

One World Conservatism

Embargoed until 00:01 13th July 2009

On Monday 13 July 2009, the Conservative Party will unveil “One World Conservatism”, a green paper on international development which will set out a tough new approach to ensure that every penny of aid funded by the British taxpayer is spent wisely and achieves real results.

Commenting, Shadow International Development Secretary Andrew Mitchell said:

“Today we pledge to increase funding for the world’s poorest people - but with a tough new focus on results. With a Conservative Government, Britain’s generosity will be matched by a relentless drive for value for money. We will demand transparency, accountability and real results from all our aid.

“We will begin immediately by conducting a root-and-branch review of which countries receive aid from Britain. We will institute a results-based payment system for multilateral aid organisations like the UN. And we will re-emphasise wealth creation and private-sector led growth as the most effective route out of poverty.”

Our pledge: The Conservative Party has made a commitment to achieving the UN target of spending 0.7% of national income on international development by 2013. We will keep DFID as an independent Department.

Labour’s mistakes: Labour’s aid spending has been too focused on inputs, not on outcomes.

- DFID spends aid in 108 different countries (*Source: Statistics in International Development, DFID, 2008*)
- Britain gave £83m in aid to China 200-7-2008; China spent £20 billion on hosting the 2008 Olympics (*Source: Statistics in International Development, DFID, 2008*).
- DFID’s own documents show that it does not properly assess multilateral organisations’ effectiveness when giving them money (*Multilateral Development Effectiveness Summaries, DFID, 2007*)

Tough new approach: In times of economic hardship we must recognise that now more than ever this commitment to more cash for the world’s poorest has to be accompanied by a hard-headed new approach to getting value for money from our development budget. This will include:

- Root-and-branch review of aid recipient countries
- Full transparency in British aid
- Performance-based funding for multilaterals
- Priority for private-sector led growth and wealth creation - boosting efforts to promote property rights, the rule of law, accountable government, a vibrant private sector, effective public services, stability and security, and access to finance (including microfinance) and global markets.
- Payments to poor people - We will investigate how new mobile-based banking services could be used to bypass bureaucracy and transfer money directly to poor people and how aid vouchers could make aid agencies more responsive to poor people.

More money and retaining DFID

- If elected, a new Conservative Government will be fully committed to **achieving, by 2013, the UN target of spending 0.7 per cent of national income as aid**
- We believe that the **Department for International Development (DFID)** should be here to stay. With a Conservative Government, DFID will continue to report to the Secretary of State for International Development, who will have a seat in the Cabinet. British aid will remain **untied from commercial interests**, and we will maintain DFID's focus on **poverty reduction**.
- We support and will continue to work towards the **Millennium Development Goals**

Tough new approach to getting value for money

We will:

Targeting British aid more carefully

- conduct a **root-and-branch review of where and how British aid is spent**, and ensure it is disbursed in the countries where it will do the most good and through the most effective channels
- **end DFID's bilateral aid to China**, once all commitments to multi-year programmes have been honoured, and redirect the savings to poorer countries

Transparency

- publish **full information** about all DFID's projects and programmes - including the results of impact evaluations - on the internet, in English and local languages, and in a standard and open format so that this information can be freely used by third parties
- require all bodies receiving DFID funds, whether NGOs, multilateral organisations or governments, to move towards **greater openness and transparency**
- support the **Global Campaign for Aid Transparency** and encourage all donors to publish clear, up-to-date, standardised information about aid spending

Results-based funding for multilaterals

- increase funding for multilateral agencies who are making a **proven impact on poverty** - and cut funding for those who fail to demonstrate evidence of results on the ground
- press for **EU aid** to be more effective, swiftly-disbursed and properly focused

Respect and responsiveness

We will:

- in deciding which projects to support, consider how far they have been designed in conjunction and with the active **participation** of the people they are intended to help
- look at ways to encourage and support **participatory budgeting**, where local communities vote on how government money is spent in their area
- trust and empower poor people, for example by investigating the use of **aid vouchers** given directly to poor people or communities
- investigate new ways to channel resources directly to poor people, for example through **cash transfers**
- investigate how new mobile-based banking services could be used to bypass bureaucracy and **transfer money directly to poor people**
- introduce a policy of '**poverty immersions**' with poor families for DFID staff

- use part of our growing aid budget to create opportunities for more young people to carry out voluntary work in developing countries as part of our plan for **National Citizen Service**

Re-emphasising wealth creation

We will:

Harnessing private enterprise

- embrace the potential of the **private sector**
- ensure that DFID recruits and works with people from **commercial and financial backgrounds**
- support private sector investment in the developing world through **government led trade delegations to developing countries**
- explore ways in which DFID could **co-invest in developing countries** alongside private sector companies
- examine how DFID spending could better stimulate and support private sector growth in developing countries, for example through **procurement policies** which wherever possible stimulate local enterprise

Legal infrastructure and property rights

- place greater emphasis on promoting **property rights** in developing countries
- work with developing country governments to reduce the hurdles that **entrepreneurs** face when trying to set up companies

Microfinance

- take a proactive approach to supporting **microfinance**
- champion the extension of other **micro-financial services**, like micro-savings and micro-insurance, and look at ways to help **Small and Medium Sized Enterprises** access capital
- consider **providing matched funding for peer-to-peer loans to entrepreneurs in developing countries**

Agriculture

- support efforts to improve **agricultural productivity** in poor countries
- promote investment in **risk-management projects**, such as low cost rainwater collection and irrigation systems, which have the potential to lessen the risk of crop failure in all but the most serious of drought years
- support targeted **nutrition** programmes, especially for children

Infrastructure

- seek to **increase productive investment in infrastructure**, where possible using ‘Build, Operate, Maintain’ contracts

Conflict, stabilisation and peacekeeping

- We will give far **greater prominence** to promoting conflict prevention and resolution

We will:

UN reform and the responsibility to protect

- look at ways to ensure that UN troops are **properly trained and equipped** for the challenges they face

- press for the Security Council to approve peacekeeping missions with **rules of engagement** designed to protect civilians from grave harm
- work with allies to push for a **review of the mission and rules of engagement of the UN's Department of Peacekeeping Operations**

Regional security

- look at ways to give the most senior officers from African Union troop-contributing nations the opportunity to **train in the UK**
- work with the **Kofi Annan Peace Academy in Ghana** and bolster regional centers of excellence for training

Arms control

- support an **International Arms Trade Treaty** to ensure that suppliers of arms do not contribute to brutal and destabilising wars around the world