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24 May 2010

## **UK spending on Overseas Development Assistance**

Dear Chief Secretary to the Treasury,

We welcome the commitment in the coalition agreement to continue this country's path to spending 0.7% of GNI by 2013 on Overseas Development Assistance. We also welcome the decision to enshrine this level of spending in law.

However, we are concerned about the make-up of this spending commitment, particularly given that senior civil servants in the Foreign Office, Ministry of Defence and Home Office are currently being asked to scrutinise their budgets for items that could be classified as ODA. If the coalition were to meet their promised ODA increases through an accountancy trick then Britain will not have kept her promise to the world's poorest people. Double-counting cannot be equated to a material increase.

On this point the coalition's reference to spending within OECD rules cannot be seen as a reassurance. UK ODA has always been of a higher standard than the OECD require, and it should be a source of pride that we do not count items such as university scholarships and costs associated with immigration towards our ODA.

The reason this concerns us is that any significant decrease in the proportion of ODA that is controlled and spent by the Department for International Development would result in a watering down of the poverty reduction focus that has been so successful in recent years. Conservative estimates suggest that DFID's work has helped place 40 million more children in school, lifted 3 million people per year out of extreme poverty and contributed substantially to the expansion in coverage of vital HIV/AIDS drugs.

Therefore, will you please confirm that the amount of ODA spent though DFID will remain at the current proportion of 88%?

Yours Sincerely,

**David Taylor** 

Chair, Labour Campaign for International Development

cc: Secretary of State for International Development

cc: Permanent Secretary, Department for International Development

cc: Shadow Secretary of State for International Development