RELEASE IN PART

From:

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Sent:

Tuesday, March 1, 2011 10:46 PM

To:

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Subject:

Fw: UK plans to halt development aid to 16 countries

DFID is getting real about selectivity.

From: Nazanin Ash

To: Sullivan, Jacob J; Ash, Nazanin S Sent: Tue Mar 01 22:17:33 2011

**Subject**: UK plans to halt development aid to 16 countries

hey, have done a terrible job of following her budget testimony (hope it went well today), but if you haven't already heard DFID announced these plans today--she may get questions and/or she may find it a helpful reference

1 March 2011 Last updated at 06:53 ET

## Aid budget will be better focused, say ministers



Andrew Mitchell said it is "morally right and also "in our national interest" to help the poorest people in the world

The government is to outline plans to stop direct development aid to 16 countries and freeze the level of assistance given to India.

But there will be more for Bangladesh, Nigeria and Pakistan as aid is "better focused" on the poorest people.

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Labour said they believed government policy was "on the right track".

International Development Secretary Andrew Mitchell said aid was being protected from spending cuts because it was in the UK's national interest.

The department's overall £7.8bn budget has been unaffected by the government's deficit cutting measures.

But the UK is expected to stop direct aid to 16 countries, including Russia, China, Vietnam, Serbia and Iraq. Some, such as Vietnam and Bosnia, are seen to have "graduated" out of poverty.

Others are judged to be adequately served by United Nations agencies.

The government says it wants greater transparency and accountability in aid spending, with an emphasis on funding programmes that deliver greater results and which, specifically, help girls and women.

Angola	Bosnia
Burundi	Cameroon
Cambodia	China
Gambia	Indonesia
Iraq	Kosovo
Lesotho	Moldova
Niger	Russia
Serbia	Vietnam
Source: Dept for Int Development document seen by BBC	

Mr Mitchell told BBC Radio 4's Today programme: "We're ending a culture which has seen large sums of money thrown at problems, and focusing on the results that the British taxpayer can buy.

"This is about value for money, it's about ensuring for every pound we take off hard-pressed taxpayers we really do deliver 100 pence of development value."

Five countries will have their budgets increased substantially - Ethiopia, Bangladesh, Nigeria, the Democratic Republic of Congo and Pakistan.

By 2014, 30% of UK aid is expected to go to war-torn and unstable countries.

Shadow international development secretary Harriet Harman told the BBC Labour welcomed the government's decision to stick with the commitment of spending 0.7% of national income on overseas aid.

## 'National interest'

"Obviously it's right, as things change, that you review who you give overseas aid money to and how you give it - so I think that's right to do as well. So broadly we think the government are on the right track.

"I know it's difficult when people are feeling the pinch here at home, but we have to remember that with just a very small amount of money we can save lives in the developing world."

David Loyn, the BBC's international development correspondent, said: "The government is keenly aware of its political vulnerability in ring-fencing the international development budget while cutting spending everywhere else except for health, and it wants to ensure that it is getting value for money."

1. India	295	
2. Ethiopia	214	
3. Bangladesh	149	
4. Sudan	146	
5. Tanzania	144	
6. Pakistan	140	
7. Afghanistan	133	
8. Nigeria	114	
9. Congo (Dem Rep)	109	
10. Ghana	90	
Source: Dept for Int Development		

Mr Mitchell was asked on BBC Breakfast about his decision to maintain overseas aid while some charities were suffering funding cuts in the UK.

He said: "We are dealing with a scale of poverty around the world of a completely different order.

"And we do it because it's morally right, it's about our values as a country and as a government, and also because it's in our national interest."

India is currently one of the biggest recipients of UK development aid, and there have been media campaigns in the UK suggesting an economy growing at nearly 10% a year simply does not need British assistance.

But others point out that nearly half a billion people in India - more than in any other country in the world - are still desperately poor.

The government says the new approach will be more effective in cutting poverty, and assist in reaching the Millennium Development Goals by the target date of 2015.

On Saturday, it emerged that the UK is threatening to switch funding away from the UN Food and Agriculture Organization - which focuses on longer-term projects, such as providing seeds and tools for agriculture - unless its performance improves.

Instead, more funding could go to the World Food Programme, which deals with emergency food aid around the globe.