

News story: UK leadership secures vital progress to modernise international aid rules

The UK has today secured important progress at the Development Assistance Committee (DAC) meetings in Paris to change the international aid rules and ensure they remain relevant for the modern world.

The DAC – part of the Organisation for Economic Co-operation and Development (OECD) – is the group of 30 leading donor nations which set international aid rules, known as Official Development Assistance (ODA).

As a result of UK leadership, donor countries at the DAC meetings in Paris today agreed to work on a process which could allow previous aid recipients to receive short-term ODA support in the event of catastrophic humanitarian crises, such as the recent hurricanes in the Caribbean, even where their Gross National Income per capita would normally rule them out of receiving ODA. This is a significant decision.

Anguilla, British Virgin Islands and Turks and Caicos are all previous recipients of ODA. The DAC has also agreed to work to create a new mechanism to re-admit countries that had graduated from being eligible for ODA back to the list of ODA-eligible countries, if their income per capita falls low enough, for example as a result of a catastrophic natural disaster or other crisis.

International Development Secretary Priti Patel said:

UK leadership has secured significant and important progress in changing the international aid rules, as we committed to in our manifesto. As a result of our influence, we've made huge progress on ensuring official development assistance can be used when vulnerable nations are struck by crises or natural disasters.

Today's agreement is a real step forward. Progress on this, and the other reforms we have confirmed today – including boosting aid for UN peacekeeping missions – show that by working patiently and constructively with our partners we are able to drive through change and modernise the rules.

This is significant and welcome progress and the head of the OECD has backed the UK's efforts on reform. The DAC has also shown leadership and demonstrated that it can be agile, politically-relevant and deliver for the most vulnerable.

British leadership has today also delivered an important set of wider reforms to the international aid rules – including more than doubling the percentage

of contributions to UN peacekeeping missions that count as aid, from 7% to 15%, and confirmation that 85% of UK core funding to the Asian Infrastructure Development Bank will count as aid. Together these changes mean that we have confirmed over £100 million of aid spending this year can be counted as aid and contribute to the 0.7 budget.

These successes are in addition to the important reforms which were agreed last year, on making more security and counter-extremism spending eligible to count as ODA.

Today has shown that reform of the ODA rules is possible and demonstrates how the UK has driven through much-needed change.

The UK is a firm champion of the rules-based international system. As one of the few leading countries to honour our promise to invest 0.7% of national income as aid, it is in our interests to ensure that the quality, poverty-focus and value for money of other countries' aid investments match our own high standards.