

Department for International Development

Draft Structural Reform Plan

27th July 2010

Structural Reform Plans

Structural Reform Plans are the key tool of the Coalition Government for making departments accountable for the implementation of the reforms set out in the Coalition Agreement. They replace the old, top-down systems of targets and central micromanagement.

The reforms set out in each department's SRP are designed to turn government on its head, taking power away from Whitehall and putting it into the hands of people and communities. Once these reforms are in place, people themselves will have the power to improve our country and our public services, through the mechanisms of local democratic accountability, competition, choice, and social action.

The reform plans set out in this document are consistent with and form part of the Department's contribution to the Spending Review. All departmental spending is subject to the Spending Review.

We have adopted a cautious view of the timescales for delivering all legislative measures due to the unpredictability of pressures on Parliamentary time.

Foreword by the Secretary of State

This Structural Reform Plan sets out some of the steps we will take to help achieve the Coalition Government's objectives on international development. It focuses on the main internal, structural reforms we will make in DFID. We expect to be held to account by Parliament and by the public on whether we deliver these reforms.

It is not intended to be an exhaustive list of Coalition Government policies on international development, or to capture the full extent of on-going work within DFID. This wider work covers areas including direct action to deliver the Millennium Development Goals, wealth creation, governance and security, climate change and global partnerships.

We will seek to use DFID's international reputation to persuade other agencies to follow our leadership and drive deep reform of the international aid architecture: confronting weaknesses and driving improvements in value for money, efficiency and poverty-focus throughout the international system.

I look forward to members of the public engaging with this plan.

Andrew Mitchell MP, Secretary of State for International Development

Departmental Priorities

1. International commitments

- Honour the UK's international commitments and support actions to achieve the Millennium Development Goals

2. Value for money

- Make British aid more effective in reducing poverty through improved transparency and value for money

3. Wealth creation

- Make British international development policy more focussed on boosting economic growth and wealth creation

4. Afghanistan, Pakistan, conflict and stabilisation

- Improve the join-up and performance of British development policy in conflict countries, with particular focus on Afghanistan and Pakistan

5. Role of women

- Recognise the role of women in development and promote gender equality

6. Climate change

- Drive urgent action to tackle climate change and support adaptation efforts in developing countries

1. International commitments

Honour the UK's international commitments and support actions to achieve the Millennium Development Goals

ACTIONS	Start	End
1.1 Honour UK commitment to spend 0.7% of GNI on overseas aid from 2013, enshrine this commitment in law and encourage other countries to fulfil their aid commitments		
i. Enshrine in law our commitment to spend 0.7% of national income on Official Development Assistance from 2013	May 2010	Nov 2011
1.2 Support actions to help achieve the Millennium Development Goals		
i. Specify our objectives on (a) increasing access to clean water, sanitation, healthcare and education, (b) reducing maternal and infant mortality and (c) restricting the spread of major diseases like HIV/AIDS, TB and malaria	Jun 2010	Mar 2011
ii. Publish Malaria Evidence Paper and Business Plan detailing how the Department will spend up to £500m per year on fighting malaria	Dec 2010	
1.3 Use the aid budget to support the development of local democratic institutions, civil society groups, the media and enterprise		
i. Develop and publish new guidance on implementing the commitment that up to 5% of all budget support should go to accountability institutions	Jul 2010	Dec 2010
MILESTONES		
A. Malaria Evidence Paper and Business Plan published	Dec 2010	
B. Specific DFID MDG objectives published	Mar 2011	
C. 0.7% of GNI spent as aid	2013 onwards	

2. Value for money (1 / 2)

Make British aid more effective in reducing poverty through improved transparency and value for money

ACTIONS	Start	End
2.1 Establish independent aid watchdog and strengthen evaluation throughout DFID		
i. Undertake systematic reviews of evidence on the effectiveness of 10 key policy interventions (e.g. use of referral services to reduce maternal mortality)	Jun 2010	Mar 2011
ii. Launch independent aid watchdog	Jun 2011	
2.2 Introduce full transparency in aid and publish details of all new UK aid spending online		
i. Introduce new Aid Transparency Guarantee	Jun 2010	
ii. Begin to publish full information on all new DFID projects over £500	Jan 2011	
iii. Push for an ambitious International Aid Transparency standard	Jun 2010	Jan 2011
2.3 Create new mechanism to give British people a direct say in how an element of the aid budget is spent		
i. Establish and launch new mechanism	Oct 2010	Jun 2011
2.4 Reorientate DFID's programmes to focus on results		
i. Complete Bilateral Aid review	Feb 2011	
ii. Complete Multilateral Aid review	Feb 2011	
MILESTONES		
A. Aid Transparency Guarantee introduced	Jun 2010	
B. Full Information published on all new DFID projects over £500	Jan 2011	
C. Bilateral Aid review completed	Feb 2011	
D. Multilateral Aid review completed	Feb 2011	
E. Independent aid watchdog launched	Jun 2011	

2. Value for money (2 / 2)

Make British aid more effective in reducing poverty through improved transparency and value for money

ACTIONS	Start	End
2.4 iii. Complete Emergency Response Review	Mar 2011	
iv. Introduce new project design, appraisal, and monitoring templates to ensure greater focus on results, risks and value for money	Jan 2011	
v. Pilot Results-Based Aid and cash on delivery contracts in 3 developing countries	Jun 2010	Nov 2011
2.5 Give poor people more power and control over how aid is spent		
i. Develop and issue formal guidance to all DFID country offices on scaling up participatory budgeting, cash transfers, and other measures which expand choice and empowerment to citizens in developing countries	Jun 2010	Dec 2010
2.6 Support innovative and effective smaller British NGOs to deliver results		
i. Design and then launch new Poverty Impact Fund	Jul 2010	May 2011
2.7 Develop international element of National Citizen Service		
i. Publish plans to offer outstanding NCS graduates the opportunity to take part in international development programmes	Jan 2011	
MILESTONES		
F. New guidance issued to DFID country offices on choice and empowerment	Dec 2010	
G. Plans published developing international element of National Citizen Service	Jan 2011	
H. Emergency Response Review completed	Mar 2011	
I. New Poverty Impact Fund launched	May 2011	

3. Wealth creation

Make British international development policy more focussed on boosting economic growth and wealth creation

ACTIONS	Start	End
3.1 Make DFID more private-sector friendly		
i. Develop new projects on property rights, microfinance and SME finance, and investment climate reform	Jun 2010	May 2011
ii. Create a new dedicated Private Sector team within DFID to drive culture change within the Department	Jun 2010	Sep 2010
3.2 Review CDC (formerly Commonwealth Development Corporation) to make it more proactive and pro-poor		
i. Request CDC to develop new business plan to maximise its development impact	Jun 2010	
ii. Publish CDC's business plan	Mar 2011	
3.3 Promote pro-development trade agreements, including support for Pan-African Free Trade Agreement		
i. Push for successful outcome to Doha Round and for members of G20 to agree Duty Free Quota Free Access for Least Developed Countries	Jun 2010	
ii. Agree actions to promote trade facilitation as part of the Trade White Paper	Jun 2010	Dec 2010
iii. Establish funding arrangements to step up support for regional economic integration including trade facilitation/advocacy	Jun 2010	Sep 2011
MILESTONES		
A. Strategy published on trade facilitation	Dec 2010	
B. Business plan published by CDC	Mar 2011	
C. New projects on property rights, investment climate reform and microfinance developed	May 2011	

6. Climate change

Drive urgent action to tackle climate change and support adaptation efforts in developing countries

ACTIONS	Start	End
6.1 Establish Advocacy Fund to help the very poorest developing countries take part in international climate change negotiations		
i. Develop and launch Advocacy Fund	Jun 2010	Sep 2011
6.2 Support developing countries' climate adaptation and low carbon growth, including by making DFID programmes more climate-smart		
i. Develop and launch new Environmental Screening Note to ensure environment issues fully addressed in DFID projects	Jun 2010	Dec 2010
ii. Develop new programme to improve forest management and tackle illegal logging in order to reduce deforestation	Jun 2010	Mar 2011
iii. Launch pilot advance market commitment for renewable energy in at least one developing country	Jun 2010	Mar 2011
iv. Develop methodologies and indicators to track impact and value for money, on adaptation, low carbon development and protecting forests	Jun 2010	Jun 2011
v. Pilot Strategic Climate Programme Reviews in 6 countries to ensure climate issues are addressed in DFID country business plans	Aug 2010	May 2011
MILESTONES		
A. New Environmental Screening Note launched	Dec 2010	
B. Programme to improve forest management and tackle illegal logging developed	Mar 2011	
C. Strategic Climate Programme Reviews piloted in 6 countries	May 2011	
D. Advocacy Fund established	Sep 2011	