

### **Emerging analysis and ideas**

# Post-merger development governance in the UK

A preliminary cross-national investigation of Development Assistance Committee (DAC) donors

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# Key messages

- While political vision and priorities ultimately drive donor performance, the domestic governance of development remains an important variable associated with certain trends and outcomes.
- The top five donors in terms of gross official development assistance (ODA) volume (United States, Germany, Japan, France and Sweden) institutionally separate development policy-making from its operational implementation.
- Deeply integrating development within a foreign ministry, and giving ministers responsibilities for development alongside other portfolios, is associated with lower scores on commitment to development and principled national interest metrics, administrative efficiency, aid quantity and soft power.
- With the notable exception of Germany, the development portfolio is represented on national security bodies by ministers of foreign affairs.
- Parliamentary scrutiny of development across Development Assistance Committee (DAC) members remains limited, although there are some models for a revamped UK parliamentary committee on development, which could be explored.

#### **About this document**

In 2018, ODI published a briefing note detailing the rationale and evidence for reorganising ministerial arrangements to better integrate overseas development and foreign affairs (Gulrajani, 2018). With the announcement that the Department for International Development (DFID) and the Foreign and Commonwealth Office (FCO) will be merged by September, several decisions on the future of British development governance will need to be made over the next 60 days.

This document provides a rapid review of cross-national data relating to development governance across DAC members in order to assist those now considering government reforms to accommodate what UK Prime Minister Boris Johnson has dubbed the new 'Whitehall super-Department for international affairs'.¹ It provides a preliminary analysis of institutional issues and, as such, should be considered a work in progress.

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## Effective public governance of development

Effective public governance of development in donor countries is a variable with critical, if sometimes imperceptible, effects on development outcomes (Gulrajani, 2015; 2017). Donor performance can vary considerably among countries operating superficially similar governance models, and there is no universally superior model for organising development (Kovach, 2020). Historical and political contexts are the ultimate driver of both structure and donor performance (Gulrajani, 2014; 2017; 2018).

Nonetheless, as the UK considers the next chapter in its public governance of development, it may be worth re-examining the associations between institutional arrangements and other attributes of development programming. While structural issues should always be subordinate to both function and policy, when either are contested institutional structures can shape and safeguard operational and political possibilities. This piece explores the national public governance of development across the DAC in four dimensions: (1) the institutional structures that provide the scaffolding for development policy-setting and implementation; (2) ministerial responsibilities for development; (3) development representation on national security bodies; and (4) parliamentary scrutiny and accountability for development. While many other aspects could be examined, we consider these four as central concerns given the decisions that must now be quickly taken in the UK.

16/debates/20061637000001/Global Britain?highlight = %22 whitehall%20 super%20 department%22 # contribution-2BA9109C-C0C9-457C-9F36-48327018DD59

<sup>&</sup>lt;sup>1</sup>https://hansard.parliament.uk/Commons/2020-06-

### Examining institutional structures: updating a typology

In 2009, the Organisation for Economic Cooperation and Development (OECD) published a typology to encapsulate the variety of donor institutional architectures across the DAC (OECD, 2009). Consisting of four models, this stylised typology assesses where responsibility for development policy-making and its operational implementation is situated in national public administrations (Figure 1). Figure 1 classifies DAC members against each of the four models, updated with the best available data from websites and organigrams, DAC publications and individuals with knowledge of these structures.<sup>2</sup> With the decision to merge, the UK moves away from model 4 (its location since the creation of DFID in 1997). The figure also maps some non-DAC countries against each model to show that this typology may be more widely applicable.<sup>3</sup>

The typology distinguishes between a fully integrated department where development functions are mainstreamed throughout the activities of a ministry (model 1) and foreign affairs ministries where development retains a distinct directorate or unit (model 2). Nevertheless, the divisions between these two categories can become blurred, often because the organigrams are not reflective of the true level of integration or independence of development from wider foreign policy activities. For example, Ireland is classified as model 2 because it retains a Development Cooperation Division that manages and delivers the government's aid programme, retains political relations with the African continent and retains the label 'Irish Aid'. Denmark, however, also retains the label 'Danida', notwithstanding an organigram that shows a deeper integration of diplomatic and development responsibilities.5 Within model 2, there can also be a variety of ways and degrees to which development functions are blended. Canada has integrated bilateral development cooperation in geographic units but retains a separate Global Issues and Development branch that informs implementation, especially through multilateral institutions, and retains expertise in core development areas, including health, gender and agriculture. Canada also a retains an International Assistance Policy Directorate that sits alongside a Foreign Policy Directorate within the Strategic Policy Branch of Global Affairs Canada. Meanwhile, in the Netherlands, a separate Director General for International Cooperation is responsible for development cooperation policy and for its coordination, implementation and funding.<sup>6</sup> The desire in the UK for a 'blended new organisation' must recognise that blending can take on a variety of shades, and that these shades can also evolve over time.<sup>7</sup>

What is perhaps clearer is that, with this merger, no DAC country organises its development programme under the auspices of a stand-alone development ministry. Institutional governance now resides firmly across models 1 or 2, or model 3, the latter where policy is the responsibility of a ministry, and implementation devolved to a separate implementation agency. By contrast, non-DAC providers are increasingly seeking guidance or taking forward the construction of stand-alone development agencies, with varying degrees of control over policy direction.8

<sup>&</sup>lt;sup>2</sup> While we have made our best effort to accurately classify donors based on available evidence, we recognise that there may be scope to debate some of our choices, especially when classifying based on differentiations across model 1 and 2.

<sup>&</sup>lt;sup>3</sup> Conversely, one might see the OECD typology requiring an update to accommodate non-DAC donors. For example, Tanzania and Ethiopia have fully integrated South-South and triangular cooperation within an Executive Office, with implementation delegated through several government channels (OECD, 2019). This does not fit into any of the four models. https://www.dfa.ie/about-us/who-we-are/our-structures/

<sup>&</sup>lt;sup>5</sup> https://um.dk/en/about-us/organisation/organisation-chart/

 $<sup>^6\</sup> https://www.government.nl/ministries/ministry-of-foreign-affairs/organisational-structure$ 

<sup>&</sup>lt;sup>7</sup> https://www.devex.com/news/dfid-merger-fcdo-will-not-house-a-separate-oda-department-97647

<sup>&</sup>lt;sup>8</sup> The Buenos Aires outcome document of the 2019 High-level United Nations Conference on South–South Cooperation explicitly called on the United Nations to assist Southern countries in building the human and institutional capacity needed to formulate and implement national development policies and programmes (UN General Assembly, 2019).

Figure 1 A typology of institutional arrangements for development



Model 2: A development cooperation directorate, unit or agency within the Ministry of Foreign Affairs leads and is responsible for both policy and implementation

DAC: Canada, Finland, Greece, Iceland, Ireland, Netherlands, New Zealand and Switzerland Non-DAC examples: India, South Africa

Partial integration within Ministry of Foreign Affairs

Trade

Foreign affairs

Development

Model 3: A ministry has overall responsibility for policy and a separate executing agency responsible for implementation (including development banks)

DAC: Austria, Belgium, Czech Republic, France, Germany, Italy, Japan, Luxembourg, Norway, Portugal, Slovak Republic, South Korea, Spain, Sweden and the United States
Non-DAC examples: Mexico, Thailand, Turkey

Policy ministry with separate implementing agency

Ministry setting development policy

Model 4: A ministry or agency other than the Ministry of Foreign Affairs is responsible for both policy and implementation

United Kingdom (until August 2020)

Ministry/agency responsible for policy and implementation

Ministry/agency responsible for development policy and implementation

Source: ODI analysis, OECD (2019), Milani (2019), UNDP-NEPAD (2019), IsDB and South Centre (2019)

# Associating institutional models with specific development attributes

This section illustrates the association between the four institutional models presented above and (a) the characteristics of a country's aid allocation and commitment to development; (b) the administrative costs of the development programme; (c) absolute and relative expenditures on Official Development Assistance; and (d) a country's soft power ranking. It is inspired by the analysis in Faure, Long and Prizzon (2015), which examined the relationship between the OECD typology and indicators of aid quantity and quality through associated comparisons. Unlike, multivariate analysis, the analysis that follows does not represent correlation or causation between institutional structures and the attributes in question, but is indicative of trends that may require further investigation.<sup>9</sup>

We calculate these associations for 29 DAC donors (we exclude the UK) based on the classifications presented in Figure 1 and average scores of relevant indices, drawing on the most recent three years for which data is collected.<sup>10</sup> Our sample sizes include model 1 (five countries), model 2 (eight countries) and model 3 (15 countries). For each variable, we create a box-plot to depict the inter-quartile range (25th to 75th percentile of the distribution is contained within the box, such that boxes with lower heights suggest greater similarity of performance within the group). The highest and lowest values are depicted by the whiskers, while points outside these whiskers represent outlier data points. The line in the middle of the box represents the median value, while any points outside the box represent outliers. The line joins the average value of each category.

In our assessment of the relationship between institutional models and the characteristics of a country's aid allocation and development effort, we assess each model against recent scores on the Commitment to Development Index (CDI) and the Principled Aid (PA) Index (Figure 2). The Commitment to Development score is the aggregated score of country effort across seven policy areas: development finance, investment, migration, trade, environment, security and technology. The PA Index assess a donor's motivation for aid-giving based on its ODA allocation patterns on three dimensions: development needs, support for global public goods and institutions, and donor public-spiritedness. The scores on the y-axis represent standardised scores on each index, and higher scores represent better performance.

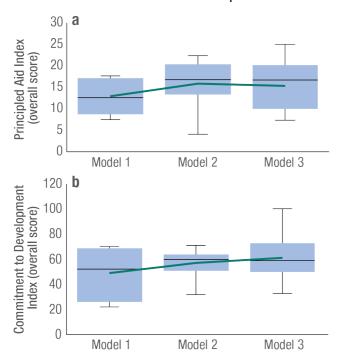
Figure 2a shows the highest average and median score on the PA Index for model 2 countries, with less variance in the inter-quartile range than model 3 and model 1. Model 2's performance is driven by Finland, Iceland, Ireland and Canada achieving high average PA scores. Figure 2b suggests a slightly higher average score on the CDI for model 3, with more consistency of performance within the inter-quartile range across models 2 and 3 than model 1. Model 3's performance appears driven by high CDI scores from Sweden, Norway, Germany, France and Luxembourg. Both indices indicate slightly lower attainment for model 1 donors.

<sup>&</sup>lt;sup>9</sup> For each figure, we have also calculated means of differences and statistical t-tests, and where there is significance, we have noted this.

<sup>&</sup>lt;sup>10</sup> Like Faure et al. (2015), we use the most recent classification typology, but have a two-year lag on our indicators.

<sup>&</sup>lt;sup>11</sup> Due to lags in official data, the most recent scores on both indices rely on data that can be a year or two old. Due to a change in CDI methodology, we only use the scores from the most recent year, whereas with the PA Index we calculate the average score for the last three years. Omitted values for Slovenia and Iceland in the CDI (models 1 and 2 respectively) meant that we treated these as blanks, which reduced our sample size in these two categories. However, both these countries were included in the PA Index sample.

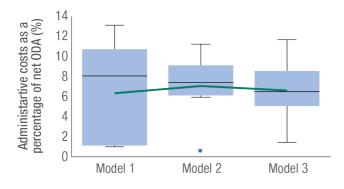
**Figure 2** Association between institutional models and country scores on the Principled Aid Index and Commitment to Development Index



Notes: (a) Aggregate 2019 Principled Aid Index score (average, last three years of data) and (b) aggregate score on the 2020 Commitment to Development Index (last year of data only).

Looking at the association between institutional arrangements and administrative costs, we find that average administrative costs as a percentage of net ODA are relatively consistent across all models, ranging between an average of 6.35% (model 1) and 7.08% (model 2) of net ODA (Figure 3). The wider range of values in model 1 is likely the result of smaller European Union (EU) donors in model 1, such as Hungary and Poland, which channel a higher percentage of their ODA towards their multilateral EU commitments, and which therefore incur lower overhead (both donors report below 1.3% of net ODA as administrative costs).<sup>12</sup>

Figure 3 Association between institutional arrangements and administrative costs



Notes: Average, 2016-2018.

Source: OECD (2020) Creditor Reporting System

<sup>12</sup> In model 2, the outlier data point is Greece, which may also be reporting lower levels of administrative costs for similar reasons.

Faure et al. (2015) tested the relationship between institutional arrangements and attained ODA/GNI ratio, suggesting that model 1 and model 4 donors are associated with higher attainment of the 0.7% ODA/GNI target. We test this association again using our updated typology by looking at ODA/GNI ratios averaged over 2016–18 (Figure 4a). We supplement this analysis with an examination of overall gross ODA, the assumption being that donors providing larger absolute volumes of ODA may converge on a particular institutional arrangement more conducive to either a large number of or larger-sized aid transactions (Figure 4b).

We find model 3 associated with higher average ODA/GNI ratios and higher average gross ODA disbursements. Although model 3 exhibits the largest inter-quartile range in both figures, the average values are pushed up by some donors at the upper end of the range. In Figure 4a, these include Sweden (1.01% average ODA/GNI), Norway (1.02%), Luxembourg (0.99%) and Germany (0.66%). In Figure 4b, averages are pushed up by large donors such as Germany, Japan and France, as well as outlier the United States. Model 3 now appears to be the institutional arrangement of choice for larger donors, whether measured by relative or absolute ODA. This is supported by Calleja (2017), whose quantitative analysis also indicated a trend towards model 2 for smaller donors. Given the UK is a large donor by both absolute and relative ODA metrics, there may be value in understanding why larger donors appear to converge around the model of a separate policy-setting and implementation agency. There are perhaps lessons from an evaluation of the post-merger Australian Department of Foreign Affairs and Trade (DFAT), which recommended the creation of a separate technical support organisation that would allow DFAT to focus on policy-setting and strategic management (Moore, 2019).

1.2 a 1.0 ODA/GNI ratio (%) 0.8 0.6 0.4 0.2 0 Model 1 Model 2 Model 3 40 **b** Gross ODA disbursements 35 30 (USD billions) 25 20 15 10 5 0 Model 1 Model 2 Model 3

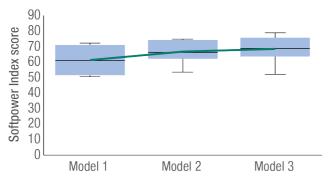
Figure 4 Association between institutional models and aid volumes

Notes: Average, 2016-2018.

Source: OECD (2020) Creditor Reporting System

Lastly, we see an association between institutional models and a country's soft power (Portland and USC Center on Public Diplomacy, 2020). The Softpower Index uses 75 metrics normalised into a single score that allows for an overall ranking of a country's global soft power resources.<sup>13</sup> These indicators explore the quality of a country's political institutions, the extent of its cultural appeal, the strength of its diplomatic network, the global reputation of its higher education system, the attractiveness of its economic model, and its digital engagement with the world. Figure 5 shows model 3 as having slightly higher average scores and median soft power scores than the other two models, with high scorers the US, Germany and France all falling in this category, but also a noticeably wider range of scores across the sample.

Figure 5 Association between institutional models and soft power



Notes: Average, 2017–2019.

Source: Portland and USC Center on Public Diplomacy (2020)

Overall, this analysis suggests an association between model 3 and donors providing higher amounts of aid in absolute and relative terms, and marginally better scores on soft power and administrative efficiency. We see some evidence of slightly higher average and median scores on the CDI and PA Index in models 3 and 2, respectively, but the differences appear small and there is a high degree of variance across all three models. In a changing institutional landscape for donor governance, where the analytical value of model 4 remains limited, these findings may provide some support for adopting institutional model 3, where policy and implementation functions are segmented. Should the creation of an executing agency (or even unit) be untenable, model 2 still appears to offer an intermediate performance on indicators of soft power and aid quantity compared to model 1 and slightly higher performance on the PA Index, though slightly worse results on administrative efficiency (partly driven by two smaller Eastern European donors reporting very low administrative costs). Model 2 has the benefit of being an institutional configuration that can accommodate the British government's desire to 'blend' development, with considerably more flexibility to adjust as circumstances require.

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<sup>13</sup> https://softpower30.com/what-is-soft-power/. Note we treat missing data on Slovenia, Iceland, Luxembourg and Slovak Republic as blanks.

<sup>&</sup>lt;sup>14</sup> Interestingly, some exercises have looked within model 3 arrangements to distinguish the performance of bilateral foreign affairs ministries against specialised agencies, for example on transparency, suggesting there is some evidence that specialised agencies perform better than foreign affairs ministries across the DAC (Publish What You Fund, 2020: 11).

### **Dedicated or dual ministerial responsibilities?**

Across the DAC, there are many models of development leadership at the highest political levels. Table 1 outlines the nature and location of ministerial representation by DAC donor country (excluding the UK, where a Secretary of State for International Development has had, up until now, exclusive responsibility for development matters and a role in Cabinet), identifying whether development is a shared or dedicated responsibility of a minister, and whether this representative has a seat in Cabinet. The table represents our best effort to collect data from publicly available websites and reports and DAC publications, as well as through contacts in DAC countries, and remains a work in progress.

 Table 1 Ministerial structures for development across DAC donors (2020, excluding UK)

|  | Position in Cabinet   | No position in Cabinet                   |
|--|---|--|
| Minister with dual portfolios                    | Austria* Belgium Czech Republic* Finland France* Greece* Hungary* Iceland* Japan* Luxembourg Netherlands New Zealand* Poland* Slovak Republic* Slovenia* South Korea* Switzerland* United States* | Australia** Ireland** Italy** Portugal** |
| Minister with dedicated portfolio on development | Canada<br>Denmark<br>Germany<br>Norway<br>Sweden  | Spain**                                  |

<sup>\*</sup>Development/international cooperation is not explicitly mentioned in the ministerial title, but responsibility for it falls within the portfolio.

The number of countries with ministers with dedicated portfolios on development sitting at the Cabinet table has grown since the last analysis in Gulrajani (2018), and now includes Canada, Norway and Sweden, in addition to Denmark and Germany, which fell into this category previously. Denmark, one of the most tightly integrated ministries and a model 1 country, still retains a dedicated minister with a position in Cabinet. In the category of ministers with dual portfolios (i.e. development and something else) located in Cabinet, the majority share responsibility with foreign affairs (see also Table 2). In Finland, the Netherlands and Luxembourg, development is represented by a minister who also represents the interests of

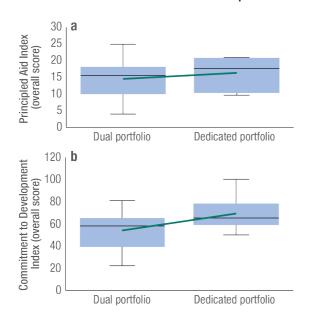
<sup>\*\*</sup>The portfolio is held by a Secretary of State or Minister of State, working as a subordinate to the Foreign Minister.

trade/economy. No country with a development minister who is considered a subordinate to the Foreign Minister appears to sit in their country's Cabinet.

Current expectation is that there will be no dedicated Cabinet position for development in the UK following the merger.<sup>15</sup> It is expected that the Secretary of State for Foreign and Commonwealth Affairs will represent development in Cabinet.<sup>16</sup> This is regrettable as, like Faure et al. (2015), our own internal analysis (not presented here) indicates that a dedicated Cabinet minister responsible for development is associated with higher average performances on all of the indicators examined above. Nevertheless, given that the UK may still be considering the decision to appoint a junior minister for development, we seek to explore the associated benefits of a minister with a dedicated focus on development compared to a minister with dual responsibilities.<sup>17</sup>

Similar to the analysis of institutional models above, we calculate box and whisker plots for all the previous metrics and compare ministers with dedicated portfolios (sample size 7) and dual portfolios (sample size 21). We find higher average and median values for ministers who have a dedicated development portfolio as compared to ministers with shared portfolios on the PA Index and CDI (Figure 6), absolute and relative ODA expenditures (Figure 7) and soft power scores (Figure 8).<sup>18</sup> The only area where we see marginally worse performance for dedicated development ministers is on average and median rates of administrative efficiency (Figure 9)

**Figure 6** Association between ministerial structures and country scores on the Principled Aid Index and Commitment to Development Index



Notes: Aggregate Principled Aid Index score (average, last three years of data) and aggregate score on the Commitment to Development Index (average, last year of data only).

<sup>16</sup> https://hansard.parliament.uk/commons/2020-06-18/debates/57270683-7B48-4631-9316-5D5D1790BD3C/DFID-FCOMerger

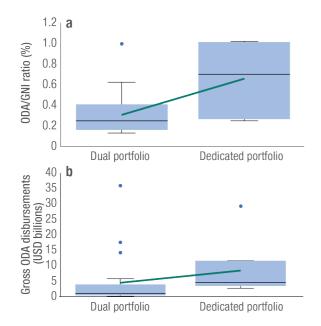
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 $<sup>^{15}\</sup> https://committees.parliament.uk/publications/1781/documents/17249/default/$ 

<sup>&</sup>lt;sup>17</sup> In February 2020, seven Ministers of State became jointly responsible towards DFID and the FCO. We have found no other DAC examples beyond the UK of multiple junior Ministers of State representing international development.

<sup>&</sup>lt;sup>18</sup> In our means of difference analysis, the association with the CDI score is significant to p<0.05. Associations with ODA/GNI are highly significant to p<0.01, while results for soft power are significant to p<0.1.

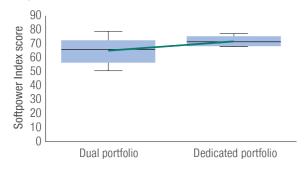
Figure 7 Association between ministerial structures and aid volumes



Notes: Average, 2016–2018. Outliers: Figure 8a – Luxembourg; Figure 8b, dual portfolio – France, Japan and United States, dedicated portfolio – Germany.

Source: OECD (2020) Creditor Reporting System

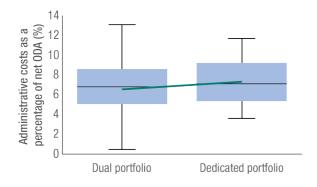
Figure 8 Association between ministerial structures and soft power



Notes: Average score, 2017–2019.

Source: Portland and USC Center on Public Diplomacy (2020)

Figure 9 Association between ministerial structures and administrative costs



Notes: Average, 2016-2018.

Source: OECD (2020) Creditor Reporting System

Appointing a single representative with dedicated oversight of international development, even in a subordinate role to the Secretary of State for Foreign and Commonwealth Affairs, may strengthen representation of development against some key metrics. More pragmatically, it may also result in a more manageable workload for a senior minister juggling dual portfolios, one of which covers the full spectrum of public diplomacy and international relations.

### **Development representation on national security bodies**

Currently in the UK, the Prime Minister chairs the National Security Council (NSC). The NSC is a Cabinet committee responsible for bringing together decision-makers and experts to discuss and implement the UK's national security strategy, including the Secretary of State for International Development. After the merger, it is expected that the Secretary of State for Foreign and Commonwealth Affairs will represent development interests on the NSC.

Table 2 tracks representation of development interests on the principal DAC national security bodies beyond the UK, keeping in mind that some countries appear to lack such a forum (e.g. Switzerland). The table represents a wide-ranging effort to gather information from websites, DAC publications and researchers monitoring DAC donors. While preliminary, it offers a glimpse of some interesting trends. With the notable exception of Germany, where the Minister for Economic Cooperation and Development sits on the Federal Security Council, no dedicated development minister participates in the main national security bodies of their countries. Instead, positions on these bodies tend to be associated with foreign ministers, albeit serving in a dual capacity as the senior political spokesperson for development. For countries with development ministers, alternative cross-governmental mechanisms and informal back channels allow for coherence and synergies between security and development. Thus, a decision to forego direct development representation on the NSC in the UK seems broadly in line with trends across the DAC, with the important exception of Germany.

**Table 2** Ministerial representation for development on national security bodies in DAC donors

|  | Country     | Minister in charge of the development portfolio                              | National security body                     |
|--|-------------|--|--|
| Minister<br>representing<br>development<br>sitting in<br>national<br>security body | France      | Foreign Minister   | National Security and Defense<br>Council   |
|  | Germany     | Federal Minister for Economic Cooperation and Development                    | Federal Security Council                   |
|  | Iceland*    | Minister for Foreign Affairs and<br>International Development<br>Cooperation | National Security Council                  |
|  | Japan       | Minister for Foreign Affairs   | National Security Council                  |
|  | New Zealand | Foreign Minister   | Cabinet National Security<br>Committee     |
|  | Poland*     | Minister of Foreign Affairs  | National Security Council                  |
|  | Slovakia    | Minister of Foreign and European<br>Affairs                                  | Security Council of the Slovak<br>Republic |
|  | Slovenia    | Minister of Foreign Affairs  | National Security Council                  |

|   | South Korea    | Minister of Foreign Affairs   | National Security Council<br>(국가안전보장회의)                     |
|---|----------------|---|---|
|   | US             | Secretary of State  | National Security Council                                   |
| Minister representing development not sitting in national security body | Australia      | Minister for International<br>Development and the Pacific and<br>Assistant Minister for Defence   | National Security Committee                                 |
|   | Canada         | Minister of International Development   | National Security Advisor                                   |
|   | Czech Republic | Minister of Foreign Affairs   | National Security Council                                   |
|   | Denmark        | Minister for Development<br>Cooperation   | Sikkerhedsudvalget  |
|   | Ireland        | Minister of State for the Diaspora and International Development  | National Security Committee                                 |
|   | Italy          | Vice Minister of Foreign Affairs and International Cooperation  | High Council of Defence                                     |
|   | Netherlands    | Minister for Foreign Trade and<br>Development Cooperation   | National Coordinator for Counter-<br>Terrorism and Security |
|   | Portugal       | Secretary of State for Foreign<br>Affairs and Cooperation   | Superior Council for National<br>Defense                    |
|   | Spain          | Secretary of State for International<br>Cooperation   | National Security Council                                   |
|   | Sweden         | Minister for International Development Cooperation  | Security Policy Council/<br>Säkerhetspolitiska rådet        |
|   | Switzerland    | Head of Department of Federal<br>Directorate of Foreign Affairs   | N/A   |
| Unknown   | Austria        | Federal Minister for European and International Affairs   | Unknown   |
|   | Belgium        | Deputy Prime Minister and<br>Minister of Finance, in charge of<br>the Fight against Tax Fraud and<br>Minister of Development<br>Cooperation | National Security Council                                   |
|   | Finland        | Minister for Foreign Trade and Development  | Unknown   |
|   | Greece         | Minister of Foreign Affairs   | Unknown   |
|   | Hungary        | Minister of Foreign Affairs   | Unknown   |
|   | Luxembourg     | Minister for Development<br>Cooperation and Humanitarian<br>Affairs & Minister of the Economy   | Unknown   |
|   | Norway         | Minister of International<br>Development  | Unknown   |

Notes: \*While we are almost certain of our classification of these countries, we have been unable to confirm this.

# Parliamentary scrutiny and accountability

Parliamentary scrutiny of development spending and decision-making is an important public accountability mechanism (Gulrajani, 2018). In the UK, the cross-party International Development Committee (IDC) serves as a mechanism for debate, discussion and feedback between DFID, the wider government, elected officials and the public, cultivating deeper knowledge of development programming through its enquiries, monitoring implementation and ultimately sustaining bipartisan support. While select committees tend to mirror departmental structures, there are indications that parliament will have the opportunity to decide on the status of the IDC post-merger.<sup>19</sup>

In Table 3, our aim was to identify the main parliamentary committee in DAC countries with responsibility towards development policy and implementation, and then to assess whether it had a robust role in evaluating and scrutinising development. Like Table 2, it represents a work in progress based on data gathered from publicly available websites, DAC publications and researchers monitoring DAC donors. This analysis is open to interpretation, and as such we recognise its limitations and invite feedback to improve its accuracy. Nevertheless, we have released it here since even a preliminary analysis may be useful as decision-makers in the UK consider the future of the IDC over the coming weeks and months.

Table 3 DAC countries with a parliamentary committee evaluating and scrutinising development

| Level of scrutiny | Country        | Committee name   |
|-------------------|----------------|--|
| Significant       | Germany        | Committee on Economic Cooperation and Development                        |
|                   | Ireland        | Committee on Foreign Affairs and Trade, and Defence                      |
|                   | Netherlands    | Foreign Trade and Development Cooperation Committee                      |
|                   | South Korea    | Foreign Affairs and Unification Committee                                |
|                   | US             | Committee on Foreign Affairs   |
| Limited           | Australia      | Foreign Affairs, Defence and Trade Committee                             |
|                   | Canada         | Standing Committee on Foreign Affairs and International Development      |
|                   | Czech Republic | Foreign Policy Committee   |
|                   | Denmark        | Foreign Affairs Committee  |
|                   | France         | Foreign Affairs, Defence and Armed Forces                                |
|                   | Iceland        | Foreign Affairs Committee  |
|                   | Italy          | Committee on Foreign Affairs and Trade, and Defence                      |
|                   | New Zealand    | Foreign Affairs Defence and Trade Select Committee                       |
|                   | Slovakia       | Foreign Affairs Committee of the National Council of the Slovak Republic |

<sup>19</sup>https://hansard.parliament.uk/Commons/2020-06-

16/debates/20061637000001/Global Britain?highlight = %22 whitehall%20 super%20 department%22 # contribution-2BA9109C-C0C9-457C-9F36-48327018DD59

|         | Slovenia    | Committee on Foreign Policy  |
|---------|-------------|--|
|         | Spain       | Comisión de Cooperación Internacional para el Desarrollo                             |
|         | Sweden      | Committee on Foreign Affairs   |
|         | Switzerland | Foreign Affairs Committee  |
| Unknown | Austria     | Unknown  |
|         | Belgium     | Senate Committee on Foreign Relations and Defence                                    |
|         | Finland     | Foreign Affairs Committee  |
|         | Greece      | Standing Committee on National Defense and Foreign Affairs                           |
|         | Hungary     | Standing Committee on Foreign Affairs  |
|         | Japan       | Special Committee on Official Development Assistance and Related Matters             |
|         | Luxembourg  | Committee of Foreign and European Affairs, of Cooperation,<br>Immigration and Asylum |
|         | Norway      | The Standing Committee on Foreign Affairs and Defence                                |
|         | Poland      | Foreign Affairs Committee  |
|         | Portugal    | Committee on Foreign Affairs and Portuguese Communities                              |

Notes: 2020 data, excluding UK

In most democracies, parliament is the ultimate mechanism holding government to account for its development spending. Recognising this, Table 3 assesses the manner in which this accountability function is exercised. If this involved simply the approval of new strategies, budget lines or government reports, we coded this as a limited role in evaluation and public scrutiny. However, if we found evidence of deeper levels of parliamentary assessment of government development policy and practice, including through formal inquiries, engagement with officials managing the development programme, study tours and invitations to external witnesses to provide oral and written testimony, we coded as significant.

This exercise draws particular attention to the few DAC countries with robust parliamentary scrutiny mechanisms, including Germany, the Netherlands, South Korea, the United States and Ireland. Conversely, there is a much longer list of countries where parliamentary oversight of development policy and implementation is limited. We have only been able to identify three countries – Germany, Spain and Japan – with a dedicated parliamentary committee on development. In one case, the Netherlands, a committee has a specific but shared mandate over trade and development policy. Overall, this analysis points to relatively weak parliamentary scrutiny across the DAC, supporting our original assessment of the IDC as a world-class public governance institution of development (Gulrajani, 2018).<sup>20</sup> Further exploration of the Spanish

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<sup>&</sup>lt;sup>20</sup> The high standards of the IDC were recently highlighted after a session of the UK Foreign Affairs Committee that raised concerns about its weak capacity to select witnesses and appropriately interrogate matters of development policy. https://www.devex.com/news/foreign-affairs-committee-criticized-over-dfid-merger-session-97656#.XwW\_jp8MQBE.twitter

and Japanese cases may be warranted to understand their success and limitations as public accountability mechanisms, as both have cross-governmental mandates notwithstanding structures that give ministries of foreign affairs authority over development policy. Given that the UK already has examples of select committees transcending departmental boundaries, including the Public Accounts and Environmental Audit Committees, this may be an opportune moment to assess the value of a similar cross-departmental committee focused on development. While we have not engaged here in a review of independent scrutiny mechanisms across the DAC, the role of the Independent Commission for Aid Impact (ICAI) will also be germane to ongoing discussions involving the public scrutiny and accountability of development policy and its implementation after the merger. With around 20% of ODA spent outside FCO and DFID in 2019,<sup>21</sup> this should be a matter of the utmost priority.

#### Conclusion

In the wake of the announcement of the DFID–FCO merger, the British government faces important choices relating to the public governance of its global development expenditures and activities. This note has touched on four areas where critical decisions must now be made: institutional structures, the nature of ministerial responsibilities, development representation on national security bodies and the role of parliamentary committees. It has drawn on cross-national data to give a sense of the choices other countries have made along these dimensions, and explored the associations between specific institutional and ministerial structures and attributes relating to development commitments, administrative efficiency, aid quantity and soft power. While distinct political circumstances and historical trajectories undoubtedly drive administrative choices, the decisions made at this critical juncture on the structures of public governance of development in the UK are likely to be consequential, and merit close attention over the coming weeks.

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<sup>&</sup>lt;sup>21</sup> https://www.gov.uk/government/statistics/statistics-on-international-development-provisional-uk-aid-spend-2019

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