element of revaluation reserve			124,873		124,873
Operating income payable to Consolidated Fund			(3,814)		(3,814)
Remeasurements			–		5
<b>Net decrease in general fund</b>			<b>(815,327)</b>		<b>(817,753)</b>
<b>General fund at 31 March 2019</b>			<b>(1,780,462)</b>		<b>(1,782,638)</b>
Net expenditure for the year			<b>(9,298,118)</b>		<b>(9,295,415)</b>
Net parliamentary funding – current year		10,844,963		10,844,963	
Net parliamentary funding – deemed from prior year		113,346		113,346	
Current year receivable for supply		7,138		7,138	
<b>Financing provided</b>			<b>10,965,447</b>		<b>10,965,447</b>
Notional costs within operating expenditure			394		394
Realised element of revaluation reserve					
Operating income payable to Consolidated Fund			(3,286)		(3,286)
<b>Net increase in general fund</b>			<b>1,664,437</b>		<b>1,667,140</b>
<b>General fund at 31 March 2020</b>			<b>(116,025)</b>		<b>(115,498)</b>

## 14. Revaluation reserve

	Note	DFID £000	Departmental Group £000
<b>Balance at 31 March 2018</b>		<b>6,170,124</b>	<b>6,170,124</b>
Adjustment on adoption of IFRS 9		4,148	4,148
<b>Restated Balance at 1 April 2018</b>		<b>6,174,272</b>	<b>6,174,272</b>
Gain on revaluation – International Financial Institutions	5	404,320	404,320
Gain on revaluation – Other Development Capital	5	3,018	3,018
Gain on revaluation – CDC	5	6,000	6,000
Gain on revaluation – Information technology	4	83	83
Gain/(loss) on revaluation – Furniture and fittings	4	31	(152)
Gain on revaluation – Vehicles		1	1
Gain on revaluation – Intangibles		–	1
Realised element to General Fund <sup>[1]</sup>	13	(124,873)	(124,873)
<b>Balance at 31 March 2019</b>		<b>6,462,852</b>	<b>6,462,670</b>
Gain on revaluation – International Financial Institutions	5	171,564	171,564
Loss on revaluation – Other Development Capital	5	(1,982)	(1,982)
Loss on revaluation – CDC	5	(702,700)	(702,700)
Gain on revaluation – Information technology	4	105	105
Gain on revaluation – Furniture & fittings	4	17	200
Gain on revaluation – Vehicles		1	1
Gain on revaluation – Land, buildings and dwellings		–	–
Gain on revaluation – Intangibles		–	(1)
<b>Balance at 31 March 2020</b>		<b>5,929,857</b>	<b>5,929,857</b>

[1] This was deducted from IFIs held at FVOCI and related to the transfer of investment in AIIB to HMT in 2018-19

## 15. Third party assets

The Department held the below cash amounts 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 8.

	31 March 2020 £000	31 March 2019 £000
Amounts held in third party account	1,500	1,619



## 16. Related parties and entities within the departmental accounting boundary

### 16.1 Related parties

DFID is the 100% shareholder in CDC Group plc. DFID subscribed for a further 955 million shares in CDC Group Plc on 19 November 2019 for £955.0 million consideration (2018-19: 736 million shares for £736.0 million consideration). These transactions were funded through the use of promissory notes (refer to notes 10.2 and 10.3).

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 12. During the year ended 31 March 2020, DFID received carried interest payments of US\$0.1 million (2018-19: US\$0.3 million).

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. As at 31 March 2020, amounts due to other government departments and other central government bodies totalled £9.8 million and amounts due from such entities totalled £10.9 million. No amounts have been written off during 2019-20 to or from other government departments or other central government bodies (2018-19 £nil). The largest volume of transactions, in frequency and value, have been with the Foreign and Commonwealth Office.

Alan Johnson is a member of the board and deputy president of the International Federation of Accountants (IFAC). DFID has awarded £4.9 million funding over 7 years (to 2021) to IFAC for development of the accounting profession, of which £1.2 million was disbursed in 2019-20.

Further to this, no minister, Board member, key manager or other related party has undertaken any material transactions with the department during the year. Please refer to Section 2.2 Remuneration Report for details of salaries paid to ministers, Board members and senior managers.

### 16.2 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 and prior financial year:

#### **Executive NDPB**

Commonwealth Scholarship Commission in the United Kingdom (CSC)

#### **Advisory NDPB**

Independent Commission for Aid Impact (ICAI)

Note that the Equalities and Human Rights Commission (EHRC) was transferred to Cabinet Office as of 1 April 2019.

## 17. Events after the reporting period

The World Health Organisation (WHO) announced the Coronavirus (COVID-19) pandemic on 11 March 2020. As already described in Note 5, the early impacts of COVID-19 were built into the financial information reported by the IFIs and CDC as at 31 March 2020 and reflected in the Department's valuation of its investment in those bodies. However, the economic outlook for 2020 has worsened since then, as COVID-19 has spread and the near-term outlook is highly uncertain. There have been a number of material revisions to global economic forecasts as the impact and duration of the outbreak have become more apparent, and the IMF recently stated that its base case contraction of 3.0% for the global economy in 2020 is now looking optimistic. Questions remain as to the shape and speed of the recovery. Liquidity issues are likely to create long-term damage to productive capacity, and these effects may be greater in economies where there is limited fiscal and/or monetary space to provide support, and which may in turn worsen longer-term prospects for growth and government balance sheets, thus adversely impacting IFI and CDC investment valuations and loan provisioning. This may impact the value of the Department's investments in the IFIs and CDC.

On 16th June 2020, the Prime Minister announced that from 1 September 2020, the Department for International Development and the Foreign and Commonwealth Office would merge into a new department to be called the Foreign, Commonwealth and Development Office (FCDO), which will be led by the Foreign Secretary. All functions of the two existing departments will transfer into the FCDO. It is not possible at this stage to make an accurate estimate of the financial effect of the creation of the FCDO.

The Accounting Officer authorised these financial statements for issue on the date of the Comptroller and Auditor General's signature.



## DFID allocations 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. Allocations are based on a business planning process which marries country-based and departmental analysis of need with overall strategy, priorities and commitments. The budgets presented reflect draft plans before the onset of Covid-19. The timetable for Ministerial approval of these plans was interrupted by the outbreak of Covid-19, and so the plans were not formally submitted to Ministers. DFID does not expect these spending profiles to be realised as spend during 2020/21 will be significantly altered in response to Covid-19.

### **Table A.1 sets out DFID's actual programme resource outturn for 2019-20 and budget for 2020-21.**

All future plans are subject to revision as, by its nature, the department's work is dynamic. DFID's allocations are continually reviewed to respond to changing global needs, including humanitarian crises and to ensure aid is used effectively to achieve poverty reduction. The precise way in which DFID spends will reflect changing demands, and the speed at which different programmes are implemented and new programmes developed, whilst, at the same time, protecting ministerial commitments.

Annual budgets can change due to fluctuations in gross national income (GNI) projections and other Official Development Assistance (ODA) allocation decisions made at the Budget.

While the following tables show the breakdown of programme budgets currently allocated to individual countries for 2020-21, it should be noted this does not reflect the full range of UK aid spent in these individual countries. For example, it does not include spend delivered via our core contributions to multi-lateral organisations or regional programmes delivered by our central departments. In addition, other UK Government departments spend an increasing amount of ODA overseas. Details of ODA spent by other government departments can be found in their Annual Report and Accounts and the Statistics for International Development.

The budgets presented reflect draft plans before the onset of Covid-19. The timetable for Ministerial approval of these plans was interrupted by the outbreak of Covid-19, and so the plans were not formally submitted to Ministers. DFID does not expect these spending profiles to be realised as spend during 2020/21 will be significantly altered in response to Covid-19.

**Table A.1 DFID programme spend and allocations by department**

	2019-20	2020-21
	Programme outturn (£000)	Programme plans (£000)
<b>Regional Programmes</b>		
<b>West and Southern Africa Division</b>		
Africa Directorate <sup>1</sup>	56,657	–
DFID DRC	138,731	126,200
DFID Ghana and Liberia	33,979	25,000
DFID Malawi	65,111	59,900
DFID Mozambique	82,661	41,500
DFID Nigeria	234,622	214,700
DFID Sierra Leone	74,683	73,700
DFID Zambia	37,940	38,235
DFID Zimbabwe <sup>2</sup>	101,877	86,000
Joint Sahel Dept	69,691	50,000
<b>West and Southern Africa Division Total</b>	<b>895,952</b>	<b>715,235</b>
<b>East and Central Africa Division</b>		
Africa Regional Department	182,140	200,181
DFID Ethiopia	292,593	272,800
DFID Kenya	96,018	83,300
DFID Rwanda	52,354	45,900
DFID Somalia	147,082	100,300
DFID South Sudan	189,888	110,500
DFID Sudan	83,575	90,000
DFID Tanzania	127,269	130,100
DFID Uganda	125,467	81,600
<b>East and Central Africa Division Total</b>	<b>1,296,386</b>	<b>1,114,681</b>
<b>Asia, Caribbean and Overseas Territories Division</b>		
Asia Regional Team	50,068	55,000
DFID Afghanistan	189,438	155,000
DFID Bangladesh	240,551	195,000
DFID Brazil	105	150
DFID Caribbean	24,131	28,000
DFID Central Asia	8,931	9,000
DFID India <sup>3</sup>	26,226	29,150
UK Climate Change, Indonesia	12,324	15,000
DFID Myanmar	101,379	92,850
DFID Nepal	80,926	82,850
DFID Pakistan	257,369	195,823
DFID Ukraine <sup>4</sup>	7,030	5,000
Overseas Territories Department	68,590	70,000
<b>Asia, Caribbean and Overseas Territories Division Total</b>	<b>1,067,068</b>	<b>932,823</b>
<b>Middle East and North Africa Division</b>		
DFID Iraq	23,554	22,000
DFID Jordan	94,686	100,000
DFID Lebanon	131,028	90,000
MENAD Regional	3,794	12,000
DFID North Africa Joint Unit	1,010	3,500
DFID Occupied Palestinian Territories	112,704	70,000
DFID Syria	225,639	137,000
DFID Turkey	44,032	40,500
DFID Yemen	238,344	164,204
<b>Middle East and North Africa Division Total</b>	<b>874,791</b>	<b>639,204</b>
<b>Regional Programmes TOTAL</b>	<b>4,134,197</b>	<b>3,401,943</b>

1 Africa Directorate: includes centrally managed Ebola response spending £52.1m in 2019-20.

2 DFID Zimbabwe: includes DFID Southern Africa which has been established as a separate department from 1 April 2020. DFID Southern Africa 2020-21 planned outturn is £2m.

3 DFID ended its traditional aid programme to India at the end of 2015. DFID's support to India in 2019-2020 is now primarily in the form of technical assistance (high-level advice) and development capital investment which generates a return to the taxpayer.

4 DFID's support to Ukraine is humanitarian funding in response to the protracted humanitarian situation in the country.

The budgets presented reflect draft plans before the onset of Covid-19. The timetable for Ministerial approval of these plans was interrupted by the outbreak of Covid-19, and so the plans were not formally submitted to Ministers. DFID does not expect these spending profiles to be realised as spend during 2020/21 will be significantly altered in response to Covid-19.

	2019-20	2020-21
	Programme outturn	Programme plans
	(£000)	(£000)
<b>Policy Priorities, International Organisations and Humanitarian</b>		
<b>Research and Evidence Division</b>		
Chief Heads of Profession	4,937	4,870
Evidence Department	22,400	20,264
Global Statistics	7,323	10,230
Research Department	386,569	404,636
<b>Research and Evidence Division Total</b>	<b>421,229</b>	<b>440,000</b>
<b>Economic Development Division</b>		
EC Attribution	475,000	459,000
Europe Department	590,557	640,266
Governance, Open Societies & Anti-Corruption Dept	38,962	45,116
Growth and Resilience Dept	60,441	63,541
Private Sector Department	1,112,175	1,341,418
Public Finance and Tax Department	15,233	21,919
Trade for Development	13,568	24,822
<b>Economic Development Division Total</b>	<b>2,305,936</b>	<b>2,596,082</b>
<b>Policy Division</b>		
Children Youth and Education Department	332,932	282,271
Climate and Environment Department	71,010	351,185
Emerging Policy, Innovation & Capability	12,188	19,339
Global Funds Department	989,701	1,064,717
Human Development Department	128,633	189,754
Inclusive Societies Department	94,693	121,365
Safeguarding Unit	1,718	6,891
<b>Policy Division Total</b>	<b>1,630,875</b>	<b>2,035,522</b>
<b>International Relations Division</b>		
GPMED	2,023	2,264
IFID	1,179,678	1,596,316
United Nations and Commonwealth Dept (UNCD)	211,101	193,710
<b>International Relations Division Total</b>	<b>1,392,802</b>	<b>1,792,290</b>
<b>Conflict, Humanitarian, Security and Stabilisation Division</b>		
Conflict, Humanitarian and Security Department	629,542	331,086
Migration and Modern Slavery Department	31,974	41,065
Stabilisation Unit	536	–
<b>Conflict, Humanitarian, Security and Stabilisation Division Total</b>	<b>662,052</b>	<b>372,151</b>
<b>Policy Priorities, International Organisations and Humanitarian TOTAL</b>		
	<b>6,412,894</b>	<b>7,236,045</b>
<b>Conflict, Stability and Security Fund</b>		
<b>Asia, Caribbean and Overseas Territories</b>		
DFID Afghanistan	305	206
DFID Caribbean	280	–
DFID Central Asia	900	–
DFID Myanmar	720	–
DFID Pakistan	12,217	8,110
Good Governance Fund	29,627	26,710
<b>Asia, Caribbean and Overseas Territories Total</b>	<b>44,049</b>	<b>35,026</b>
<b>West and Southern Africa Division</b>		
DFID Mozambique	200	–
DFID Zimbabwe	189	280
Joint Sahel Dept	29	–
<b>West and Southern Africa Division Total</b>	<b>418</b>	<b>280</b>
<b>East and Central Africa Division</b>		
Africa Regional Department	53	64
DFID Somalia	1,000	–
DFID South Sudan	692	1,360
<b>East and Central Africa Division Total</b>	<b>1,745</b>	<b>1,424</b>

The budgets presented reflect draft plans before the onset of Covid-19. The timetable for Ministerial approval of these plans was interrupted by the outbreak of Covid-19, and so the plans were not formally submitted to Ministers. DFID does not expect these spending profiles to be realised as spend during 2020/21 will be significantly altered in response to Covid-19.

	2019-20	2020-21
	Programme outturn	Programme plans
	(£000)	(£000)
<b>Middle East and North Africa Division</b>		
DFID Iraq	5,502	–
DFID Jordan	10,064	3,150
DFID Lebanon	5,702	3,540
MENAD Regional	48	–
DFID North Africa Joint Unit	958	681
DFID Occupied Palestinian Territories	968	1,440
DFID Syria	338	300
DFID Yemen	1,347	1,800
<b>Middle East and North Africa Division Total</b>	<b>24,927</b>	<b>10,911</b>
<b>Research and Evidence Division</b>		
Research Department	160	–
<b>Research and Evidence Division Total</b>	<b>160</b>	<b>–</b>
<b>Economic Development Division</b>		
Private Sector Department	1,500	–
Trade for Development	5,506	–
<b>Economic Development Division Total</b>	<b>7,006</b>	<b>–</b>
<b>Policy Division</b>		
Human Development Department	3,650	–
<b>Policy Division Total</b>	<b>3,650</b>	<b>–</b>
<b>Conflict, Humanitarian, Security and Stabilisation Division</b>		
Conflict Funds	9,740	4,635
Conflict, Humanitarian and Security Department	395	–
Stabilisation Unit	10,906	13,752
<b>Conflict, Humanitarian, Security and Stabilisation Division Total</b>	<b>21,041</b>	<b>18,387</b>
<b>Other Central Programmes TOTAL</b>	<b>–</b>	<b>44</b>
<b>Conflict, Stability and Security Fund TOTAL</b>	<b>102,996</b>	<b>66,072</b>
<b>Prosperity Fund TOTAL</b>	<b>45,813</b>	<b>108,300</b>
<b>Non-Departmental Public Bodies</b>		
Commonwealth Scholarship Commission	26,895	28,804
Independent Commission for Aid Impact	2,261	2,488
<b>Non-Departmental Public Bodies TOTAL</b>	<b>29,156</b>	<b>31,292</b>
<b>Other Central Programmes TOTAL</b>	<b>(64,082)</b>	<b>8,590</b>
<b>Crisis Reserve <sup>1</sup></b>	<b>–</b>	<b>200,000</b>
<b>TOTAL <sup>2</sup></b>	<b>10,660,974</b>	<b>11,052,242</b>

1 The UK Aid Strategy and the Spending Review created a £500 million ODA Crisis Reserve which is held on the DFID baseline. £200 million of this is assigned to a central contingency reserve for allocation to emerging crises during the year with the balance of £300 million allocated across the portfolio which can be redeployed in response to substantial need.

2 These budgets reflect allocations pre Main Estimates. All budget transfers are fully reflected in the core tables in Annex C.

## 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. This information is published each autumn for the preceding year in DFID's publication *Statistics on International Development*. Provisional figures for 2019 are provided in Table B1.
- 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 period and each of the four periods before.
- B.3** The UK Aid budget is spent by a number of departments other than DFID. The *Statistics on International Development*<sup>38</sup> publication sets out detailed information on aid spend by department and summary information on the main aims of each department's aid budget. This data follows Organisation for Economic Co-operation and Development (OECD) Development Assistance Committee definitions.<sup>39</sup> Departments with large aid budgets will also include information in their own annual report. Table B.3 gives information on the largest ODA spending department for the most recent period by recipient country.

Act schedule	Table number
<b>Total UK bilateral aid broken down by:</b>	
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	Table B.4
Country as a percentage of UK bilateral aid	Table B.2
Percentage and amount to low-income countries	Table B.2
<b>UK multilateral aid broken down by:</b>	
European Union	Table B.1
World Bank	Table B.1
United Nations and its agencies	Table B.1
Other multilateral organisations	Table B.1
<b>UK imputed share<sup>1</sup> of the aggregate amount of multilateral ODA provided by the bodies to which the UK contributed such assistance broken down by:</b>	
Country table	Table B.5
Percentage and amount to low-income countries	Table B.5

1. UK imputed share is the share of all multilateral expenditure in developing countries which can be attributed to the UK.



**Table B.1: Total UK Net Official Development Assistance (ODA)**

	£ millions				
	2015	2016	2017	2018	2019 <sup>1</sup>
<b>Total Bilateral ODA</b>	<b>7,662</b>	<b>8,534</b>	<b>8,803</b>	<b>9,263</b>	<b>10,113</b>
as a % of GNI	0.44	0.45	0.44	0.44	0.47
<i>of which: Administration costs<sup>2</sup></i>	390	470	543	656	731
<i>of which: Debt Relief</i>	–	2	3	4	–
<i>of which: Non DFID Department<sup>3</sup></i>	–	2	3	4	–
<b>Total Multilateral ODA</b>	<b>4,473</b>	<b>4,843</b>	<b>5,256</b>	<b>5,289</b>	<b>5,061</b>
as a % of GNI	0.26	0.25	0.26	0.25	0.23
<i>of which: Total European Commission</i>	1,327	1,503	1,354	1,386	1,821
<i>Total World Bank</i>	1,263	1,171	1,365	1,931	1,128
<i>Total UN Agencies</i>	440	503	480	562	792
<i>Total Other Organisations<sup>4</sup></i>	1,444	1,665	2,057	1,411	1,320
<b>TOTAL ODA</b>	<b>12,136</b>	<b>13,377</b>	<b>14,059</b>	<b>14,552</b>	<b>15,174</b>
<b>as a % of GNI</b>	<b>0.70</b>	<b>0.70</b>	<b>0.70</b>	<b>0.70</b>	<b>0.70</b>

- 2019 data is provisional. Final 2019 ODA will be published in Statistics on International Development in the autumn 2020.
- Includes Front Line Delivery Costs. This is in line with OECD DAC Statistical Reporting Directives.
- Export Credits Guarantee Department (operational name: UN Export Finance).
- Includes Regional Development Banks and other multilateral agencies on the DAC List of Multilateral Organisations.

**Table B.2: Total UK net ODA<sup>1</sup> and humanitarian assistance by recipient country**

		£000					Main spend departments in 2018 (% share)
		2014	2015	2016	2017	2018	
<b>Africa</b>							
Algeria	UK Net Bilateral ODA	9,772	2,676	3,252	6,710	6,613	CSSF 95%, FCO 5%
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.14%	0.03%	0.04%	0.08%	0.07%	
Angola	UK Net Bilateral ODA	916	1,296	391	532	446	FCO 61%, DEFRA 25%, Other 13%
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.01%	0.02%	0.00%	0.01%	0.00%	
Benin	UK Net Bilateral ODA	–	–	–	318	389	BEIS 98%, FCO 2%
	of which Humanitarian Assistance	–	–	–	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
Botswana	UK Net Bilateral ODA	498	1,056	279	1,072	1,113	BEIS 71%, FCO 29%, Other 1%
	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%	
Burkina Faso	UK Net Bilateral ODA	332	88	132	1,748	1,825	BEIS 95%, DEFRA 5%
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.02%	0.02%	
Burundi	UK Net Bilateral ODA	6,108	205	3,189	4,916	4,025	DFID 92%, CSSF 6%, Other 2%
	of which Humanitarian Assistance	–	–	2,613	4,248	3,690	
	Percentage of Total Net Bilateral ODA	0.09%	0.00%	0.04%	0.06%	0.04%	
Cameroon	UK Net Bilateral ODA	53,540	6,223	1,705	2,062	10,341	DFID 83%, BEIS 6%, Other 11%
	of which Humanitarian Assistance	10,000	4,500	–	0	7,750	
	Percentage of Total Net Bilateral ODA	0.78%	0.08%	0.02%	0.02%	0.11%	
Cape Verde	UK Net Bilateral ODA	80	117	77	288	387	BEIS 81%, FCO 19%
	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%	
Central African Republic	UK Net Bilateral ODA	16,065	18,279	18,914	13,652	25,967	DFID 56%, BBC World Service 44%
	of which Humanitarian Assistance	15,797	18,279	18,914	13,422	14,531	
	Percentage of Total Net Bilateral ODA	0.24%	0.24%	0.22%	0.16%	0.28%	
Chad	UK Net Bilateral ODA	–	–	–	21	15	FCO 100%
	of which Humanitarian Assistance	–	–	–	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
Comoros	UK Net Bilateral ODA	6	5	10	29	132	DEFRA 100%
	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%	
Democratic Republic of the Congo	UK Net Bilateral ODA	166,594	142,721	129,546	166,228	203,708	DFID 99%, CSSF 1%
	of which Humanitarian Assistance	38,444	35,395	32,869	62,069	105,142	
	Percentage of Total Net Bilateral ODA	2.44%	1.86%	1.52%	1.89%	2.20%	
Congo	UK Net Bilateral ODA	–	–	89	1,852	1,792	DFID 84%, DEFRA 16%
	of which Humanitarian Assistance	–	–	–	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.02%	0.02%	
Cote d'Ivoire	UK Net Bilateral ODA	2,032	698	585	383	592	BEIS 62%, FCO 25%, Other 13%
	of which Humanitarian Assistance	–	–	–	0	0	
	Percentage of Total Net Bilateral ODA	0.03%	0.01%	0.01%	0.00%	0.01%	
Djibouti	UK Net Bilateral ODA	–	19	–	39	50	FCO 100%
	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%	
Egypt	UK Net Bilateral ODA	-24,004	12,125	11,479	23,128	22,510	CSSF 45%, FCO 32%, Other 23%
	of which Humanitarian Assistance	–	–	–	0	0	
	Percentage of Total Net Bilateral ODA	-0.35%	0.16%	0.13%	0.26%	0.24%	
Eritrea	UK Net Bilateral ODA	5,877	304	594	629	2,753	DFID 98%, FCO 2%
	of which Humanitarian Assistance	5,590	–	–	0	0	
	Percentage of Total Net Bilateral ODA	0.09%	0.00%	0.01%	0.01%	0.03%	

1. ODA can be negative due to returns from ODA-eligible investments or from projects and programmes.

**Table B.2: Total UK net ODA<sup>1</sup> and humanitarian assistance by recipient country**

(continued)

		£000					Main spend departments in 2018 (% share)
		2014	2015	2016	2017	2018	
Eswatini	UK Net Bilateral ODA	952	169	4	304	281	FCO 99%, Colonial Pensions 1%
	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%	
Ethiopia	UK Net Bilateral ODA	321,708	338,779	334,320	326,131	301,442	DFID 98%, BEIS 1%, Other 1%
	of which Humanitarian Assistance	58,711	78,957	73,194	101,310	89,832	
	Percentage of Total Net Bilateral ODA	4.72%	4.42%	3.92%	3.70%	3.25%	
Gabon	UK Net Bilateral ODA	-221	-	150	23	15	FCO 100%
	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	9,170	9,542	10,804	15,454	16,134	BEIS 98%, FCO 2%
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.13%	0.12%	0.13%	0.18%	0.17%	
Ghana	UK Net Bilateral ODA	66,086	60,630	58,147	56,445	37,680	DFID 89%, FCO 7%, Other 5%
	of which Humanitarian Assistance	-	-	-	0	0	
	Percentage of Total Net Bilateral ODA	0.97%	0.79%	0.68%	0.64%	0.41%	
Guinea	UK Net Bilateral ODA	281	316	111	431	344	DEFRA 68%, FCO 32%
	of which Humanitarian Assistance	-	-	-	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
Guinea-Bissau	UK Net Bilateral ODA	73	18	22	22	23	BEIS 100%
	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	134,850	155,575	133,813	152,807	116,123	DFID 88%, BEIS 9%, Other 3%
	of which Humanitarian Assistance	30,470	24,078	17,396	23,388	8,329	
	Percentage of Total Net Bilateral ODA	1.98%	2.03%	1.57%	1.74%	1.25%	
Lesotho	UK Net Bilateral ODA	205	429	5,693	358	259	HMRC 41%, FCO 38%, Other 21%
	of which Humanitarian Assistance	-28	-	-	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.01%	0.07%	0.00%	0.00%	
Liberia	UK Net Bilateral ODA	5,796	10,672	1,561	3,131	604	BEIS 37%, DFID 32%, Other 31%
	of which Humanitarian Assistance	-	-	-	0	0	
	Percentage of Total Net Bilateral ODA	0.08%	0.14%	0.02%	0.04%	0.01%	
Libya	UK Net Bilateral ODA	28,663	10,434	14,353	14,721	13,162	CSSF 74%, DFID 15%, Other 11%
	of which Humanitarian Assistance	-	2,018	1,560	987	585	
	Percentage of Total Net Bilateral ODA	0.42%	0.14%	0.17%	0.17%	0.14%	
Madagascar	UK Net Bilateral ODA	-199	1,337	642	2,166	2,364	DEFRA 77%, FCO 16%, Other 7%
	of which Humanitarian Assistance	-	-	-	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.02%	0.01%	0.02%	0.03%	
Malawi	UK Net Bilateral ODA	60,475	85,560	102,729	89,561	84,087	DFID 90%, SG 6%, Other 3%
	of which Humanitarian Assistance	5,031	16,587	25,700	9,306	4,632	
	Percentage of Total Net Bilateral ODA	0.89%	1.12%	1.20%	1.02%	0.91%	
Mali	UK Net Bilateral ODA	2,102	1,830	2,510	2,678	6,265	CSSF 91%, DEFRA 5%, Other 4%
	of which Humanitarian Assistance	0	0	0	0	200	
	Percentage of Total Net Bilateral ODA	0.03%	0.02%	0.03%	0.03%	0.07%	
Mauritania	UK Net Bilateral ODA	571	119	-	66	36	FCO 100%
	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%	
Mauritius	UK Net Bilateral ODA	745	777	193	316	508	FCO 99%, Colonial Pensions 1%
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.01%	0.01%	0.00%	0.00%	0.01%	
Morocco	UK Net Bilateral ODA	7,969	3,574	3,154	5,705	5,279	CSSF 66%, FCO 28%, Other 6%
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.12%	0.05%	0.04%	0.06%	0.06%	

1. ODA can be negative due to returns from ODA eligible investments or from projects and programmes.

**Table B.2: Total UK net ODA<sup>1</sup> and humanitarian assistance by recipient country**

(continued)

		£000					Main spend departments in 2018 (% share)
		2014	2015	2016	2017	2018	
Mozambique	UK Net Bilateral ODA	83,967	50,483	54,528	57,526	70,895	DFID 99%, FCO 1%, Other 1%
	of which Humanitarian Assistance	–	–	18,236	8,996	2,490	
	Percentage of Total Net Bilateral ODA	1.23%	0.66%	0.64%	0.65%	0.77%	
Namibia	UK Net Bilateral ODA	285	297	137	631	417	FCO 75%, BEIS 25%
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.01%	0.00%	
Niger	UK Net Bilateral ODA	110	–	–	142	881	CSSF 71%, BEIS 22%, Other 7%
	of which Humanitarian Assistance	–	–	–	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.01%	
Nigeria	UK Net Bilateral ODA	236,639	262,685	319,583	327,199	296,819	DFID 92%, CSSF 5%, Other 3%
	of which Humanitarian Assistance	1,000	5,752	40,648	67,866	89,565	
	Percentage of Total Net Bilateral ODA	3.47%	3.43%	3.74%	3.72%	3.20%	
Rwanda	UK Net Bilateral ODA	48,028	101,293	68,833	59,469	54,746	DFID 90%, FCO 5%, Other 5%
	of which Humanitarian Assistance	–	6,868	6,771	4,553	48	
	Percentage of Total Net Bilateral ODA	0.70%	1.32%	0.81%	0.68%	0.59%	
Sao Tome & Principe	UK Net Bilateral ODA	95	–	58	103	146	DEFRA 63%, FCO 37%
	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%	
Senegal	UK Net Bilateral ODA	-71	1,091	1,620	1,422	784	FCO 58%, BEIS 42%
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.01%	0.02%	0.02%	0.01%	
Seychelles	UK Net Bilateral ODA	380	324	122	338	0	
	of which Humanitarian Assistance	–	–	–	0	0	
	Percentage of Total Net Bilateral ODA	0.01%	0.00%	0.00%	0.00%	0.00%	
Sierra Leone	UK Net Bilateral ODA	237,747	217,707	153,685	117,947	93,712	DFID 97%, CSSF 2%, Other 2%
	of which Humanitarian Assistance	177,581	176,095	32,364	7,680	-1,595	
	Percentage of Total Net Bilateral ODA	3.48%	2.84%	1.80%	1.34%	1.01%	
Somalia	UK Net Bilateral ODA	123,791	121,828	151,715	282,037	193,766	DFID 88%, CSSF 12%
	of which Humanitarian Assistance	39,428	39,200	53,621	202,988	88,186	
	Percentage of Total Net Bilateral ODA	1.81%	1.59%	1.78%	3.20%	2.09%	
South Africa	UK Net Bilateral ODA	-18,378	19,095	12,286	19,111	29,458	BEIS 71%, FCO 20%, Other 8%
	of which Humanitarian Assistance	–	–	–	0	0	
	Percentage of Total Net Bilateral ODA	-0.27%	0.25%	0.14%	0.22%	0.32%	
South Sudan	UK Net Bilateral ODA	167,060	207,993	160,893	168,236	151,313	DFID 97%, CSSF 2%, Other 1%
	of which Humanitarian Assistance	118,617	129,838	92,854	92,155	84,783	
	Percentage of Total Net Bilateral ODA	2.45%	2.71%	1.89%	1.91%	1.63%	
St. Helena	UK Net Bilateral ODA	75,752	53,476	74,970	50,708	41,301	DFID 89%, CSSF 10%, Other 1%
	of which Humanitarian Assistance	–	2	–	0	0	
	Percentage of Total Net Bilateral ODA	1.11%	0.70%	0.88%	0.58%	0.45%	
Sudan	UK Net Bilateral ODA	49,844	54,601	64,953	62,985	89,447	DFID 94%, CSSF 3%, Other 4%
	of which Humanitarian Assistance	33,500	29,338	30,699	37,042	44,916	
	Percentage of Total Net Bilateral ODA	0.73%	0.71%	0.76%	0.72%	0.97%	
Tanzania	UK Net Bilateral ODA	148,765	204,846	186,209	166,567	152,043	DFID 96%, BEIS 3%, Other 1%
	of which Humanitarian Assistance	9,243	12,646	13,336	13,355	8,871	
	Percentage of Total Net Bilateral ODA	2.18%	2.67%	2.18%	1.89%	1.64%	
Togo	UK Net Bilateral ODA	–	34	–	0	0	
	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%	
Tunisia	UK Net Bilateral ODA	2,082	6,308	9,838	10,372	11,753	CSSF 80%, FCO 17%, Other 4%
	of which Humanitarian Assistance	42	–	–	0	0	
	Percentage of Total Net Bilateral ODA	0.03%	0.08%	0.12%	0.12%	0.13%	

1. ODA can be negative due to returns from ODA eligible investments or from projects and programmes.

**Table B.2: Total UK net ODA<sup>1</sup> and humanitarian assistance by recipient country**

(continued)

		£000					Main spend departments in 2018 (% share)
		2014	2015	2016	2017	2018	
Uganda	UK Net Bilateral ODA	82,179	123,348	110,941	140,297	107,413	DFID 89%, BEIS 9%, Other 2%
	of which Humanitarian Assistance	18,400	11,580	19,353	65,312	29,575	
	Percentage of Total Net Bilateral ODA	1.20%	1.61%	1.30%	1.59%	1.16%	
Zambia	UK Net Bilateral ODA	91,059	50,493	57,843	53,068	28,281	DFID 86%, SG 6%, Other 8%
	of which Humanitarian Assistance	–	–	–	0	0	
	Percentage of Total Net Bilateral ODA	1.33%	0.66%	0.68%	0.60%	0.31%	
Zimbabwe	UK Net Bilateral ODA	104,024	92,896	99,743	93,573	93,865	DFID 96%, FCO 3%, Other 1%
	of which Humanitarian Assistance	6,960	9,633	22,012	763	0	
	Percentage of Total Net Bilateral ODA	1.52%	1.21%	1.17%	1.06%	1.01%	
North of Sahara, regional	UK Net Bilateral ODA	0	62	516	3,662	5,757	CSSF 99%, BEIS 1%
	of which Humanitarian Assistance	–	–	–	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.01%	0.04%	0.06%	
South of Sahara, regional	UK Net Bilateral ODA	106,477	99,438	154,289	168,361	148,213	DFID 93%, DHSC 7%
	of which Humanitarian Assistance	60,420	31,392	41,589	50,291	66,495	
	Percentage of Total Net Bilateral ODA	1.56%	1.30%	1.81%	1.91%	1.60%	
Africa, regional	UK Net Bilateral ODA	219,625	225,199	336,870	318,533	425,127	DFID 62%, FCO 28%, Other 10%
	of which Humanitarian Assistance	700	5,288	1,300	235	524	
	Percentage of Total Net Bilateral ODA	3.22%	2.94%	3.95%	3.62%	4.59%	
<b>Asia &amp; Middle East</b>							
Afghanistan	UK Net Bilateral ODA	197,543	299,928	235,318	226,948	248,699	DFID 73%, CSSF 24%, Other 3%
	of which Humanitarian Assistance	23,522	24,139	40,987	35,536	53,658	
	Percentage of Total Net Bilateral ODA	2.90%	3.91%	2.76%	2.58%	2.68%	
Armenia	UK Net Bilateral ODA	973	1,188	438	980	862	FCO 100%
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.01%	0.02%	0.01%	0.01%	0.01%	
Azerbaijan	UK Net Bilateral ODA	2,100	2,445	1,008	1,571	776	FCO 100%
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.03%	0.03%	0.01%	0.02%	0.01%	
Bangladesh	UK Net Bilateral ODA	208,245	163,697	148,540	175,830	189,904	DFID 96%, FCO 2%, Other 2%
	of which Humanitarian Assistance	5,186	9,809	6,836	48,954	79,932	
	Percentage of Total Net Bilateral ODA	3.05%	2.14%	1.74%	2.00%	2.05%	
Bhutan	UK Net Bilateral ODA	–	76	62	355	255	FCO 41%, DEFRA 39%, Other 20%
	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	1,931	2,780	2,045	3,985	4,156	FCO 34%, BEIS 34%, Other 33%
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.03%	0.04%	0.02%	0.05%	0.04%	
Central Asia, regional	UK Net Bilateral ODA	–	–	–	5,186	3,280	CSSF 99%, FCO 1%
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.06%	0.04%	
China (People's Republic of)	UK Net Bilateral ODA	-33,601	44,641	46,902	43,911	55,649	BEIS 62%, FCO 26%, Other 12%
	of which Humanitarian Assistance	–	10	150	0	0	
	Percentage of Total Net Bilateral ODA	-0.49%	0.58%	0.55%	0.50%	0.60%	
Far East Asia, regional	UK Net Bilateral ODA	–	–	–	405	19	BEIS 100%
	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%	
Georgia	UK Net Bilateral ODA	4,338	2,854	762	835	1,277	FCO 87%, BEIS 13%
	of which Humanitarian Assistance	–	–	–	0	0	
	Percentage of Total Net Bilateral ODA	0.06%	0.04%	0.01%	0.01%	0.01%	
India	UK Net Bilateral ODA	278,796	185,580	92,620	90,138	94,677	DFID 43%, BEIS 31%, Other 26%
	of which Humanitarian Assistance	7	–	–	100	0	
	Percentage of Total Net Bilateral ODA	4.09%	2.42%	1.09%	1.02%	1.02%	

1. ODA can be negative due to returns from ODA eligible investments or from projects and programmes.

**Table B.2: Total UK net ODA<sup>1</sup> and humanitarian assistance by recipient country**

(continued)

		£000					Main spend departments in 2018 (% share)
		2014	2015	2016	2017	2018	
Indonesia	UK Net Bilateral ODA	15,696	19,864	17,449	25,434	29,932	DFID 59%, BEIS 19%, Other 22%
	of which Humanitarian Assistance	74	–	–	0	3,879	
	Percentage of Total Net Bilateral ODA	0.23%	0.26%	0.20%	0.29%	0.32%	
Iran	UK Net Bilateral ODA	659	993	792	1,621	1,405	FCO 100%
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.01%	0.01%	0.01%	0.02%	0.02%	
Iraq	UK Net Bilateral ODA	38,370	55,437	118,881	82,837	73,945	DFID 49%, CSSF 46%, Other 5%
	of which Humanitarian Assistance	28,548	45,232	87,209	47,958	28,535	
	Percentage of Total Net Bilateral ODA	0.56%	0.72%	1.39%	0.94%	0.80%	
Jordan	UK Net Bilateral ODA	18,538	57,449	174,853	60,979	138,147	DFID 82%, CSSF 14%, Other 4%
	of which Humanitarian Assistance	590	32,766	34,240	3,433	9,698	
	Percentage of Total Net Bilateral ODA	0.27%	0.75%	2.05%	0.69%	1.49%	
Kazakhstan	UK Net Bilateral ODA	1,782	5,425	3,485	1,184	1,822	FCO 86%, BEIS 14%
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.03%	0.07%	0.04%	0.01%	0.02%	
Korea (Democratic People's Republic of)	UK Net Bilateral ODA	277	740	216	40	199	FCO 100%
	of which Humanitarian Assistance	–	–	–	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.01%	0.00%	0.00%	0.00%	
Kyrgyz Republic	UK Net Bilateral ODA	5,952	2,705	1,010	3,556	4,051	DFID 78%, FCO 18%, Other 4%
	of which Humanitarian Assistance	–	–	–	0	0	
	Percentage of Total Net Bilateral ODA	0.09%	0.04%	0.01%	0.04%	0.04%	
Lao People's Democratic Republic	UK Net Bilateral ODA	1,473	2,338	997	654	584	FCO 75%, DEFRA 25%
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.02%	0.03%	0.01%	0.01%	0.01%	
Lebanon	UK Net Bilateral ODA	26,009	99,533	124,037	115,183	96,479	DFID 72%, CSSF 21%, Other 6%
	of which Humanitarian Assistance	6,685	68,350	66,107	44,350	36,732	
	Percentage of Total Net Bilateral ODA	0.38%	1.30%	1.45%	1.31%	1.04%	
Malaysia	UK Net Bilateral ODA	-1,842	5,604	4,263	13,121	9,511	BEIS 69%, FCO 30%, Other 1%
	of which Humanitarian Assistance	–	–	15	0	0	
	Percentage of Total Net Bilateral ODA	-0.03%	0.07%	0.05%	0.15%	0.10%	
Maldives	UK Net Bilateral ODA	-53	184	137	229	284	BEIS 56%, FCO 44%
	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%	
Mongolia	UK Net Bilateral ODA	444	633	363	449	1,290	BEIS 43%, FCO 41%, Other 15%
	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%	
Myanmar	UK Net Bilateral ODA	73,278	113,895	106,922	120,910	100,262	DFID 93%, FCO 3%, Other 3%
	of which Humanitarian Assistance	16,911	12,749	19,451	19,127	17,724	
	Percentage of Total Net Bilateral ODA	1.07%	1.49%	1.25%	1.37%	1.08%	
Nepal	UK Net Bilateral ODA	111,898	88,210	103,030	100,283	95,507	DFID 93%, BEIS 4%, Other 3%
	of which Humanitarian Assistance	–	35,902	13,189	11,010	11,676	
	Percentage of Total Net Bilateral ODA	1.64%	1.15%	1.21%	1.14%	1.03%	
Pakistan	UK Net Bilateral ODA	266,324	373,783	462,648	402,497	331,034	DFID 88%, CSSF 8%, Other 4%
	of which Humanitarian Assistance	20,034	15,590	12,513	7,255	15,772	
	Percentage of Total Net Bilateral ODA	3.90%	4.88%	5.42%	4.57%	3.57%	
Philippines	UK Net Bilateral ODA	56,022	9,117	5,666	7,493	10,150	BEIS 71%, FCO 27%, Other 3%
	of which Humanitarian Assistance	48,299	2,753	40	0	0	
	Percentage of Total Net Bilateral ODA	0.82%	0.12%	0.07%	0.09%	0.11%	
South & Central Asia, regional	UK Net Bilateral ODA	–	–	–	63,535	63,402	FCO 97%, BEIS 3%
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.72%	0.68%	

1. ODA can be negative due to returns from ODA eligible investments or from projects and programmes.

**Table B.2: Total UK net ODA<sup>1</sup> and humanitarian assistance by recipient country**

(continued)

		£000					Main spend departments in 2018 (% share)
		2014	2015	2016	2017	2018	
South Asia, regional	UK Net Bilateral ODA	8,335	8,192	58,131	2,454	4,685	CSSF 32%, DHSC 30%, Other 38%
	of which Humanitarian Assistance	–	–	66	100	0	
	Percentage of Total Net Bilateral ODA	0.12%	0.11%	0.68%	0.03%	0.05%	
Sri Lanka	UK Net Bilateral ODA	5,237	24,613	5,492	5,683	8,444	FCO 49%, CSSF 39%, Other 12%
	of which Humanitarian Assistance	–	0	–	0	0	
	Percentage of Total Net Bilateral ODA	0.08%	0.32%	0.06%	0.06%	0.09%	
Syrian Arab Republic	UK Net Bilateral ODA	129,631	257,708	351,796	313,828	230,843	DFID 80%, CSSF 19%, Other 1%
	of which Humanitarian Assistance	99,480	201,596	220,959	140,145	160,001	
	Percentage of Total Net Bilateral ODA	1.90%	3.36%	4.12%	3.57%	2.49%	
Tajikistan	UK Net Bilateral ODA	13,795	12,064	4,393	2,293	5,127	DFID 92%, FCO 6%, Other 2%
	of which Humanitarian Assistance	101	95	10	0	0	
	Percentage of Total Net Bilateral ODA	0.20%	0.16%	0.05%	0.03%	0.06%	
Thailand	UK Net Bilateral ODA	12,109	3,764	6,709	7,209	8,908	BEIS 76%, FCO 24%
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.18%	0.05%	0.08%	0.08%	0.10%	
Timor-Leste	UK Net Bilateral ODA	45	67	18	230	311	DEFRA 57%, FCO 43%
	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%	
Turkmenistan	UK Net Bilateral ODA	366	459	84	224	281	FCO 100%
	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%	
Uzbekistan	UK Net Bilateral ODA	1,239	1,505	982	2,230	2,243	FCO 98%, DFID 2%
	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	15,189	12,322	9,166	6,786	10,458	BEIS 60%, FCO 31%, Other 9%
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.22%	0.16%	0.11%	0.08%	0.11%	
West Bank & Gaza Strip	UK Net Bilateral ODA	83,358	51,428	22,729	61,367	49,400	DFID 75%, CSSF 14%, Other 11%
	of which Humanitarian Assistance	19,868	912	985	2,400	8,755	
	Percentage of Total Net Bilateral ODA	1.22%	0.67%	0.27%	0.70%	0.53%	
Yemen	UK Net Bilateral ODA	82,119	82,050	126,850	204,923	166,368	DFID 96%, CSSF 3%, Other 1%
	of which Humanitarian Assistance	40,160	74,649	113,632	189,254	147,751	
	Percentage of Total Net Bilateral ODA	1.20%	1.07%	1.49%	2.33%	1.80%	
Middle East, Regional	UK Net Bilateral ODA	148,604	20,472	36,644	64,542	56,030	FCO 79%, BBC World Service 11%, Other 10%
	of which Humanitarian Assistance	139,792	7,981	4,745	2,633	1,321	
	Percentage of Total Net Bilateral ODA	2.18%	0.27%	0.43%	0.73%	0.60%	
Asia, Regional	UK Net Bilateral ODA	42,834	64,516	68,682	108,273	134,380	FCO 38%, DFID 26%, Other 36%
	of which Humanitarian Assistance	–	–	1	1,590	53	
	Percentage of Total Net Bilateral ODA	0.63%	0.84%	0.80%	1.23%	1.45%	
<b>Rest of the World</b>							
Albania	UK Net Bilateral ODA	540	659	368	745	1,126	FCO 50%, CSSF 50%
	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%	
Antigua and Barbuda	UK Net Bilateral ODA	3	3	1	7	96	FCO 52%, DEFRA 48%
	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	961	1,577	1,008	2,654	2,374	FCO 98%, BEIS 2%
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.01%	0.02%	0.01%	0.03%	0.03%	
Belarus	UK Net Bilateral ODA	472	878	393	707	1,233	FCO 100%
	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%	

1. ODA can be negative due to returns from ODA eligible investments or from projects and programmes.

**Table B.2: Total UK net ODA<sup>1</sup> and humanitarian assistance by recipient country**

(continued)

		£000					Main spend departments in 2018 (% share)
		2014	2015	2016	2017	2018	
Belize	UK Net Bilateral ODA	973	1,145	423	700	773	FCO 49%, CSSF 44%, Other 6%
	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%	
Bolivia	UK Net Bilateral ODA	685	826	220	465	573	FCO 68%, DEFRA 32%
	of which Humanitarian Assistance	–	–	3	0	0	
	Percentage of Total Net Bilateral ODA	0.01%	0.01%	0.00%	0.01%	0.01%	
Bosnia and Herzegovina	UK Net Bilateral ODA	3,506	4,432	3,626	3,582	2,529	CSSF 68%, FCO 32%
	of which Humanitarian Assistance	–	990	–	0	0	
	Percentage of Total Net Bilateral ODA	0.05%	0.06%	0.04%	0.04%	0.03%	
Brazil	UK Net Bilateral ODA	10,169	20,886	53,674	21,725	24,957	BEIS 59%, FCO 25%, Other 16%
	of which Humanitarian Assistance	–	–	–	0	0	
	Percentage of Total Net Bilateral ODA	0.15%	0.27%	0.63%	0.25%	0.27%	
Chile	UK Net Bilateral ODA	1,589	4,653	6,724	2,199	0	
	of which Humanitarian Assistance	–	–	–	0	0	
	Percentage of Total Net Bilateral ODA	0.02%	0.06%	0.08%	0.02%	0.00%	
Colombia	UK Net Bilateral ODA	6,874	40,310	24,883	24,106	35,190	CSSF 33%, PF 25%, Other 42%
	of which Humanitarian Assistance	–	–	–	0	100	
	Percentage of Total Net Bilateral ODA	0.10%	0.53%	0.29%	0.27%	0.38%	
Costa Rica	UK Net Bilateral ODA	3,687	1,100	803	636	645	FCO 73%, BEIS 27%
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.05%	0.01%	0.01%	0.01%	0.01%	
Cuba	UK Net Bilateral ODA	3,957	1,329	2,688	4,351	4,650	UKEF 76%, FCO 24%
	of which Humanitarian Assistance	–	–	–	0	0	
	Percentage of Total Net Bilateral ODA	0.06%	0.02%	0.03%	0.05%	0.05%	
Dominica	UK Net Bilateral ODA	0	492	44	79	395	DFID 89%, BEIS 10%, Other 2%
	of which Humanitarian Assistance	–	492	17	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.01%	0.00%	0.00%	0.00%	
Dominican Republic	UK Net Bilateral ODA	409	1,461	7	283	447	FCO 100%
	of which Humanitarian Assistance	–	–	–	0	0	
	Percentage of Total Net Bilateral ODA	0.01%	0.02%	0.00%	0.00%	0.00%	
Ecuador	UK Net Bilateral ODA	244	315	92	290	407	FCO 94%, BEIS 6%
	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%	
El Salvador	UK Net Bilateral ODA	212	476	36	253	333	FCO 100%
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.01%	0.00%	0.00%	0.00%	
Fiji	UK Net Bilateral ODA	1,086	1,262	194	1,103	251	FCO 59%, Colonial Pensions 41%
	of which Humanitarian Assistance	–	–	–	0	0	
	Percentage of Total Net Bilateral ODA	0.02%	0.02%	0.00%	0.01%	0.00%	
Grenada	UK Net Bilateral ODA	1	48	0	82	179	BEIS 76%, FCO 24%
	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	1,077	1,068	1,100	963	2,251	BEIS 89%, FCO 11%
	of which Humanitarian Assistance	–	–	–	0	0	
	Percentage of Total Net Bilateral ODA	0.02%	0.01%	0.01%	0.01%	0.02%	
Guyana	UK Net Bilateral ODA	1,042	2,229	658	1,375	1,122	FCO 51%, CSSF 19%, Other 29%
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.02%	0.03%	0.01%	0.02%	0.01%	
Haiti	UK Net Bilateral ODA	4,685	3,850	5,996	4,871	190	FCO 49%, BEIS 34%, Other 17%
	of which Humanitarian Assistance	3,627	2,731	4,873	4,610	32	
	Percentage of Total Net Bilateral ODA	0.07%	0.05%	0.07%	0.06%	0.00%	

1. ODA can be negative due to returns from ODA eligible investments or from projects and programmes.



**Table B.2: Total UK net ODA<sup>1</sup> and humanitarian assistance by recipient country**

(continued)

		£000					Main spend departments in 2018 (% share)
		2014	2015	2016	2017	2018	
Honduras	UK Net Bilateral ODA	27	184	176	474	379	FCO 68%, DEFRA 25%, Other 6%
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.01%	0.00%	
Jamaica	UK Net Bilateral ODA	6,177	7,709	6,460	7,834	8,044	DFID 64%, FCO 20%, Other 16%
	of which Humanitarian Assistance	–	8	–	0	0	
	Percentage of Total Net Bilateral ODA	0.09%	0.10%	0.08%	0.09%	0.09%	
Kiribati	UK Net Bilateral ODA	18	12	12	18	9	Colonial Pensions 107%, BEIS -7%
	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	5,839	4,686	3,500	3,251	3,130	CSSF 78%, FCO 22%
	of which Humanitarian Assistance	–	314	–	0	0	
	Percentage of Total Net Bilateral ODA	0.09%	0.06%	0.04%	0.04%	0.03%	
Marshall Islands	UK Net Bilateral ODA	–	–	–	239	57	BEIS 100%
	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	-959	12,927	11,465	13,288	16,610	BEIS 50%, FCO 35%, Other 15%
	of which Humanitarian Assistance	–	–	4	0	0	
	Percentage of Total Net Bilateral ODA	-0.01%	0.17%	0.13%	0.15%	0.18%	
Micronesia	UK Net Bilateral ODA	–	–	–	5	70	DEFRA 100%
	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%	
Moldova	UK Net Bilateral ODA	1,464	1,292	210	216	228	FCO 100%
	of which Humanitarian Assistance	–	9	–	0	0	
	Percentage of Total Net Bilateral ODA	0.02%	0.02%	0.00%	0.00%	0.00%	
Montenegro	UK Net Bilateral ODA	507	1,011	583	1,037	1,011	CSSF 53%, FCO 47%
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.01%	0.01%	0.01%	0.01%	0.01%	
Montserrat	UK Net Bilateral ODA	20,302	33,108	28,534	27,494	26,157	DFID 87%, CSSF 11%, Other 2%
	of which Humanitarian Assistance	–	–	–	0	196	
	Percentage of Total Net Bilateral ODA	0.30%	0.43%	0.33%	0.31%	0.28%	
Nauru	UK Net Bilateral ODA	15	–	–	0	0	
	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	74	160	16	261	366	FCO 39%, DEFRA 31%, Other 30%
	of which Humanitarian Assistance	–	–	–	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
North Macedonia	UK Net Bilateral ODA	2,139	2,144	1,839	1,957	2,969	CSSF 80%, FCO 20%, Other 1%
	of which Humanitarian Assistance	–	–	–	0	0	
	Percentage of Total Net Bilateral ODA	0.03%	0.03%	0.02%	0.02%	0.03%	
Palau	UK Net Bilateral ODA	–	–	–	0	0	
	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	448	1,871	857	1,052	881	FCO 83%, BEIS 14%, Other 3%
	of which Humanitarian Assistance	–	–	–	0	0	
	Percentage of Total Net Bilateral ODA	0.01%	0.02%	0.01%	0.01%	0.01%	
Papua New Guinea	UK Net Bilateral ODA	1,097	947	785	614	1,276	BEIS 76%, FCO 15%, Other 9%
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.02%	0.01%	0.01%	0.01%	0.01%	
Paraguay	UK Net Bilateral ODA	150	488	121	303	806	FCO 88%, DEFRA 12%
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.01%	0.00%	0.00%	0.01%	

1. ODA can be negative due to returns from ODA eligible investments or from projects and programmes.

**Table B.2: Total UK net ODA<sup>1</sup> and humanitarian assistance by recipient country**

(continued)

		£000					Main spend departments in 2018 (% share)
		2014	2015	2016	2017	2018	
Peru	UK Net Bilateral ODA	11	2,158	2,989	3,520	6,184	BEIS 57%, FCO 42%, Other 1%
	of which Humanitarian Assistance	–	–	–	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.03%	0.04%	0.04%	0.07%	
Samoa	UK Net Bilateral ODA	–	–	–	166	59	FCO 76%, DEFRA 24%
	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	2,995	3,813	2,081	2,390	3,890	FCO 92%, CSSF 8%
	of which Humanitarian Assistance	–	990	–	0	0	
	Percentage of Total Net Bilateral ODA	0.04%	0.05%	0.02%	0.03%	0.04%	
Solomon Islands	UK Net Bilateral ODA	784	517	112	251	896	BEIS 83%, FCO 12%, Other 4%
	of which Humanitarian Assistance	300	–	–	0	0	
	Percentage of Total Net Bilateral ODA	0.01%	0.01%	0.00%	0.00%	0.01%	
South America, regional	UK Net Bilateral ODA	–	–	–	112,042	73,720	DECC 72%, FCO 22%, Other 6%
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	1.27%	0.80%	
Saint Lucia	UK Net Bilateral ODA	188	175	43	120	78	FCO 100%
	of which Humanitarian Assistance	–	–	–	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
Saint Vincent & Grenadines	UK Net Bilateral ODA	0	110	0	163	64	FCO 100%
	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%	
States Ex-Yugoslavia unspecified	UK Net Bilateral ODA	–	–	–	210	0	
	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%	
Suriname	UK Net Bilateral ODA	–	32	–	22	39	FCO 100%
	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%	
Tonga	UK Net Bilateral ODA	8	1	–	22	59	FCO 100%
	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%	
Turkey	UK Net Bilateral ODA	8,485	6,290	95,513	137,907	72,447	DFID 88%, BEIS 5%, Other 7%
	of which Humanitarian Assistance	3,884	1,290	4,031	1,000	17,912	
	Percentage of Total Net Bilateral ODA	0.12%	0.08%	1.12%	1.57%	0.78%	
Tuvalu	UK Net Bilateral ODA	–	26	–	0	44	FCO 100%
	of which Humanitarian Assistance	–	–	–	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.00%	0.00%	0.00%	0.00%	
Ukraine	UK Net Bilateral ODA	7,505	28,640	31,615	15,993	28,184	DFID 48%, CSSF 34%, Other 19%
	of which Humanitarian Assistance	1,250	11,246	7,809	1,603	12,394	
	Percentage of Total Net Bilateral ODA	0.11%	0.37%	0.37%	0.18%	0.30%	
Uruguay	UK Net Bilateral ODA	238	1,523	694	303	0	
	of which Humanitarian Assistance	–	–	–	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.02%	0.01%	0.00%	0.00%	
Vanuatu	UK Net Bilateral ODA	12	2,451	960	58	7	Colonial Pensions 69%, DEFRA 31%
	of which Humanitarian Assistance	–	2,403	860	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.03%	0.01%	0.00%	0.00%	
Venezuela	UK Net Bilateral ODA	1,428	1,408	1,004	1,364	1,300	FCO 94%, CSSF 6%
	of which Humanitarian Assistance	–	–	–	0	0	
	Percentage of Total Net Bilateral ODA	0.02%	0.02%	0.01%	0.02%	0.01%	
North & Central America, Regional	UK Net Bilateral ODA	2,102	4,376	24,573	15,473	24,698	FCO 75%, BBC World Service 24%, Other 1%
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.03%	0.06%	0.29%	0.18%	0.27%	

1. ODA can be negative due to returns from ODA eligible investments or from projects and programmes.

**Table B.2: Total UK net ODA<sup>1</sup> and humanitarian assistance by recipient country**

(continued)

		£000					Main spend departments in 2018 (% share)
		2014	2015	2016	2017	2018	
West Indies, Regional	UK Net Bilateral ODA	6,548	7,772	61,366	92,058	110,482	DFID 100%
	of which Humanitarian Assistance	231	–	–	7,801	968	
	Percentage of Total Net Bilateral ODA	0.10%	0.10%	0.72%	1.05%	1.19%	
America, Regional	UK Net Bilateral ODA	61	2,312	5,541	4,977	11,021	DEFRA 71%, CSSF 27%, Other 3%
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.03%	0.06%	0.06%	0.12%	
Europe, Regional	UK Net Bilateral ODA	183	1,208	16,574	54,778	77,821	CSSF 67%, FCO 31%, Other 2%
	of which Humanitarian Assistance	0	0	0	0	0	
	Percentage of Total Net Bilateral ODA	0.00%	0.02%	0.19%	0.62%	0.84%	
Oceania, Regional	UK Net Bilateral ODA	4,367	3,073	3,688	3,387	8,299	DFID 89%, CSSF 6%, Other 5%
	of which Humanitarian Assistance	–	–	–	0	45	
	Percentage of Total Net Bilateral ODA	0.06%	0.04%	0.04%	0.04%	0.09%	
<b>Total Africa</b>	<b>UK Net Bilateral ODA</b>	<b>2,636,502</b>	<b>2,759,072</b>	<b>2,858,083</b>	<b>2,996,212</b>	<b>2,863,400</b>	<b>DFID 84%, FCO 6%, Other 10%</b>
	<b>Percentage of Total Net Bilateral ODA</b>	<b>38.64%</b>	<b>36.01%</b>	<b>33.49%</b>	<b>34.04%</b>	<b>30.91%</b>	
	<b>Percentage of Gross National Income</b>	<b>0.16%</b>	<b>0.16%</b>	<b>0.15%</b>	<b>0.15%</b>	<b>0.14%</b>	
<b>Total Asia</b>	<b>UK Net Bilateral ODA</b>	<b>1,818,014</b>	<b>2,084,432</b>	<b>2,344,122</b>	<b>2,330,189</b>	<b>2,235,035</b>	<b>DFID 69%, FCO 12%, Other 19%</b>
	<b>Percentage of Total Net Bilateral ODA</b>	<b>26.65%</b>	<b>27.20%</b>	<b>27.47%</b>	<b>26.47%</b>	<b>24.13%</b>	
	<b>Percentage of Gross National Income</b>	<b>0.11%</b>	<b>0.12%</b>	<b>0.12%</b>	<b>0.12%</b>	<b>0.11%</b>	
<b>Rest of the World</b>	<b>UK Net Bilateral ODA</b>	<b>114,384</b>	<b>222,537</b>	<b>404,249</b>	<b>574,423</b>	<b>561,005</b>	<b>DFID 40%, FCO 20%, Other 41%</b>
	<b>Percentage of Total Net Bilateral ODA</b>	<b>1.68%</b>	<b>2.90%</b>	<b>4.74%</b>	<b>6.53%</b>	<b>6.06%</b>	
	<b>Percentage of Gross National Income</b>	<b>0.01%</b>	<b>0.01%</b>	<b>0.02%</b>	<b>0.03%</b>	<b>0.03%</b>	
<b>Unspecified Region</b>	<b>UK Net Bilateral ODA</b>	<b>2,253,590</b>	<b>2,596,162</b>	<b>2,927,705</b>	<b>2,902,098</b>	<b>3,603,427</b>	<b>DFID 61%, HO 9%, Other 30%</b>
	<b>Percentage of Total Net Bilateral ODA</b>	<b>33.03%</b>	<b>33.88%</b>	<b>34.31%</b>	<b>32.97%</b>	<b>38.90%</b>	
	<b>Percentage of Gross National Income</b>	<b>0.13%</b>	<b>0.15%</b>	<b>0.15%</b>	<b>0.14%</b>	<b>0.17%</b>	
<b>Total UK Net Bilateral ODA</b>	<b>UK Net Bilateral ODA</b>	<b>6,822,491</b>	<b>7,662,203</b>	<b>8,534,159</b>	<b>8,802,923</b>	<b>9,262,868</b>	<b>DFID 69%, FCO 7%, Other 25%</b>
	<b>Percentage of Total Net Bilateral ODA</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	
	<b>Percentage of Gross National Income</b>	<b>0.41%</b>	<b>0.44%</b>	<b>0.45%</b>	<b>0.44%</b>	<b>0.44%</b>	
<b>Low Income Countries</b>	<b>UK Net Bilateral ODA</b>	<b>2,563,631</b>	<b>2,766,410</b>	<b>2,591,475</b>	<b>2,645,258</b>	<b>2,495,551</b>	<b>DFID 91%, CSSF 4%, Other 5%</b>
	<b>Percentage of Total Net Bilateral ODA</b>	<b>37.58%</b>	<b>36.10%</b>	<b>30.37%</b>	<b>30.05%</b>	<b>26.94%</b>	
	<b>Percentage of Gross National Income</b>	<b>0.15%</b>	<b>0.16%</b>	<b>0.14%</b>	<b>0.13%</b>	<b>0.12%</b>	
<b>Total UK Net Multilateral ODA</b>	<b>UK Net Multilateral ODA</b>	<b>4,877,981</b>	<b>4,473,393</b>	<b>4,842,973</b>	<b>5,256,167</b>	<b>5,288,977</b>	
	<b>Percentage of Gross National Income</b>	<b>0.29%</b>	<b>0.26%</b>	<b>0.25%</b>	<b>0.26%</b>	<b>0.25%</b>	

1. ODA can be negative due to returns from ODA eligible investments or from projects and programmes.

**Table B.3: Largest spending department of UK net ODA by recipient country**

DFID is the majority spending department in the following countries:

	£000		Percentage of Total ODA by dept.
	DFID Net ODA Spend in 2018	Total UK Net ODA Spend in 2018	
Afghanistan	182,032	248,699	DFID 73% , CSSF 24%, Other 3%
Africa, regional	261,538	425,127	DFID 62%, FCO 28%, Other 10%
Bangladesh	183,194	189,904	DFID 96%, FCO 2%, Other 2%
Burundi	3,690	4,025	DFID 92%, CSSF 6%, Other 2%
Cameroon	8,598	10,341	DFID 83%, BEIS 6%, Other 11%
Central African Republic	14,531	25,967	DFID 56%, BBC 44%
Democratic Republic of the Congo	201,864	203,708	DFID 99%, CSSF 1%
Congo	1,500	1,792	DFID 84%, DEFRA 16%
Developing countries, unspecified	2,191,944	3,603,427	DFID 70%, Home Office 11%, Other 20%
Dominica	350	395	DFID 89%, BEIS 10%, Other 2%
Eritrea	2,690	2,753	DFID 98%, FCO 2%
Ethiopia	295,582	301,442	DFID 98%, BEIS 1%, Other 1%
Ghana	33,421	37,680	DFID 89%, FCO 7%, Other 5%
India	40,345	94,677	DFID 43%, BEIS 31%, Other 26%
Indonesia	17,223	29,932	DFID 59%, BEIS 19%, Other 22%
Iraq	36,385	73,945	DFID 49%, CSSF 46%, Other 5%
Jamaica	5,155	8,044	DFID 64%, FCO 20%, Other 16%
Jordan	113,375	138,147	DFID 82%, CSSF 14%, Other 4%
Kenya	101,811	116,123	DFID 88%, BEIS 9%, Other 3%
Kyrgyz Republic	3,147	4,051	DFID 78%, FCO 18%, Other 4%
Lebanon	69,842	96,479	DFID 72% , CSSF 21%, Other 6%
Malawi	75,826	84,087	DFID 90%, SG 6%, Other 3%
Montserrat	22,649	26,157	DFID 87%, CSSF 11%, Other 2%
Mozambique	69,905	70,895	DFID 99%, FCO 1%, Other 1%
Myanmar	93,478	100,262	DFID 93%, FCO 3%, Other 3%
Nepal	88,739	95,507	DFID 93%, BEIS 4%, Other 3%
Nigeria	271,525	296,819	DFID 92%, CSSF 5%, Other 3%
Oceania, regional	7,395	8,299	DFID 89%, CSSF 6%, Other 5%
Pakistan	291,457	331,034	DFID 88%, CSSF 8%, Other 4%
Rwanda	49,092	54,746	DFID 90%, FCO 5%, Other 5%
Sierra Leone	90,524	93,712	DFID 97%, CSSF 2%, Other 2%
Somalia	170,163	193,766	DFID 88%, CSSF 12%
South of Sahara, regional	137,121	148,213	DFID 93%, DH 7%
South Sudan	146,311	151,313	DFID 97%, CSSF 2%, Other 1%
Saint Helena	36,837	41,301	DFID 89%, CSSF 10%, Other 1%
Sudan	83,733	89,447	DFID 94%, CSSF 3%, Other 4%
Syrian Arab Republic	184,198	230,843	DFID 80%, CSSF 19%, Other 1%
Tajikistan	4,713	5,127	DFID 92%, FCO 6%, Other 2%
Tanzania	146,330	152,043	DFID 96%, BEIS 3%, Other 1%
Turkey	63,978	72,447	DFID 88%, BEIS 5%, Other 7%
Uganda	95,098	107,413	DFID 89%, BEIS 9%, Other 2%
Ukraine	13,391	28,184	DFID 48%, CSSF 34%, Other 19%
West Bank & Gaza Strip	37,281	49,400	DFID 75%, CSSF 14%, Other 11%
West Indies, regional	110,248	110,482	DFID 100%

**Table B.3: Largest spending department of UK net ODA by recipient country** (continued)

DFID is the majority spending department in the following countries:

	£000		Percentage of Total ODA by dept.
	DFID Net ODA Spend in 2018	Total UK Net ODA Spend in 2018	
Yemen	160,356	166,368	DFID 96%, CSSF 3%, Other 1%
Zambia	24,368	28,281	DFID 86%, SG 6%, Other 8%
Zimbabwe	90,252	93,865	DFID 96%, FCO 3%, Other 1%

**Table B.3: Largest spending department of UK net ODA by recipient country** (continued)

The Foreign and Commonwealth Office is the majority spending department in the following countries:

	£000		Percentage of Total ODA by dept.
	FCO Net ODA Spend in 2018	Total UK Net ODA Spend in 2018	
Albania	565	1,126	FCO 50%, CSSF 50%
Angola	274	446	FCO 61%, DEFRA 25%, Other 13%
Antigua and Barbuda	50	96	FCO 52%, DEFRA 48%
Argentina	2,325	2,374	FCO 98% , BEIS 2%
Armenia	862	862	FCO 100%
Asia, regional	50,916	134,380	FCO 38%, DFID 26%, Other 36%
Azerbaijan	776	776	FCO 100%
Belarus	1,233	1,233	FCO 100%
Belize	380	773	FCO 49%, CSSF 44%, Other 6%
Bhutan	104	255	FCO 41%, DEFRA 39%, Other 20%
Bolivia	391	573	FCO 68%, DEFRA 32%
Cambodia	1,403	4,156	FCO 34%, BEIS 34%, Other 33%
Chad	15	15	FCO 100%
Costa Rica	469	645	FCO 73%, BEIS 27%
Djibouti	50	50	FCO 100%
Dominican Republic	447	447	FCO 100%
Ecuador	382	407	FCO 94%, BEIS 6%
El Salvador	333	333	FCO 100%
Eswatini	278	281	FCO 99%, Colonial Pensions 1%
Fiji	148	251	FCO 59%, Colonial Pensions 41%
Gabon	15	15	FCO 100%
Georgia	1,107	1,277	FCO 87%, BEIS 13%
Guyana	575	1,122	FCO 51%, CSSF 19%, Other 29%
Haiti	94	190	FCO 49%, BEIS 34%, Other 17%
Honduras	259	379	FCO 68% , DEFRA 25%, Other 6%
Iran	1,405	1,405	FCO 100%
Kazakhstan	1,570	1,822	FCO 86%, BEIS 14%
Korea (Democratic People's Republic of)	199	199	FCO 100%
Lao People's Democratic Republic	439	584	FCO 75%, DEFRA 25%
Mauritania	36	36	FCO 100%
Mauritius	505	508	FCO 99%, Colonial Pensions 1%
Middle East, regional	43,720	56,030	FCO 79%, BBC 11%, Other 10%
Moldova	228	228	FCO 100%
Namibia	311	417	FCO 75%, BEIS 25%
Nicaragua	144	366	FCO 39%, DEFRA 31%, Other 30%
North & Central America, regional	18,627	24,698	FCO 75%, BBC 24%, Other 1%
Panama	730	881	FCO 83%, BEIS 14%, Other 3%
Paraguay	709	806	FCO 88%, DEFRA 12%
Samoa	44	59	FCO 76%, DEFRA 24%
Senegal	451	784	FCO 58%, BEIS 42%
Serbia	3,566	3,890	FCO 92%, CSSF 8%
South & Central Asia, regional	61,187	63,402	FCO 97%, BEIS 3%
Sri Lanka	4,133	8,444	FCO 49%, CSSF 39%, Other 12%
Saint Lucia	78	78	FCO 100%

**Table B.3: Largest spending department of UK net ODA by recipient country** (continued)

The Foreign and Commonwealth Office is the majority spending department in the following countries:

	£000		Percentage of Total ODA by dept.
	FCO Net ODA Spend in 2018	Total UK Net ODA Spend in 2018	
Saint Vincent & Grenadines	66	64	FCO 100%
Suriname	39	39	FCO 100%
Tonga	59	59	FCO 100%
Turkmenistan	281	281	FCO 100%
Tuvalu	44	44	FCO 100%
Uzbekistan	2,202	2,243	FCO 98%, DFID 2%
Venezuela	1,220	1,300	FCO 94%, CSSF 6%

The Department for Business, Energy and Industrial Strategy is the majority spending department in the following countries:

	£000		Percentage of Total ODA by dept.
	BEIS Net ODA Spend in 2018	Total UK Net ODA Spend in 2018	
Benin	383	389	BEIS 98%, FCO 2%
Botswana	786	1,113	BEIS 71%, FCO 29%, Other 1%
Brazil	14,718	24,957	BEIS 59%, FCO 25%, Other 16%
Burkina Faso	1,737	1,825	BEIS 95%, DEFRA 5%
Cabo Verde	315	387	BEIS 81%, FCO 19%
China (People's Republic of)	34,699	55,649	BEIS 62%, FCO 26%, Other 12%
Cote d'Ivoire	369	592	BEIS 62%, FCO 25%, Other 13%
Far East Asia, regional	19	19	BEIS 100%
Gambia	15,828	16,134	BEIS 98%, FCO 2%
Grenada	136	179	BEIS 76%, FCO 24%
Guatemala	2,004	2,251	BEIS 89%, FCO 11%
Guinea-Bissau	23	23	BEIS 100%
Liberia	221	604	BEIS 37%, DFID 32%, Other 31%
Malaysia	6,583	9,511	BEIS 69%, FCO 30%, Other 1%
Maldives	158	284	BEIS 56%, FCO 44%
Marshall Islands	57	57	BEIS 100%
Mexico	8,234	16,610	BEIS 50%, FCO 35%, Other 15%
Mongolia	559	1,290	BEIS 43%, FCO 41%, Other 15%
Papua New Guinea	975	1,276	BEIS 76%, FCO 15%, Other 9%
Peru	3,502	6,184	BEIS 57%, FCO 42%, Other 1%
Philippines	7,162	10,150	BEIS 71%, FCO 27%, Other 3%
Solomon Islands	747	896	BEIS 83%, FCO 12%, Other 4%
South Africa	21,048	29,458	BEIS 71%, FCO 20%, Other 8%
Thailand	6,752	8,908	BEIS 76%, FCO 24%
Vietnam	6,301	10,458	BEIS 60%, FCO 31%, Other 9%

The Conflict, Security and Stability Fund is the majority spending department in the following countries:

	£000		Percentage of Total ODA by dept.
	CSSF Net ODA Spend in 2018	Total UK Net ODA Spend in 2018	
Algeria	6,289	6,613	CSSF 95%, FCO 5%
Bosnia and Herzegovina	1,717	2,529	CSSF 68%, FCO 32%
Central Asia, regional	3,254	3,280	CSSF 99%, FCO 1%
Colombia	11,594	35,190	CSSF 33%, PF 25%, Other 42%
Egypt	10,081	22,510	CSSF 45%, FCO 32%, Other 23%
Europe, regional	52,290	77,821	CSSF 67%, FCO 31%, Other 2%

	£000		Percentage of Total ODA by dept.
	CSSF Net ODA Spend in 2018	Total UK Net ODA Spend in 2018	
Kosovo	2,443	3,130	CSSF 78%, FCO 22%
Libya	9,757	13,162	CSSF 74%, DFID 15%, Other 11%
Mali	5,714	6,265	CSSF 91%, DEFRA 5%, Other 4%
Montenegro	532	1,011	CSSF 53%, FCO 47%
Morocco	3,480	5,279	CSSF 66%, FCO 28%, Other 6%
Niger	630	881	CSSF 71%, BEIS 22%, Other 7%
North Macedonia	2,363	2,969	CSSF 80%, FCO 20%, Other 1%
North of Sahara, regional	5,719	5,757	CSSF 99%, BEIS 1%
South Asia, regional	1,488	4,685	CSSF 32%, DH 30%, Other 38%
Tunisia	9,355	11,753	CSSF 80%, FCO 17%, Other 4%



**Table B.4: UK Gross Bilateral ODA by Sector**

					£000
Sector description	2014	2015	2016	2017	2018
<b>Social Infrastructure &amp; Services:</b>					
Education	823,916	655,618	967,665	788,723	699,494
Health	772,548	648,512	717,120	965,568	986,232
Population policies/programmes and reproductive health	480,557	371,613	338,224	367,252	369,751
Water supply and sanitation	180,847	184,616	170,458	177,032	208,044
Government and Civil Society	865,446	1,032,961	1,132,940	1,172,896	1,210,447
Other social infrastructure and services	201,850	294,593	431,940	236,366	215,440
<b>Economic Infrastructure &amp; Services:</b>					
Transport and storage	159,582	153,717	160,606	215,796	141,699
Communications	11,885	1,299	9,039	4,705	4,891
Energy	108,993	114,028	200,489	117,630	229,752
Banking and financial services	306,077	538,501	392,604	366,552	649,617
Business and other services	39,153	90,091	89,780	69,256	117,309
<b>Production sectors:</b>					
Agriculture, forestry and fishing	282,161	423,575	363,985	396,265	322,906
Industry, mining and construction	91,619	87,098	119,568	241,283	343,827
Trade policies and regulations	60,005	53,746	45,919	79,569	71,290
Tourism	12	1,169	1,573	1,984	1,333
<b>Multi-sector/cross cutting:<sup>1</sup></b>					
General environmental protection	358,318	328,437	318,790	326,323	372,040
Other multisector	300,891	388,328	588,135	586,448	694,104
<b>Non-sector allocable:</b>					
General budget support	52,635	49,706	60,000	0	0
Developmental food aid/food security assistance	23,781	23,750	35,392	48,590	35,549
Action relating to debt	3,232	0	2,249	2,891	3,534
Humanitarian Assistance	1,118,958	1,271,577	1,299,391	1,455,582	1,303,539
Administrative costs of donors	385,878	400,096	469,749	543,812	657,700
Support to non-governmental organisations <sup>2</sup>	312,751	301,492	254,353	311,586	296,031
Refugees in Donor Countries	134,791	244,655	410,094	378,063	369,676
Non Sector Allocable	113,970	88,928	66,406	46,633	85,461
<b>Total UK Gross Bilateral ODA</b>	<b>7,189,857</b>	<b>7,748,103</b>	<b>8,646,472</b>	<b>8,900,805</b>	<b>9,389,666</b>

1. Excludes spend through NGOs.

2. This category is limited to spend with NGOs where there are crosscutting activities in a programme or no sectors to allocate (eg unearmarked contributions).

**Table B.5: Imputed UK share of Multilateral Net ODA by country<sup>1, 3</sup>**

	£000				
	2014	2015	2016	2017	2018
<b>North Africa</b>					
Algeria	7,133	5,758	5,910	5,508	5,549
Egypt	33,315	35,518	32,815	21,616	29,748
Libya	7,118	2,839	3,254	5,978	7,325
Morocco	205,179	169,545	79,123	52,945	28,293
Tunisia	39,236	38,191	37,734	36,676	30,687
North Africa, regional	12,804	6,667	9,433	2,118	4,303
<b>Sub-Saharan Africa</b>					
Angola	16,612	12,453	15,094	16,439	12,836
Benin	32,474	20,765	26,112	54,725	30,220
Botswana	3,375	1,574	1,565	2,982	1,812
Burkina Faso	58,950	59,941	76,402	48,264	75,681
Burundi	25,598	20,664	18,341	18,944	26,542
Cabo Verde	5,660	4,626	4,315	3,112	2,707
Cameroon	40,190	27,048	29,420	205,580	45,912
Central African Republic	28,907	20,169	36,924	51,320	35,629
Chad	21,206	82,484	62,933	58,871	45,227
Comoros	4,026	3,445	2,750	3,732	3,960
Congo	5,492	5,584	5,743	6,107	8,313
Democratic Republic of the Congo	130,706	111,872	102,221	99,768	139,728
Djibouti	5,213	3,246	3,661	4,090	6,232
Equatorial Guinea	256	293	360	306	658
Eritrea	6,345	3,529	4,183	3,967	6,666
Eswatini <sup>4</sup>	2,968	4,275	4,895	5,221	3,557
Ethiopia	188,055	130,648	189,132	170,830	347,014
Gabon	980	1,226	1,553	1,308	991
Gambia	7,299	4,512	6,138	25,816	13,005
Ghana	62,985	106,076	161,102	113,141	44,841
Guinea	27,518	33,488	45,353	34,368	28,392
Guinea-Bissau	7,733	6,569	8,479	11,008	13,907
Ivory Coast	53,899	49,431	52,201	101,291	54,839
Kenya	138,384	102,234	90,262	102,299	138,271
Lesotho	5,248	3,304	5,574	7,142	9,403
Liberia	26,317	43,674	39,781	28,548	22,185
Madagascar	37,042	35,667	52,751	114,415	40,975
Malawi	44,463	38,144	76,814	77,124	49,692
Mali	48,190	49,755	70,409	75,676	65,123
Mauritania	9,008	8,567	12,883	24,989	16,316
Mauritius	1,085	5,030	3,806	1,463	2,320
Mozambique	77,810	67,528	59,809	52,614	64,258
Namibia	4,518	2,852	3,399	4,743	3,833
Niger	58,950	51,143	61,324	84,739	58,710
Nigeria	167,982	123,022	130,383	149,191	188,814
Rwanda	56,527	42,634	96,354	98,947	62,062
Saint Helena	443	16	462	22	839
Sao Tome and Principe	1,998	1,339	3,199	3,082	2,739
Senegal	35,021	30,502	33,186	33,840	38,482
Seychelles	406	217	965	417	–
Sierra Leone	32,890	36,263	48,422	49,599	18,795

**Table B.5: Imputed UK share of Multilateral Net ODA by country<sup>1, 3</sup>**

(continued)

	£000				
	2014	2015	2016	2017	2018
Somalia	18,474	23,610	21,061	32,357	31,233
South Africa	55,200	71,452	22,897	18,134	22,931
South Sudan	25,761	26,938	29,537	38,545	18,268
Sudan	25,152	17,436	20,876	20,130	30,800
Tanzania	140,475	105,151	81,167	107,303	121,092
Togo	14,745	10,036	10,123	59,672	14,558
Uganda	61,981	57,856	58,228	61,621	77,584
Zambia	27,838	26,825	33,649	28,796	40,274
Zimbabwe	22,311	22,539	18,430	19,729	32,429
<i>Sub-Saharan Africa, regional</i>	44,257	33,541	44,405	35,867	79,447
<i>Africa, regional</i>	64,345	57,098	123,271	81,994	91,337
<b>Middle East</b>					
Iran	2,232	975	3,953	2,046	2,557
Iraq	15,909	15,475	20,486	17,353	22,671
Jordan	25,288	29,016	35,333	27,441	25,877
Lebanon	23,940	22,089	21,171	22,049	21,679
Syria	16,514	25,844	34,054	29,245	46,784
West Bank and Gaza Strip	54,545	58,604	56,928	45,734	53,192
Yemen	42,004	13,980	21,435	73,813	74,784
<i>Middle East, regional</i>	5,715	9,506	7,584	4,934	7,587
<b>South and Central Asia</b>					
Afghanistan	63,647	40,982	66,687	65,771	82,231
Armenia	9,933	17,055	13,098	8,993	6,897
Azerbaijan	9,526	5,066	4,328	9,183	3,719
Bangladesh	127,938	135,225	133,026	158,056	237,126
Bhutan	3,368	3,280	1,849	4,678	6,612
Burma	29,004	25,324	37,475	40,806	49,370
Georgia	21,234	18,921	21,870	21,610	23,006
India	345,024	174,101	215,000	179,239	193,239
Kazakhstan	2,863	10,435	2,452	2,614	1,411
Kyrgyz republic	13,680	13,755	25,251	24,409	11,143
Maldives	1,536	1,037	1,090	1,172	933
Nepal	41,393	49,192	42,120	42,092	88,270
Pakistan	218,696	186,903	130,908	104,591	106,397
Sri Lanka	28,413	25,268	30,417	24,889	67,688
Tajikistan	11,443	10,919	9,911	8,284	17,025
Turkmenistan	969	778	1,177	1,049	954
Uzbekistan	17,183	16,018	16,460	11,416	26,478
<i>South Asia, regional</i>	1,022	1,196	3,489	1,981	3,664
<i>Central Asia, regional</i>	2,300	4,374	3,174	2,475	2,657
<i>South &amp; Central Asia, regional</i>	2,302	2,475	1,097	465	191
<b>Far East Asia</b>					
Cambodia	20,487	13,456	14,711	10,712	14,937
China	11,191	11,729	19,442	11,284	16,889
Indonesia	25,543	17,212	13,668	29,409	13,444
Democratic People's Republic of Korea	4,379	3,527	3,175	5,377	4,982
Lao People's Democratic Republic	11,146	6,190	11,456	14,086	125,934
Malaysia	1,365	410	1,152	1,613	847

**Table B.5: Imputed UK share of Multilateral Net ODA by country<sup>1, 3</sup>**

(continued)

	£000				
	2014	2015	2016	2017	2018
Mongolia	4,907	3,847	3,995	15,463	5,569
Philippines	11,960	9,071	8,357	8,492	10,034
Thailand	7,039	3,596	5,250	4,297	3,308
Timor-Leste	4,263	3,277	4,552	4,708	2,629
Vietnam	184,983	104,229	90,265	83,573	105,967
<i>Far East Asia, regional</i>	6,440	5,027	4,049	5,785	8,377
<i>Asia, regional</i>	7,556	8,467	12,949	5,856	7,906
<b>Latin America and the Caribbean</b>					
Antigua and Barbuda	125	25	212	490	1,320
Belize	1,483	2,162	3,584	2,121	1,510
Costa Rica	1,127	2,215	2,687	2,248	2,441
Cuba	1,554	2,113	2,106	2,998	1,916
Dominica	469	1,914	1,524	2,216	2,016
Dominican Republic	5,809	3,824	5,109	3,822	5,138
El Salvador	1,947	2,049	2,699	2,585	5,097
Grenada	3,216	3,904	4,519	3,037	4,515
Guatemala	5,077	3,851	3,631	5,928	4,228
Haiti	23,252	23,425	42,298	18,918	29,929
Honduras	15,893	13,322	9,459	9,179	9,484
Jamaica	5,016	5,941	4,822	2,394	3,912
Mexico	26,760	6,262	20,688	8,851	2,031
Montserrat	384	413	31	145	502
Nicaragua	11,100	11,451	11,920	10,617	13,588
Panama	1,523	621	2,133	1,830	2,233
Saint Lucia	1,028	2,884	3,503	1,092	1,169
Saint Vincent and the Grenadines	1,076	1,814	2,084	408	1,277
<i>Caribbean, regional</i>	3,139	3,506	2,849	3,035	2,923
<i>North &amp; Central America, regional</i>	7,923	4,521	4,335	3,830	3,789
<b>South America</b>					
Argentina	1,573	1,327	2,090	1,152	6,356
Bolivia	9,310	22,324	14,619	10,633	9,971
Brazil	3,796	29,728	10,687	24,675	7,074
Chile	4,033	1,433	1,700	817	–
Colombia	7,746	7,779	11,524	7,490	10,909
Ecuador	3,056	16,466	7,415	6,524	14,416
Guyana	2,421	2,446	6,767	3,544	8,333
Paraguay	1,862	2,430	4,410	4,787	4,099
Peru	3,637	3,148	5,709	10,554	6,698
Suriname	189	310	656	1,086	608
Uruguay	1,000	786	617	388	–
Venezuela	1,031	1,153	1,181	802	3,797
<i>South America, regional</i>	4,611	3,683	8,765	3,212	9,022
<i>America, regional</i>	11,420	7,471	10,623	9,526	15,915
<b>Europe</b>					
Albania	10,753	11,009	9,067	6,338	16,547
Belarus	3,238	2,740	3,771	3,935	3,205
Bosnia and Herzegovina	29,260	24,029	26,352	20,285	14,907
Kosovo	19,036	20,311	13,837	13,807	13,489

**Table B.5: Imputed UK share of Multilateral Net ODA by country<sup>1, 3</sup>**

(continued)

	<b>£000</b>				
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Moldova	18,549	11,792	21,726	21,111	10,988
Montenegro	6,593	8,040	6,375	9,342	12,024
North Macedonia	12,372	16,920	12,411	9,530	11,170
Serbia	31,475	44,367	42,996	37,075	49,393
Turkey	218,647	233,611	290,175	189,736	135,198
Ukraine	39,854	25,645	47,465	29,739	33,419
Ex-Yugoslavia states	16	70	34	99	131
<i>Europe, regional</i>	29,614	36,725	38,108	40,915	37,632
<b>Pacific countries</b>					
Cook Islands	210	298	265	804	103
Fiji	1,511	2,510	2,057	4,399	2,027
Kiribati	2,405	1,703	1,236	1,507	1,669
Marshall Islands	70	142	135	116	733
Micronesia	205	317	1,032	674	3,474
Nauru	167	24	132	33	561
Niue	56	22	123	103	152
Palau	23	25	219	21	103
Papua New Guinea	9,859	8,745	7,790	6,604	32,291
Samoa	1,849	3,205	2,554	4,266	3,815
Solomon Islands	1,757	2,047	2,163	2,105	2,375
Tokelau	10	5	17	11	6
Tonga	2,771	1,891	1,997	1,479	1,310
Tuvalu	860	793	1,030	811	659
Vanuatu	355	2,541	2,163	1,877	4,245
Wallis and Futuna	42	19	29	61	1,054
Pacific, regional	4,027	3,676	2,588	3,004	3,708
<b>Unspecified country/region</b>					
Developing countries, unspecified	531,876	638,829	652,757	959,378	794,067
<b>Total Multilateral Net ODA</b>					
	<b>4,877,981</b>	<b>4,473,393</b>	<b>4,842,973</b>	<b>5,256,167</b>	<b>5,288,977</b>
<b>Low Income Countries<sup>2</sup></b>					
Total imputed UK multilateral ODA to Low Income countries	1,445,526	1,383,991	1,559,898	1,759,839	1,825,421
<i>as a % of country specific total</i>	35%	38%	40%	43%	43%

**Key**

– No value

1. It is not possible to track directly the destination or purpose of UK funding to the general core budgets of the multilateral organisations, where the multilaterals have general control over the use of the funding. However, a good indication of where UK funding goes is provided by OECD DAC data where the multilaterals report aid spend by country and sector. These estimates have been calculated on the basis of the UK's share of the multilaterals' reported aid spending to the OECD.
2. Countries are defined as 'Low Income' based on the World Bank's GNI per capita classification. The classification is used by the OECD DAC to define the list of receiving countries under the ODA rules.
3. The OECD data cover most of the main multilaterals that the UK funds. About 15% of the UK's core multilateral funding is not covered by the OECD data, and this unreported spending is allocated to the developing countries unspecified category. More details on the estimates' quality is found in the imputed multilateral share quality report.

# Regulatory reporting

## Table 1. Public Spending

The tables below show published budget outturn for the past 5 years (including year just ended) and plans for the following year.

DFID's Estimate is broken down by organisational structure to enable accountability of senior staff. This is consistent with information available on Online System for Central Accounting and Reporting (OSCAR).

The budgets presented reflect draft plans before the onset of COVID-19. DFID does not expect these spending profiles to be realised as spend during 2020-21 will be significantly altered in response to the pandemic.

For further analysis and trends on the below tables, please refer to the Financial Summary in Section 1 (page 26).

Basis from 2015-16	£000 2015-16 Outturn	£000 2016-17 Outturn	£000 2017-18 Outturn	£000 2018-19 Outturn	£000 2019-20 Outturn	£000 2020-21 Plans
<b>Resources (excluding capital grants)</b>						
<i>of which:</i>						
<b>Spending in Departmental Expenditure Limits</b>	<b>7,137,648</b>	<b>7,407,090</b>	<b>7,557,656</b>	<b>7,196,352</b>	<b>8,001,622</b>	<b>7,548,406</b>
A: CSC (NDPB) (net) scholarship relating to developing countries	27,028	25,473	26,186	27,820	27,997	28,203
B: Total Operating Costs	239,354	262,064	277,358	303,466	322,792	392,748
C: Independent Commission for Aid Impact (NDPB) (net)	2,246	3,145	3,713	3,427	3,210	3,759
D: Conflict, Stability and Security Fund	90,287	121,116	115,096	126,615	102,836	66,072
E: Regional Programmes	3,616,685	3,853,504	3,721,399	3,583,856	3,760,834	3,105,830
F: Other Central Programmes	(20,933)	(6,497)	(10,367)	(11,874)	(37,709)	209,227
G: Policy Priorities, International Organisations and Humanitarian	2,689,204	2,650,285	2,985,271	2,666,091	3,320,243	3,186,517
H: Prosperity Fund	–	–	–	8,276	26,419	97,050
I: Equality and Human Rights Commission (ALB)	–	–	–	18,257	–	–
J: Government Equalities Office	–	–	–	18,418	–	–
<b>Non-Voted</b>						
K: European Union Attributed Aid	493,777	498,000	439,000	452,000	475,000	459,000
<b>Spending in Annually Managed Expenditure</b>	<b>173,153</b>	<b>159,282</b>	<b>302,682</b>	<b>(154,737)</b>	<b>(162,964)</b>	<b>30,686</b>
<b>Voted</b>						
L: Other Central Programmes	173,575	159,328	302,682	(154,737)	(162,964)	30,686
M: Regional Programmes	(422)	(46)	–	–	–	–
<b>Total</b>	<b>7,310,801</b>	<b>7,566,372</b>	<b>7,860,338</b>	<b>7,041,615</b>	<b>7,838,658</b>	<b>7,579,092</b>

<b>CAPITAL</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Basis from 2015-16</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
	<b>Outturn</b>	<b>Outturn</b>	<b>Outturn</b>	<b>Outturn</b>	<b>Outturn</b>	<b>Plans</b>
<b>Resources (including capital grants)</b>						
<i>of which:</i>						
<b>Spending in Departmental Expenditure Limits</b>	<b>2,124,909</b>	<b>2,590,568</b>	<b>2,713,305</b>	<b>3,104,530</b>	<b>2,036,286</b>	<b>2,623,250</b>
A: CSC (NDPB) (net) scholarship relating to developing countries	–	–	–	–	–	–
B: Total Operating Costs	–	–	–	–	–	–
C: Independent Commission for Aid Impact (NDPB) (net)	–	–	–	–	–	–
D: Conflict, Stability and Security Fund	–	–	–	507	160	–
E: Regional Programmes	393,505	500,674	548,376	485,196	373,363	275,433
F: Other Central Programmes	(8,019)	(9,561)	(9,646)	(17,848)	(18,426)	–
G: Policy Priorities, International Organisations and Humanitarian	1,739,423	2,099,455	2,174,575	2,601,321	1,661,795	2,336,567
H: Prosperity Fund	–	–	–	35,354	19,394	11,250
<b>Non-Voted</b>						
I: European Union Attributed Aid	–	–	–	–	–	–
<b>Spending in Annually Managed Expenditure</b>	<b>450,000</b>	<b>284,964</b>	<b>395,000</b>	<b>736,000</b>	<b>955,000</b>	<b>1,134,000</b>
<b>Voted</b>						
J: Policy Priorities, International Organisations and Humanitarian	450,000	284,964	395,000	736,000	955,000	1,134,000
<b>Total</b>	<b>2,574,909</b>	<b>2,875,532</b>	<b>3,108,305</b>	<b>3,840,530</b>	<b>2,991,286</b>	<b>3,757,250</b>

## Table 2. Administration Budgets

The tables below show published administration budget outturn for the past 5 years (including year just ended) and plans for the following year.

DFID's Estimate is broken down by organisational structure to enable accountability of senior staff. This is consistent with information available on Online System for Central Accounting and Reporting (OSCAR).

The budgets presented reflect draft plans before the onset of COVID-19. DFID does not expect these spending profiles to be realised as spend during 2020-21 will be significantly altered in response to the pandemic.

For further analysis and trends on the below tables please refer to the Financial Summary in Section 1 (page 26).

<b>New basis from 2015-16</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-2021</b>
	<b>Outturn</b>	<b>Outturn</b>	<b>Outturn</b>	<b>Outturn</b>	<b>Outturn</b>	<b>Plans</b>
<b>Resources</b>						
<i>of which:</i>						
<b>Spending in Departmental Expenditure Limits</b>	<b>101,872</b>	<b>97,254</b>	<b>100,419</b>	<b>123,989</b>	<b>110,248</b>	<b>128,073</b>
A: CSC (NDPB) (net) scholarship relating to developing countries	1,606	1,594	1,603	1,574	423	424
B: Total Operating Costs	99,920	95,345	98,470	101,287	109,443	127,266
C: Independent Commission for Aid Impact (NDPB) (net)	346	315	346	359	382	383
D: Conflict, Stability and Security Fund	–	–	–	–	–	–
E: Regional Programmes	–	–	–	–	–	–
F: Other Central Programmes	–	–	–	–	–	–
G: Policy Priorities, International Organisations and Humanitarian	–	–	–	–	–	–
H: Prosperity Fund	–	–	–	–	–	–
I: Equality and Human Rights Commission (ALB)	–	–	–	13,154	–	–
J: Government Equalities Office	–	–	–	7,615	–	–
<b>Non-Voted</b>						
K: European Union Attributed Aid	–	–	–	–	–	–
<b>Spending in Annually Managed Expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Voted</b>						
L: Regional Programmes	–	–	–	–	–	–
M: Other Central Programmes	–	–	–	–	–	–
<b>Total</b>	<b>101,872</b>	<b>97,254</b>	<b>100,419</b>	<b>123,989</b>	<b>110,248</b>	<b>128,073</b>





