

# Meeting Global Challenges & Making a Difference

**Aligning our International Development Policy  
with the Global Goals**

**10th ANNIVERSARY  
2005-2015**

Scottish Government  
International Development



## Ministerial Foreword



Scotland has always been an outward facing nation, exporting goods, people and ideas around the world and welcoming ideas and people from all parts of the world to our nation.

Nowhere is this more apparent than in Scotland's enduring and special relationship with Malawi. For this reason, our international development programme began in Malawi in 2005, with the signing of the Cooperation Agreement between the Scottish Government and the Government of Malawi. Whilst our international development programme still has a heavy centre on Scotland's partnership with Malawi, the programme has since grown to include six other priority countries.

Our Fund has grown too, and we now operate with a budget of £9 million per annum. However, our international development work has remained faithful to its origins, working through, and continuing to support, the people to people links: a new model for international development for which the Scottish Government has been praised globally. We do not provide any direct funding to other governments, but instead continue to fund only through Scottish based organisations, with a strong emphasis on respectful partnership.

An important aspect of our approach in both our international development and climate justice work – and a key element of Scotland's contribution to meeting global challenges – has been that we want to share our knowledge, skills and technical expertise: in health, education, human rights, water, sanitation, renewable energy and social enterprise.

In November 2015, we celebrated the 10th anniversary of the signing of the Cooperation Agreement between the Governments of Scotland and Malawi, with the First Minister hosting a reception at Bute House to mark the date of the historic anniversary.

However, 2015 was also a seminal year for international development in the wider global context, with the Millennium Development Goals coming to an end, replaced from January 2016 by the new Global Goals – the UN agreed set of high level priorities which will tackle poverty and inequality from now until 2030.

International development policy today across the UK is of course set in the context of the most difficult economic circumstances for a generation. In times such as these, one of the first policy areas to suffer is often international development. At best, it causes people to ask hard and searching questions about our international development policies and their impact, and at worst it leads to Governments drawing back from their obligations. I am pleased, however, that the Scottish Government has protected its £9 million budget. In the face of extreme global poverty, a caring, socially responsible Scotland must continue to take action in relation to the world's poorest and most vulnerable in addition to our parallel commitment to tackle poverty and inequality domestically in Scotland.

First Minister Nicola Sturgeon therefore sent a strong message in July 2015, when she announced the Scottish Government's commitment to the new Global Goals, and that implementation domestically in Scotland would be pursued within our National Performance Framework. The First Minister said: "*The UN's Sustainable Development Goals offer a vision of the world that I believe people in Scotland share. From ending poverty and hunger; securing education and health services; combating inequality and achieving gender equality, the aims set out by the UN form an agenda for tackling some of the world's greatest problems*". Like the First Minister, I want Scotland to be known as a compassionate nation, as well as succeeding economically and socially at home.

In light of the key milestones such as the advent of the new Global Goals and the 10<sup>th</sup> anniversary of our international development programme, it feels timely to now consider how the Scottish Government will, in future, best continue to contribute as a good global citizen to reducing poverty and inequality globally, through our international development programme.

Through this consultation therefore I am keen to arrive at a refreshed Scottish Government international development policy that embraces and seeks to deliver on our commitment to the Global Goals, and is in line with good development practice. I also want to ensure that whilst the new policy preserves the best elements of our current international development work, we more carefully target and focus our International Development Fund and other related work to where we can make a real difference and most impact in relation to our budget. This means looking at: reducing the number of countries that we work in through a consideration of our future geographic focus; aiming to be more targeted in our thematic areas; and looking at a number of more practical issues around how we fund international development initiatives in future.

To help us formulate our new refreshed policy, and ensure that we build upon the people-to-people basis of our development work to date, I am keen to hear views from as many different sectors and people as possible, both in Scotland and overseas.

The public consultation exercise will take place between 25th February and 20th May 2016, and I look forward to the discussions. This consultation is aimed at having a new refreshed international development policy by the summer, taking forward the Scottish Government's global contribution towards the Global Goals: a development contribution that is focused, targeted and impactful.

**HUMZA YOUSAF**

**MINISTER FOR EUROPE AND INTERNATIONAL DEVELOPMENT**

## **INTERNATIONAL DEVELOPMENT CONSULTATION**

As a good global citizen, Scotland is committed to tackling poverty and inequality both at home and abroad. With the First Minister having recently committed Scotland to implementing the newly-adopted Global Goals both domestically and internationally, alongside having just celebrated the 10<sup>th</sup> anniversary of the Scottish Government's International Development Programme, we believe this is an opportune moment to take stock of how we deliver our international development work and to invite views on how best we can refine our programme for our £9 million per annum to be most effectively spent.

### **The Challenge for this Consultation Process**

With a £9 million per annum International Development Fund currently supporting 57 projects, in 7 priority countries, across a range of 8 themes, we believe that our work is spread too thinly.

As set out in the Ministerial foreword, we are seeking views on how we might more carefully target and focus our International Development Fund and other work to where we can make a real difference and most impact in relation to our budget, and implement the Global Goals.

This means:

- reducing the number of countries that we work in through a consideration of our future geographic focus (Section 2 of the Consultation Paper);
- aiming to be more targeted in our thematic areas (Section 3 of the Consultation Paper).
- looking at a number of practical issues around how we fund international development initiatives through our International Development Fund in future (Section 4 of the Consultation paper).
- considering overall how to realign our work to best support the new Global Goals, which replaced the Millennium Development Goals in January 2016.

We intend to retain our existing policies of:

- not providing bilateral funding to other governments from our International Development Fund.
- Malawi as one of our priority countries, through the bilateral co-operation agreement with the Government of Malawi.

Through this consultation and resultant decision-making process we want to ensure that the refreshed international development policy preserves and builds on the best elements of our current international development work and partnerships, whilst more effectively targeting and focusing our activity to achieve the greatest impact.

## **Structure of the Consultation Document**

In considering how, in the context of the new Global Goals, we might more carefully target and focus our International Development work to where we can make most impact in relation to our budget, we recognise that there are different but interlinked aspects of our programme to focus on:

- geographic focus;
- thematic areas of work;
- a number of more practical issues around the structures of how we fund international development initiatives in future; and
- “Beyond Aid” contributions.

With this in mind therefore, this consultation document has been divided into sections dedicated to each of those constituent parts, and we would welcome your views on each of those – but also ask you to consider how they all fit together for an overall refreshed international development programme:

**Section 1:** Background and overview

**Section 2:** Where we work: Geographical Focus

**Section 3:** What work we do: Thematic Focus

**Section 4:** How we work: Development & Funding Models

**Section 5:** The Beyond Aid Agenda

**Section 6:** Other issues

## **Section 7: Summary of Questions**

### **Who this consultation is aimed at:**

Through this conversation we hope to reach a wide audience, some of whom may already currently be involved in international development work, whether through Scottish Government funding, other donors or through local and personal contributions, and others who have had no involvement to date.

This includes not only those who have already had some engagement with the Scottish Government’s International Development Programme as well as those who have not - that latter category may include, for example, organisations and/or individuals who have expertise to offer but perhaps have not fitted the criteria for - or model of - our existing funding.

Overall:

- we would like to hear from **civil society**, both within Scotland and overseas, particularly in our current priority countries but otherwise any other countries where there is interest to partner with the Scottish Government. We use the term “civil society” broadly in this context, to include: the general public, the international development community, NGOs, diaspora and equality and faith groups;
- we are keen to hear from **public bodies and institutions, academia and the private sector**, both in Scotland and in-country overseas;
- we would like to hear from the **Scottish Parliament** – from cross-party groups and the Commonwealth Parliamentary Association (CPA);
- given our Cooperation Agreement with the **Government of Malawi**, we will also specifically be seeking their views on future thematic areas of cooperation in Malawi in particular, in addition to views from **civil society groups in Malawi**;
- we will discuss with **UK Department for International Development (DFID)**, and **other Government experts**;
- we will welcome responses from **other funders**, whether governmental or non-governmental; and
- finally, we will ensure discussion **internally across other Scottish Government portfolios**, in recognition both of our commitment to policy coherence for development and of the existing positive international work that other Ministers and their Directorates are already engaged in.

We also want to reach through this outward facing conversation those who may not consider the work that they currently do to be “international development”. We know for example that diaspora communities across Scotland, who are contributing greatly to global development goals through investment and entrepreneurship, philanthropy, remittances and volunteering, may not consider themselves to be sustainable international development actors, but simply maintaining relations with family overseas.

Similarly, with the private sector, in a globalised economy, harnessing the private sector is now recognised to be vital to success, and the role of trade and investment as part of the development toolkit in addition to aid is key to sustainable economic development. The private sector in Scotland is already involved in international development work, for example, through corporate social responsibility initiatives and philanthropic bodies.

We recognise that higher education in particular is one of Scotland's major strengths, and would therefore also like to hear from Scotland's academic sector as to how we can better capture and support the wealth of academic and research expertise in future.

**How you can participate in this consultation:**

Respond online:

<https://consult.scotland.gov.uk/international-development-team/meeting-global-challenges>

- Responses must be submitted by 20<sup>th</sup> May 2016.
- Take part in one of the consultation events that we will be running in March and May.
- Organise your own discussion on any or all of the sections of this consultation paper, then respond.

# SECTION 1

## BACKGROUND AND OVERVIEW

### Why have an international development programme?

1.1 In the Ministerial foreword, Humza Yousaf, the Minister for Europe and International Development noted that international development policy today across the UK is set in the context of the most difficult economic circumstances for a generation, and that in times such as these, one of the first policy areas to suffer is often international development. At best, it causes people to ask hard and searching questions about our international development policies and their impact, and at worst it leads to Governments drawing back from their obligations. The Scottish Government has, however, protected its £9 million budget. As the Minister concluded, in the face of extreme global poverty, a caring, socially responsible Scotland must continue to take action in relation to the world's poorest and most vulnerable in addition to our parallel commitment to tackle poverty and inequality domestically in Scotland.

1.2 This echoes the sentiments of Scotland's First Minister Nicola Sturgeon. Speaking at the "*Closing the Inequality Gap: in Scotland and around the globe*" conference in November 2015<sup>1</sup>. In her [Keynote Address](#), the First Minister said that in pledging to implement the Global Goals, the Scottish Government had made a dual commitment to tackle poverty and inequality at home in Scotland, and to help developing countries to grow in a fair and sustainable manner. Both are vitally important and both often throw up similar challenges - challenges that might be different in scale but similar in nature. They are also interlinked: Scotland cannot act with credibility overseas if we are blind to inequality here at home; and our ambitions for a fairer Scotland are undermined without global action to tackle poverty, promote prosperity and to tackle climate change.



*Tackling poverty and inequality in Scotland is one of this Government's central aims for one simple reason: our success as a nation depends upon our working together to deliver a strong economy whilst supporting a fairer society... As much as we strive to create a fairer Scotland, we must realise that inequality and poverty is not restricted to our borders – it is a global issue that needs a global response.*

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<sup>1</sup> hosted by the Network of International Development Organisations in Scotland (NIDOS), partnered with Oxfam Scotland, the University of the West of Scotland, IDEAS, SCIAF, SMP and the Poverty Alliance.

## **Relationship Between Scottish Government and UK Government International Development Fund**

Like all other parts of the UK, Scotland has always contributed through its taxpayers to the UK Government's development work – delivered through the Department for International Development (DFID) and other UK Government Departments.

International relations are reserved to Westminster under the Scotland Act 1998. However, Scottish Ministers may under the 1998 Act assist Ministers of the Crown with international relations, including international development assistance. Through this the Scottish Government established its international development footprint in 2005.

The Scottish Government's International Development work is funded from within its own budget and, like any other part of the Scottish Government's budget and expenditure, is subject to Scottish Parliament approval and scrutiny. Nevertheless, the Scottish Government liaises closely with DFID, particularly in Malawi, to enable an overall joined-up approach between donors, in line with best development practice.

## **The Scottish Government's Approach to Development**

1.3 Scotland in the early 21<sup>st</sup> century is the inheritor of a network of historical links to developing countries, forged by Scotland's prominent role in empire, global exploration, and missionary work. Many of these links have survived into the present day, giving Scotland an invaluable entry point into key sectors of development in some of the world's poorest countries.

1.4 For our Malawi development co-operation work, the network of connections Scotland has built up with Malawi since the time of David Livingstone is an invaluable tool for development, and gives Scotland's development efforts in Malawi a unique head-start. This 'relational' approach to international development has attracted international attention, and we believe it to be unique in world terms. Throughout our 10 years of developing this approach with Malawi, we have made the following observations of its strengths:

- **We achieve significant impact with modest levels of funding.** A decade after its launch, our Malawi Development Programme has recently been £4-5 million per annum, with overall Malawi spend accounting for around two-thirds of our International Development Fund. In spite of this modest budget, the programme has been responsible for achievements of national significance to Malawians, from the quadrupling of medical graduates at Malawi's College of Medicine to bringing access to renewable energy to nearly 80,000 people in rural areas through our flagship Malawi Renewable Energy Acceleration Programme (MREAP).

- By operating through established working relationships we bring about development that is not top-down and impersonal, but is **more needs-based and culturally sensitive**. As results are brought about through longer-term partnerships, there tends to be more local buy-in and therefore a greater chance that the results will be sustained.
- This reciprocal approach to development co-operation lends itself well to meeting the “**people**” and “**partnership**” themes that permeate the **Global Goals**. In our 2008 Independent Review of the Malawi programme<sup>2</sup>, it was noted that “strong networking also emerged as a key area through which greater efficiencies could be achieved in the future”.
- Although it has not been a specific funding criteria set under our International Development Fund, the 2008 Independent Review noted that **advocacy** was one of the positive outcomes highlighted, and a valuable additional impact: that there was evidence of projects bringing focus and attention to their area of work which, in turn, helped raise awareness amongst decision-makers and levered support from other parties.
- **Our programme enjoys broad-based public support.** It is part of a broader bilateral relationship that has twinned Scotland and Malawi, where initiative from Government in both nations has precipitated a renewed involvement on the part of schools, universities, local authorities, and civic society, creating a popular engagement with our programme. This reflects the Malawi programme’s original sense of purpose, for the engagement to be a “living, breathing, national effort”.
- **It is a programme that takes advantage of Scotland as a small, well-connected country.** As a small country, we are better able to take advantage of informal networks and opportunities for collaboration, and to share learning. This also enables collective action in our wider international development work, for example, facilitating the establishment of the cross-sector Post 2015 Working Group on the Global Goals.

1.5 The Scotland Malawi Partnership, who are core funded through the International Development Fund, have referred to the Scottish Government’s experience with Malawi as having a “powerful and enviable multiplier effect” whereby “the Scottish Government leavers more than tenfold what it puts in” (See Box 1).

1.6 Alongside these substantial advantages, we have also observed challenges to the approach, including:

- Difficulties in **providing strategic direction** to a programme that harnesses myriad links across a wide range of sectors and regions.

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<sup>2</sup> <http://www.gov.scot/Resource/Doc/257273/0076387.pdf>

- **Making room for newly-established partnerships between Scotland and the developing world.** Whilst long-term partnerships require continuity of funding and can strengthen over time, we also want to ensure that this is not to the detriment of entering into other potential partnerships through new approaches.

Box 1: In their evidence to the Scottish Parliament European and External Relations Committee's "*Connecting Scotland*" inquiry in April 2015<sup>3</sup>, the Scotland Malawi Partnership said that:

"The Scottish Government's Malawi Development Programme...is extremely small by DFID standards, with just £3 million a year ring-fenced for Malawi. However, by focusing on, building on, and working with, the efforts of wider civil society it has been extremely successful."

"According to the University of Edinburgh, the Scottish Government **levers more than tenfold what it puts in**, unleashing a powerful and enviable multiplier effect. By doing this, as Rev Prof Ross says, it creates a virtuous circle between Government and people where popular support inspires Government efforts while Government support stimulates popular engagement. The result is that resources committed by Government are multiplied many times over by institutions and individuals within civil society."

## **Scottish Government International Development Fund Work Today**

1.7 Our £9 million per year international development fund has continued to support a robust programme of development, focused on the key objective of poverty alleviation and the achievement of the Millennium Development Goals (MDGs), including gender equality and the empowerment of women, and adhering to the principles of the Paris Declaration on Aid Effectiveness.

1.8 We do not provide any bilateral funding direct to other governments, but have instead continued to fund only through a range of Scottish based organisations, such as registered charities, universities, local authorities, NHS Boards, private sector companies and social enterprises, with a strong emphasis on respectful partnership.

1.9 Since 2008, we have expanded our list of priority countries to a total of seven; Malawi, Zambia, Rwanda, Tanzania, Bangladesh, Pakistan, and the three poorest states in India. Our £9 million p.a. International Development Fund is targeted to those countries through a wide range of funding initiatives. Box 2 summarises this spend in terms of breakdown between the funding initiatives, whilst more detail on these is provided below.

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<sup>3</sup> Scottish Parliament European and External Relations Committee's inquiry "*Connecting Scotland - how the Scottish Government and its agencies engage internationally*": *Scotland Malawi Partnership evidence* -

[http://www.scottish.parliament.uk/S4\\_EuropeanandExternalRelationsCommittee/Inquiries/ConnScotInq\\_Scotland\\_Malawi\\_Partnership.pdf](http://www.scottish.parliament.uk/S4_EuropeanandExternalRelationsCommittee/Inquiries/ConnScotInq_Scotland_Malawi_Partnership.pdf)

## Box 2: International Development Fund Breakdown 2014-15

Description	2014-15
<b>Main Development Programmes</b>	Malawi Development Programme (£4.2M) Sub Saharan Africa Development Programme (£1.22M) South Asia Development Programme (£1.46M)
<b>Renewable Energy Programme</b>	Malawi Renewable Energy Programme 2012-15 (MREAP) (£349,878)
<b>Small Grants Programme</b>	3 year pilot Small Grants Programme, launched 2013 (£431k)
<b>Sport Relief Partnership</b>	Partnership with Sport Relief and UNICEF in Malawi & Bangladesh (£165k)
<b>Scholarships</b>	The Pakistan Women Scholarships (£150k) The Pakistan Children Scholarships (£110k) The David Livingstone Scholarships programme in Malawi (£100k)
<b>Core funding for international development networking/fair trade organisations</b>	The Network of International Development Organisations in Scotland (NIDOS) (£135,000) The Scotland Malawi Partnership (SMP) in Scotland and its sister organisation the Malawi Scotland Partnership (MaSP) in Malawi (£231,542 in total) Support for fair trade via the Scottish Fair Trade Forum (£155,600).
<b>HUMANITARIAN FUNDING</b>	In 2014/15, we donated to: Gaza; Ebola in West Africa and Malawi floods appeals.

### *Development Programmes*

1.10 Currently we have 57 separate projects, across a range of themes in our seven priority countries, through the Malawi Development Programme, the Sub Saharan African Development Programme, and the South Asian Development Programme:

#### *Malawi Renewable Energy Acceleration Programme (MREAP)*

1.11 Additional funding totalling £2.3 million was awarded outside of the Malawi Development Programme, to support the work of the Malawi Renewable Energy Acceleration Programme (MREAP, 2012-15). Our single biggest International Development Fund programme to date, MREAP supported UN Sustainable Energy for All objectives, and through this we have brought new energy access to almost 80,000 people in rural Malawi. From 2015, renewable energy projects were brought within our main Malawi Development Programme, with new projects awarded for 2015-18.

### *Sport Relief Partnership*

1.12 Through a second phase of a successful partnership with Sport Relief, the Scottish Government is working with Sport Relief and UNICEF to fund projects in Malawi and Bangladesh worth a total of £1 million aimed at supporting young people as part of Commonwealth Games Legacy. Phase 1 projects were in Malawi, Uganda and South Africa on the themes of Education, Housing and support for people whose lives had been affected by conflict.

### *Small Grants Programme*

1.13 In 2013, the Scottish Government established a Small Grants Programme<sup>4</sup> as a pilot under the International Development fund, with up to £500,000 being made available in each round to help smaller Scottish-based international development organisations increase their scope and ambitions whilst continuing to deliver assistance to some of the world's most vulnerable communities.

### *Scholarships: Pakistan and Malawi*

1.14 Through the British Council, we fund a range of scholarships in Pakistan to support 240 disadvantaged women in Pakistan to go to university and to enable 1400 schoolchildren in remote parts of Pakistan from poorer backgrounds to go to school.

1.15 Separately we support a scholarships scheme in Malawi, run for us by the Scotland Malawi Partnership (see below), for young, gifted and underprivileged Malawian students to study at Masters level within Malawi.

### *Networking Support and Fair Trade*

1.16 The Network of International Development Organisations in Scotland (NIDOS). NIDOS was established in recognition of the important role that networking organisations in Scotland can make to the effectiveness of the international development sector: in terms of their assistance in supporting the capacity-building of NGOs in Scotland to work with developing countries; and in providing a focal point for information exchange and the promotion of best practice in development. The Scottish Government has provided core funding under the International Development Fund since 2005, during which time NIDOS' membership has increased to 119 members.

5.1 We have also core funded the Scotland Malawi Partnership (SMP) since 2005. The SMP is focussed specifically on Malawi, acting as a national civil society network coordinating, supporting and representing the people-to-people links between Scotland and Malawi. With that support from the Scottish Government, the SMP's membership has grown to more than 700, including local authorities, universities and colleges, schools, churches, hospitals, businesses, charities, NGOs and community-based organisations all over Scotland. A sister organisation, the Malawi Scotland Partnership (MaSP) has since been established as the Malawian-

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<sup>4</sup> <http://www.gov.scot/Topics/International/int-dev/smallgrants>

owned and led network to support and develop the civil society links with Scotland; we also provide core funding to MaSP. See Box 3.

**Box 3:** Through the two organisations, it is estimated that more than 94,000 Scots and 198,000 Malawians work in partnership together each year, and each year more than 300,000 Scots and 2 million Malawians benefit from the activities of the SMP, MaSP and their members. This also helps support the “virtuous circle” of Government and people activity discussed above.

1.17 We also provide core funding support to the Scottish Fair Trade Forum, to support and promote Scotland’s contribution to fair trade with developing countries. Scotland achieved Fair Trade Nation status in 2013, becoming just the second country in the world to do so.

#### *Other areas of Scottish Government Work*

1.18 In addition to our commitment on policy coherence for development, the Scottish Government is already working across its Ministerial portfolios to support international aims. The work of other Scottish Government Directorates in areas such as climate justice and the UN’s Sustainable Energy for All (SE4All) initiative, on water resource management, and on education through the work of Education Scotland, is set out in Section 5.

#### **Cross Party Support for International Development:**

**Box 4:** A further strong feature underpinning the Scottish Government’s international development work over the last 10 years has been the strong cross-party support in the Scottish Parliament. This has grown over the years, to a point where we now have a range of cross-party groups with a keen interest in international development and issues affecting developing countries: on international development, Malawi, fair trade, renewable energy, the Caribbean, Middle East and South Asia, Pakistan, Palestine, and Tibet. The Scottish Parliament Branch of the Commonwealth Parliamentary Association (CPA) has similarly been particularly active, and indeed also celebrated its 10 year anniversary last year of its engagement with the National Assembly of Malawi, focusing on exchanges on governance.

#### **How Our International Development Work Began**

1.19 The Scottish Government’s international development work in Malawi was launched by Lord McConnell, Scotland’s then-First Minister in 2005.

1.20 It was felt that Scotland’s own devolution journey would not be complete without recognising its history as an outward facing nation and good global citizen; one whose people have had a strong spirit of global humanity that has continued to this day, working to enrich the lives of others, both at home and abroad.

1.21 Nowhere is this more apparent than in Scotland's enduring and special relationship with Malawi. Our connections started with Dr David Livingstone and the Scottish missionaries in the mid-18<sup>th</sup> century, truly some of the first global Scots to Africa. Dr Livingstone in particular was an early champion of human rights.

1.22 Those early Scottish visitors to Malawi forged friendships and partnerships with Malawians, working for the benefit of Malawi as well as bringing back to Scotland new knowledge and an appreciation of other cultures. Whilst the Scottish influence in Malawi continues to be seen and felt strongly today, so too have those Malawian connections helped to shape the Scotland and Scots of today. It is these people to people links, between schools, churches and individual connections, which put reciprocity at the heart of our work.

1.23 The Scottish Government forged its own formal relationship with the Government of Malawi under the November 2005 Cooperation Agreement signed between Scotland's First Minister and Malawi's President, outlining the key areas of engagement for a Malawi Development Programme. The Cooperation Agreement formally recognised that the Scotland-Malawi relationship was "a reciprocal partnership based upon sharing experiences and skills", and an "opportunity to learn from each other and to recognise the needs of our two countries".

1.24 Under the Cooperation Agreement, the Scottish Government committed to spend at least £3 million per annum in Malawi, within the four thematic areas agreed: health, education, civic governance and sustainable economic development.

### **Refresh Of International Development Policy In 2008**

1.25 The Scottish Government's International Development Policy was refreshed in 2008, ultimately expanding the overall international development budget to £9 million per annum (whilst retaining the commitment to a minimum of £3 million per annum spend in Malawi), and introducing a further six priority countries.

1.26 Please read the [Scottish Government's 2008 International Development Policy](#) for an overview of our existing Policy, its aims, objectives and scope.

### **New developments: The Global Goals**

1.27 The 17 Global Goals ([www.globalgoals.org](http://www.globalgoals.org)) were formally agreed by the UN at the Sustainable Development Summit in New York in September 2015, and came into effect from January 2016. The Goals are an inter-governmentally agreed set of high level targets relating to sustainable, global development, which will:

- Tackle poverty and inequality between now and 2030;
- Build on the Millennium Development Goals (MDGs) which concluded in December 2015;
- Apply universally - unlike the MDGs, the Global Goals are universal and apply to all nations, not just developing ones – national targets guided by global ambition and national circumstances.

1.28 In July 2015, the [First Minister announced Scotland's intention to sign up for the goals](#) as well as the Scottish Government's plans for implementation domestically in Scotland – through the [National Performance Framework](#) and the [Scottish National Action Plan for Human Rights](#) (SNAP Plan) - a commitment which was very well received and viewed as Scotland providing international leadership on reducing inequality both domestically and internationally.

1.29 In committing to the Global Goals, the First Minister declared that they offered a vision of the world that she believes Scotland shares:

- Ending poverty & hunger;
- Securing education and health services;
- Combatting inequality and achieving gender equality.

### **Ambition to Improve our International Development Programme**

1.30 In terms of our international development work, we want to arrive at a refreshed Scottish Government international development policy that embraces and seeks to deliver on our commitment to the Global Goals, and is in line with good development practice. We want to ensure that whilst the new policy preserves the best elements of our current international development work, we more carefully target and focus our International Development Fund and other related work to where we can make a real difference and most impact in relation to our budget.

1.31 Therefore, having read our consideration of the relevant issues in this Section 1, and otherwise based on your own experience, please answer the following question:

### **Ambition to improve our International Development Programme**

**1. Do you support the Scottish Government ambition to improve its International Development programme, through focusing our efforts more effectively?**

- Yes
- No
- Don't know

## **SECTION 2**

### **WHERE WE WORK - GEOGRAPHICAL FOCUS**

2.1 The Scottish Government's International Development Fund currently provides support to Scottish based organisations to work in our 7 priority countries: Malawi, Rwanda, Tanzania and Zambia in Sub-Saharan Africa; and Pakistan, Bangladesh and the three poorest states in India (Bihar, Orissa and Madhya Pradesh) in South Asia.

2.2 The underpinning assumption of this consultation is that our international development work is spread too thinly, across too many countries, and that we should now seek to be more targeted and focused geographically.

2.3 Therefore, in this Section we are seeking views on how we might narrow the geographical focus of our international development programme, and reduce the number of countries with which we partner. In addition, we will give consideration to being more geographically focused within a given country.

2.4 Our international development work will take place within the context of our wider international engagement as outlined in [Scotland's International Framework](#) and accompanying policy statement<sup>5</sup>. This outlines our commitment to engagement with Pakistan and India, as well as China, the USA and Canada. Our engagement with India and Pakistan includes support for the development of social enterprise as a means of encouraging the development of sustainable livelihoods within certain vulnerable communities. The decisions from this consultation document on priority countries for international development will not affect our wider strategic engagement with Pakistan and India.

#### **Malawi: a special relationship**

2.5 The Co-operation Agreement we have with the Government of Malawi and the wider civic engagement this has generated across Scotland exemplifies the unique approach to development co-operation that the Scottish Government established in 2005, as set out in Section 1. Under the Human Development Index, Malawi is ranked 173<sup>rd</sup> of 188 countries, so the development need clearly remains.

2.6 Therefore, whilst this consultation process will take an open attitude to suggestions of changing and/or reducing the countries that we work in, we have decided from the outset that we will continue our bilateral relationship with Malawi. Our ongoing commitment to our relationship with Malawi was confirmed by Scotland's First Minister in November 2015 (Box 5) This will include funding for project-based work, technical assistance, institutional support, and support for investment, discussed further in Sections 4 and 5.

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<sup>5</sup> <http://www.gov.scot/Topics/International/strategy>

**Box 5: Malawi: a special relationship.** The Scottish Government's international development programme started in Malawi in 2005. On the 3<sup>rd</sup> November, [First Minister Nicola Sturgeon hosted a reception at Bute House](#) to mark the tenth anniversary of the date of the historic signing of the Cooperation Agreement between the Scottish Government and the Government of Malawi. Speaking at the event, the First Minister said "*It is vital that our relationship with Malawi continues to go from strength to strength over the coming years, and we remain committed to that relationship.*"

## Other priority countries

2.7 Our 6 other priority countries for international development were selected according to the 2008 Policy criteria:

- The nature of the relationship with Scotland, both historical and contemporary.
- The levels of poverty as defined by the UN Human Development Index (HDI) as measured through life expectancy, educational attainment and income.
- Relevant activity and expertise within Scotland.

2.8 As part of this consultation, we are open to considering not only which countries we might work in going forward, in addition to Malawi, but also to reviewing the criteria by which other priority countries are selected.

2.9 We recognise that development need is the key starting point for any international development co-operation, and this is therefore one criterion which will not change. The UN's Human Development Index (HDI) remains highly relevant in that regard in terms of deciding on priority country focus, with further indices now added – for example, the Inequality-adjusted Human Development Index (HDI) and the list of Least Developed Countries (LDC). More details are available on these in Annex 1. Box 6 provides development need statistics in relation to our current priority countries, including Malawi.

2.10 Clearly the greatest need exists in countries ranked as having "Low Human Development". However the guiding principle of the Global Goals and their promise to "leave no-one behind" recognises that there are also serious challenges within many middle-income countries where some of the poorest and most vulnerable live. Therefore, in this consultation, we will also consider the continued inclusion of countries which are classified under the 2015 HDI as having "Medium Human Development". We will not consider the inclusion of any countries which are classed as "High" or "Very High Human Development". The 28 countries that DFID currently works directly in across Africa, Asia and the Middle East are all classified as "Low Human Development" or "Medium Human Development" under the HDI/IHDI, and the majority are also LDCs.

Box 6: Of our current 7 priority countries, each is ranked as follows in the UN's HDI/IHDI, with Malawi assessed as having the lowest development of those 7:

- Low Human Development: Malawi (ranked 173), Rwanda (ranked 163), Tanzania (ranked 151) and Pakistan (ranked 147); and
- Medium Human Development: Bangladesh (ranked 142), Zambia (ranked 139) and India (ranked 130).

Of our current 7 priority countries for development co-operation, the following 5 countries are also classified as LDCs: Bangladesh, Malawi, Rwanda, Tanzania and Zambia.

2.11 Further to this, we must be mindful as to the benefits of full engagement in countries with high levels of conflict and security risk<sup>6</sup>. Development work in poor and fragile states is always inherently risky. Given our limited resources and the need to focus these effectively, we want to ensure that we can maximise our ability to make a difference through our programme. This includes delivery partners being able to routinely access and progress development initiatives (accepting always that specific problems can arise from time to time), and that monitoring and evaluation of international development spend can routinely be secured. If a country with high levels of conflict and security risk is selected as a priority country, we might however consider a lessened form of engagement in such a country, for example funding scholarships, and this is discussed further in Section 4.

### **Criteria for Selection of Other Priority Countries**

#### *Historic, contemporary & relational links*

2.12 Our concentration on Malawi came about as a result of the well-documented historical links between our two countries. However there are clearly other developing countries with whom Scotland shares a history of collaboration. The key criterion for our purposes is that these people-to-people links survive into the present day, and give Scots an entry-point into key sectors that will help us to achieve better and more efficient development. That then may provide a similar "multiplier effect" for Scottish Government funding, as has been a key benefit of the Scotland-Malawi development relationship. Paragraphs 1.4-1.5 set out the other strengths that we believe our relational approach in Malawi to date has provided, as an invaluable and perhaps unique tool for development co-operation.

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<sup>6</sup> The Global Peace Index measures the state of peace in 162 countries according to 23 indicators that gauge the absence of violence or the fear of violence. It is produced annually by the Institute for Economics and Peace:

[http://static.visionofhumanity.org/sites/default/files/Global%20Peace%20Index%20Report%202015\\_0.pdf](http://static.visionofhumanity.org/sites/default/files/Global%20Peace%20Index%20Report%202015_0.pdf)

2.13 When our Sub-Saharan Development Programme was established, it was decided that the programme would not involve the development of a further Co-operation Agreement with the government of any country. Instead it would build upon existing relationships and work with organisations and institutions between Scotland and Zambia, Rwanda or Tanzania. The intention of this Programme was also to build capacity and encourage the transfer of skills between African countries through 'South-South' exchanges, including Malawi where appropriate.

2.14 Our South Asia Development programme took a different approach, seeking to recognise and build upon Scotland's contemporary links with Pakistan, Bangladesh and India by working together with communities in Scotland to support development, and in turn help support an inclusive society in Scotland. Since the Scottish Government began this programme of engagement with South Asia through our international development work, it has developed and strengthened through the Pakistan Plan, India Plan and wider South Asia Plan, strengthening links between Scotland and this region through building on the historic and modern business and cultural links.

#### *Diaspora Links*

2.15 In addition to the above, we are interested in the extent to which the diaspora from our priority countries are aware of Scottish Government funded projects and given the opportunity to bring their country-specific expertise to our Programme.

2.16 We are interested in views as to whether contemporary diaspora links are a good basis on which to base a part of our development co-operation work. Alternatively, whether it is viewed that the existing contributions of Scotland's diaspora to global development goals through investment and entrepreneurship, philanthropy, remittances and volunteering overseas already fulfil Scotland's commitment to countries such as Pakistan, India and Bangladesh.

2.17 If any countries should be chosen for inclusion in our international development programme based on diaspora links, we are interested in how we might better harness the expertise of our diaspora communities in future in support of that programme.

### **Scotland's Census 2011<sup>7</sup> found that in terms of ethnic groups:**

The Asian population is the largest minority ethnic group (3% of the population in Scotland or 141,000 people), representing an increase of one percentage point (69,000) since 2001. Within this: the Pakistani diaspora is the largest individual category, accounting for 1% of the total population (49,381); Indian diaspora numbered 32,706; and Bangladesh diaspora numbered 3,788.

African, Caribbean or Black groups made up 1% of the population of Scotland in 2011. African ethnic groups numbered 29,638. Those identifying as Caribbean or black numbered 6,540.

Mixed or multiple ethnic groups represented 0.4% (20,000) and other ethnic groups 0.3% (14,000) of the total population.

Some interesting points about Ethnicity, Identity, Language and Religion in Scotland from the 2011 Census included that: 34% of all minority ethnic groups felt they had some Scottish identity either on its own or in combination with another identity. The figure ranged from 60% for people from a mixed background and 50% for those from a Pakistani ethnic group, to 21% for those from an African ethnic group. This compared to 83% for all people in Scotland.

### ***Other connections?***

2.18 We are also interested in views as to whether there are there other connections aside historic and/or diaspora links that we might consider to inform our future geographic focus for development co-operation.

2.19 For example, could we consider countries which are of a similar size to Scotland, or indeed those with similar topography to Scotland, where our expertise in areas such as water and renewable energy might best provide most benefit and reciprocal learning through development co-operation.

### **Other Factors for Consideration**

#### *A regional-integration programmatic focus*

2.20 There may be benefits to establishing international development co-operation arrangements with countries that are geographically closer to one another, rather than working in countries that are geographically spread out. Regional integration in Africa is an approach which is increasingly recognised and supported by, for example, the African Union (AU), to increasingly rely on inter-country cooperation to address the challenges facing the continent. Similarly, the concept of regional political and economic cooperation in South Asia has been strengthened through organisations such as the South Asian Association for Regional Cooperation

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<sup>7</sup> <http://www.scotlandscensus.gov.uk/ethnicity-identity-language-and-religion>

(SAARC) and its eight members (Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka).

2.21 A regional-integration approach might better support the sharing of learning and resources between Scottish Government funded programmes. It could also encourage the transfer of skills between countries through South-South knowledge exchanges and networking opportunities, including Malawi where appropriate.

*Regional focus within countries*

2.22 With the exception of India where we have concentrated our projects in the three poorest states of Bihar, Orissa and Madhya Pradesh, our funding rounds currently invite applications for projects in any region or district in a given priority country. However there may be regional disparities of wealth, public services, and international donor presence, which work against the overarching aim of the Global Goals to “leave no-one behind”.

2.23 In the same way that we are considering the merits of focusing on a particular international region, there may also be an argument for applying regional focus even within a given country. In Malawi, we have traditionally had a wide geographical spread of projects, yet an increasing focus in practice in certain thematic areas over the last 10 years - for example our support for longstanding partnerships with the College of Medicine in Blantyre, and the present concentration of our renewable energy work in the Southern Region of Malawi. This can help to enable strong partnerships (both North-South and South-South), multi-thematic impact in the area, strong monitoring and evaluation processes, and ease of shared resources and learning.

2.24 We are open to considering focusing our programme in specific regions or districts within our priority countries where there is judged to be the greatest need, or greatest potential for our development cooperation to have targeted action and maximum impact on the ground.

2.25 Having read our consideration of the issues around geographical focus, and otherwise based on your own experience, please answer the questions that follow.

## **Geographic Focus: Selecting our other Priority Countries**

**2.** Scottish Government currently has 3 priorities for country selection:-

- The nature of the relationship with Scotland, both historical and contemporary
- Relevant activity and expertise within Scotland
- The levels of poverty as defined by the UN Human Development Index as measured through life expectancy, educational attainment and income.

The priority based on need is key in all development work. Our partnership approach has further relied on the first two criteria. In the context of reducing our geographical focus, which, if any, additional criterion could best help us select priority countries?

Please explain which criterion, and why.

**3.** Scottish Government seeks to develop the model of Scotland's international development approach (working in bi-lateral partnership, as in Malawi) with a new set of fewer priority countries. What else might we specifically do to enhance the effectiveness of this partnership approach?

Please explain why.

**4a.** Scottish Government also believes that development partnership initiatives work best when focused on key regions, and when delivering on specific, specialist themes. When reducing our geographical spread from the current 7 countries: Are there any of these countries, **in addition to Malawi**, that you would support **continuing** engagement with?

Select two from the list below

- Rwanda
- Tanzania
- Zambia
- Pakistan
- Bangladesh
- India

Please explain your choices.

**4b.** Is there any alternative country that you would consider Scotland would be better investing in, based on the criteria listed in Q2, **rather** than the current priority countries?

- Yes
- No

If you answered yes, please say which alternative country you would consider.

Please explain your answer here.

**5a.** A further element of refocusing Scottish Government partnerships and efforts is to consider whether regional clusters **among or within** priority countries would support the delivery of a more effective and focused programme.

Please share your views on this proposition, including which Inter-national (among countries) clusters you think would work best and why.

- Malawi
- Rwanda
- Tanzania
- Zambia
- Pakistan
- Bangladesh
- India

Please explain what cluster would work best and why.

**5b.** A further element of refocusing Scottish Government partnerships and efforts is to consider whether regional clusters **among or within** priority countries would support the delivery of a more effective and focused programme.

Please share your views on this proposition, including: which Intra-national (within a country) clusters you think would work best and why.

- Malawi
- Rwanda
- Tanzania
- Zambia
- Pakistan
- Bangladesh
- India

Please explain your answer

**6a.** Currently Scotland engages with its diaspora communities to engender better links with priority countries. Do you consider diaspora links to be adding value to our International Development programme?

- Yes
- No
- Don't know

**6b.** If yes, are there ways we could use our diaspora links to greater value?

## **SECTION 3**

### **WHAT WORK WE DO: THEMATIC FOCUS**

3.1 In this Section, we are seeking views on how we might be more targeted in our work in terms of themes which are funded.

3.2 The need for thematic focus has become much clearer since the emergence of the Global Goals which will underpin all of our work going forward. The Goals are cross cutting in nature providing us with the opportunity to reflect these themes in our own structures, either by weaving them throughout a number of ‘vertically themed’ projects e.g health, or education, or using them to fully underpin projects – e.g delivering projects, which are wholly gender themed.

3.3 In our 2008 Policy, we are clear about the importance of the needs and priorities of developing countries and this key value and principle remains relevant. Whilst Scotland will learn and benefit from the experience of working in partnership with developing countries, these benefits will not detract from the development strategies and priorities identified by developing countries.

3.4 However, an important aspect of our approach in both our international development and climate justice work – and a key element of Scotland’s global contribution – is that we want to share Scotland’s knowledge, skills and technical expertise. Under our 2008 Policy, “*Relevant activity and expertise within Scotland*” was included as one of the three broad criteria to inform the areas of operation, along with those relating to geographical focus (need and nature of relationship with Scotland).

3.5 What we consider in this Section is what Scotland can best offer as our contribution to meet the needs identified by our priority countries. Gender equality, social inclusion and human rights will continue to be key themes and underpin the future work and feature explicitly in the new Global Goals.

3.6 In deciding thematic priorities in future for funding under our International Development Fund, we will also seek to align themes with our Climate Justice Fund.

#### **Our Current Themes**

3.7 The Scottish Government’s International Development Fund currently provides support to Scottish based organisations to work in our 7 priority countries through 3 separate development programmes: the Malawi Development Programme; the Sub-Saharan Africa Development Programme; and the South Asia Development Programme:

- under the Malawi Development Programme, we currently support more than 40 projects. These projects target the priority areas set out in the 2005 Cooperation Agreement, on the themes of **Health, Education, Civic Governance and Sustainable Economic Development**, including **renewable energy**.

- under the Sub-Saharan Development Programme, funding has been made available for the priority areas of: **food security, renewable energy, climate change** and **water**.
- under the South Asia Development Programme, since 2013, projects have been focused on a variety of themes including: **maternal healthcare, food production, clean water** and helping to **mitigate the impacts of climate change**.

3.8 The Scottish Government is also funding two **educational** scholarships schemes in Pakistan through the British Council Pakistan, to support young women from disadvantaged backgrounds to study Master's level in Pakistani universities, and children's education. We also fund a further set of Masters level scholarships for students in Malawi.

3.9 Across all the current Development Programmes, the Scottish Government is therefore funding work in eight different thematic areas. The Climate Justice Fund is also separately funding climate change adaptation work. Promoting gender equality and strengthening human rights are cross-cutting themes to our work.

### **Development trends: influencing factors**

3.10 Since 1990 the world has made major strides in human development. The global HDI value has increased by more than a quarter and that of the least developed countries by more than half. This progress has been fairly steady over time and across regions. The number of people living in Low Human Development fell from 3 billion in 1990 to slightly more than 1 billion in 2014. Today, people are living longer, more children are going to school and more people have access to clean water and basic sanitation. This progress goes hand-in-hand with incomes, producing the highest standards of living in human history.

3.11 However, the gulf between today's rich and poor countries has increased. Looking at the disparity between the UK and Malawi as an example: life expectancy in the UK is 80.7, but just 62.8 in Malawi; GNI per capita is \$39,267 in the UK, and \$747 in Malawi; and electrification rates in the UK are 100% compared to 9% in Malawi (1% in rural areas). Jeffrey Sachs has noted<sup>8</sup> that in 1820 the biggest gap between the rich and poor countries was a ratio of 4:1 in per capita income: the difference today between the UK and Malawi is 53:1.

### *Globalised economies / trade and investment*

3.12 Development has always been defined in global terms, and so too global economic integration and linkages have impacted on almost all developing countries, both positively and negatively. This may be through opening to trade, multinational companies, global commerce, multinational banks, international trade tariffs and the seeking of foreign investment by all countries. Other factors will influence the effect

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<sup>8</sup> *The End of Poverty. How We Can Make it Happen in our Lifetime*, Jeffrey Sachs (2005).

of globalisation on countries, including political and economic stability in relation to trade and investment.

3.13 It is also increasingly recognised that to end poverty, wealth and job creation supported by trade and investment is necessary, and that whilst aid remains important whilst needed, it is only one part of the development toolkit.

#### *Importance of Capacity Strengthening*

3.14 Over the last decade, there has been growing recognition of the key role of capacity strengthening to support aid effectiveness<sup>9</sup>. Capacity Development was further addressed in the discussions in Busan<sup>10</sup>, as a fundamental cross-cutting issue and with encouragement for the development of networks for knowledge exchange, peer learning and co-ordination, including South-South networks.

#### *Innovation and digital revolution*

3.15 Innovation is proceeding at a fast pace. A digital revolution now connects people across societies and countries. Political developments are also enabling more people than ever to live under democratic regimes. All are important facets of human development. With new technology comes great change.

3.16 There has been a rapid spread of digital technologies. According to the World Development Report 2016<sup>11</sup>, more households in developing countries own a mobile phone than have access to electricity or clean water. Nearly 70 percent of the bottom-fifth of the population in developing countries own a mobile phone. The number of Internet users has more than tripled in the last decade, from 1 billion in 2005 to an estimated 3.2 billion at the end of 2015.

#### *Renewable energy*

3.17 It is now recognised that development is virtually impossible without energy: health, education, business development, tourism, infrastructure all depend on it.

3.18 UN Secretary General Ban Ki-moon has said that “*Energy is the golden thread that connects economic growth, social equity, and a healthy environment...I strongly commend the inclusion of Sustainable Development Goal 7 on energy. With targets on access, renewables, energy efficiency and means of implementation, this goal is a game-changer -- for everything from eradicating poverty to combating climate change*<sup>12</sup>.”

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<sup>9</sup> See, for example, the 2005 Paris Declaration on Aid Effectiveness and the 2008 Accra Agenda for Action <http://www.oecd.org/dac/effectiveness/34428351.pdf>

<sup>10</sup> Busan Partnership for Effective Development Cooperation (OECD, 2011)

<sup>11</sup> [World Development Report 2016: Digital Dividends](http://www.worldbank.org/developmenttalk/2016/03/01/world-development-report-2016-digital-dividends).

<sup>12</sup> <http://www.un.org/sg/statements/index.asp?nid=8977>

### *Climate Change*

3.19 Climate change is a fundamental threat to sustainable development and the fight against poverty. The latest evidence from the [Intergovernmental Panel on Climate Change](#) indicates that climate change is one of the most serious threats facing the world. Global warming will increase the variability of weather and most likely result in more extreme weather events.

3.20 Indices characterising the expected range of future changes of climate, like the Climate Change Index, clearly show that in many developing countries these changes will be most pronounced with more frequent extreme weather events. Impact will also be felt keenly on agricultural and food production. The link between environment and development will become more pronounced.

### *Globalisation: peace and security*

3.21 The Global Peace Index (GPI) for 2015 records that four out of the nine geographical regions experienced an improvement in peace: Europe, North America, sub-Saharan Africa, and Central America and the Caribbean. The other five regions became less peaceful, with the most substantial change being seen in the Middle East and North Africa. Nine countries now have a score worse than 3 out of 5: Syria, Afghanistan, South Sudan, Central African Republic, Somalia, Sudan, Democratic Republic of Congo and Pakistan.

3.22 The GPI 2015 further notes that the indicators measuring the number of refugees and internally displaced persons, and the impact of terrorism is most concerning with the UNHCR estimates indicating that more than 50 million people are now either refugees or internally displaced because of conflict and violence. This is the highest number since the end of WW2. A third of people displaced by conflict inside their own countries in 2014 are in Iraq and Syria alone.

3.23 Changes in global security are reflected in the UK Government's Department for International Development (DFID) new aid strategy [UK aid: tackling global challenges in the national interest](#), published in November 2015, with the stated intention to allocate 50% of DFID's budget to fragile states and regions, including more support for ongoing crises such as Syria and other countries in the Middle East and North Africa.

### *Gender equality*

3.24 The role of women in sustainable development, in all countries, is increasingly recognised as fundamental. Scotland's First Minister has said: "For virtually every nation, fully empowering women is probably the single simplest way, in which they can sustainably increase their productive potential. Gender equality can help to transform the global economy<sup>13</sup>".

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<sup>13</sup> Keynote speech on gender equality at the Chinese Friendship Association in Beijing, July 2015  
<http://news.scotland.gov.uk/Speeches-Briefings/First-Minister-at-the-Chinese-Friendship-Association-1b78.aspx>

3.25 According to some estimates, women represent 70% of the world's poor. The unequal status of women is shaped by the inter-locking factors of general poverty, discriminatory treatment in the family and public life and a vulnerability to HIV/AIDS: '*We live in a world in which women living in poverty face gross inequalities and injustice from birth to death. From poor education to poor nutrition to vulnerable and low pay employment, the sequence of discrimination that a woman may suffer during her entire life is unacceptable but all too common*<sup>14</sup>'.

3.26 The World Bank believes that 'putting resources into poor women's hands while promoting gender equality in the household and in society results in large development payoffs'<sup>15</sup>. And UN Secretary General Ban Ki-Moon has said that, "*Removing the barriers that keep women and girls on the margins of economic, social, cultural and political life must be a top priority for us all – businesses, Governments, the United Nations and civil society*<sup>16</sup>'."

### *Interlinked sustainable development*

3.27 With the new Global Goals, there is an increasing focus on wider and interlinked sustainable development issues. Through this, a different mix of financial support, capacity building, knowledge sharing and technology transfer will be required.

3.28 In addition, focus on the role of the private sector has increased, with the Global Goals embracing private sector growth as a means for development and poverty reduction, and highlighting that "a revitalized Global Partnership" will be required to ensure implementation of the Goals, "bringing together Governments, the private sector, civil society, the United Nations system and other actors and mobilizing all available resources"<sup>17</sup>." We consider this further in Section 4 (development and funding models).

## **Future Themes for Scottish Government Programme**

3.29 Scotland has world respected expertise in areas such as education, health, sustainable economic development, innovation, civic governance, water and renewable energy. We want to continue to contribute globally our expertise and strengths in support of the Global Goals:

- **In health:** Scotland is providing high-quality, world-leading health and social care, and excels in systems of quality and patient safety, with many countries having visited and copied our systematic approach. Particular advances have also been made in areas of particular relevance for developing countries: in maternal health, parasitological diseases, cardiovascular and cancer; and our

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<sup>14</sup> The Global Poverty Project

<sup>15</sup> <http://www.worldbank.org/mdgs/gender.html>

<sup>16</sup> Speaking at the Women's Empowerment Principles (WEPs) event of the 59th Commission on the Status of Women to business leaders, UN Member States and civil society organisations: <http://www.unwomen.org/en/news/stories/2015/3/press-release-secretary-general-ban-ki-moon-hillary-clinton-and-business-leaders>

<sup>17</sup> Defined in the UN's "Transforming our World: the 2030 Agenda for Sustainable Development" <https://sustainabledevelopment.un.org/post2015/transformingourworld>

approach to global hepatitis C is recognised as world leading and has directly influenced the World Health Organisation's Global Hepatitis Programme.

- **In water and sanitation:** Scotland is developing its expertise in innovative solutions particularly in rural water and waste water solutions and is sharing expertise and experience in water governance and management. Scotland is the world's first 'Hydro Nation' – using our water to boost the economy, reduce carbon impact, protect the environment and contribute to global need.
- **In education:** Scotland has a justified pride in our history of universal free education, and a tradition of educational excellence which has deep roots in Scottish society. Higher education in particular is also one of Scotland's major strengths: Scotland has 5 universities in the Top 200 of the Times Higher Education (THE) World University Rankings 2015-16. This is more per head of population than any other country except Luxembourg. The excellence of research in Scotland's universities contributes to Scotland's international reputation for research and innovation.
- **In governance and human rights:** the Scottish Government's International Framework recognises that as a good global citizen, Scotland has a strong and enduring commitment to securing democracy, the rule of law and fundamental human rights across the world. At the time of the Referendum on Scottish independence in 2014, it was noted that Scotland had one of the most politically and democratically engaged populations in any country.
- **In energy/renewables:** Scotland has a global reputation and ability to innovate and offer decarbonised solutions in areas such as renewable energy and the clean-tech / smart city systems market. The Scottish Government has delivered an ambitious target for renewable energy in Scotland, by generating half of our equivalent annual electricity consumption.
  - **Hydro:** Scotland was the one of the first countries in the world to harness electricity from its waters. That legacy is still visible - Scotland's ambitious hydro building programme in the 1950s and 1960s resulted in infrastructure which still produces electricity today, and more hydro schemes are in the pipeline. Micro hydro systems are increasing too – these do not require large storage dams, relying instead on a minimal flow of water, eg from a river or burn, and can complement solar PV power.
  - **Wind:** Onshore wind power has recently overtaken hydro power as the most common form of renewable energy in Scotland. Scotland boasts 25% of Europe's offshore wind resources.
  - **Wave & tidal:** Scotland has an estimated 25% of Europe's tidal potential and 10% of its wave potential. The European Marine Energy Centre (EMEC) celebrated ten years of real-sea experience in 2013. There have been more grid-connected marine energy converters deployed at EMEC than at any other single site in the world and the centre remains the world's only accredited marine energy laboratory.

- **Oil & gas:** on an internationally comparable basis Scotland is estimated to have the largest oil reserves in the European Union, accounting for nearly 60 per cent of total EU reserves.
- **In environment and climate change:** Our environment is a complex mix of materials and processes which together provide the natural resources and support systems, or ‘ecosystem services’, which sustain all life on earth. Scotland has enormous expertise in protecting the environment through Scottish public bodies, NGOs, private sector, scientists and farmers. On climate change, Scotland has adopted world-leading legislation to address climate change, requiring a minimum 42% cut in emissions by 2020 and 80% by 2050, evidencing the Scottish Government’s commitment in this area.
- **In innovation and research:** Scotland also excels in research and is home to over 600 life science and biotechnology organisations conducting leading research in sectors including animal health, medicine and agricultural technology. We also have technology and innovation expertise in sectors such as oil and gas and digital.
- **In sustainable economic development:** Scotland is one of the most transformed economies in the western world, moving from shipbuilding, engineering and textiles, to some of the best in life sciences and games design. Scotland has expertise in a wide range of areas, including tourism, agriculture, fisheries, finance and investment, social enterprise, business enabling environment and private sector development, technology and engineering. Scotland also has a thriving life sciences cluster and is recognised as one of the most accessible, well connected and collaborative in Europe. Scotland’s top five exporting industries by value are:
  - Food and Drink Manufacturing
  - Refined Petroleum
  - Legal, accounting and business services
  - Machinery and equipment manufacturing
  - Electronic products.

3.30 In addition to these technical and thematic areas of Scottish expertise, there is also expertise in Scotland amongst organisations in forming and sustaining successful partnerships with counterparts in developing countries. Through these partnership models, we noted that advocacy had been a further outcome in many projects, bringing focus and attention to their area of work and, in turn, helping to raise awareness amongst decision-makers and levering support from other parties.

### **3 GOOD HEALTH AND WELL-BEING**



**Health:** Over the last 10 years with Scottish Government funding, the Universities of St Andrews and Edinburgh have helped build capacity and strengthen teaching and learning at the College of Medicine, Blantyre, Malawi. The number of medical graduates annually in Malawi has quadrupled from 16 to over 100. At the same time, since 2010, the Scotland Malawi

Mental Health Education Project has worked to improve the treatment of mental illness through the education and training of mental healthcare professionals in Malawi, with its flagship achievement being to establish Malawi's first ever Masters in clinical psychiatry at the College.

A project we supported in Malawi delivered by NHS Lothian in partnership with Nkhoma Hospital has also provided cervical screening to more than 10,000 women and raised awareness on the importance of screening among 33,000 people.

In Pakistan, we have supported health projects to improve maternal and newborn health status, especially for poor and marginalised women of Baluchistan by improving access to quality maternal and newborn services through supporting community midwives to be self-sustaining.

### **4 QUALITY EDUCATION**



**Education:** In Malawi, funded under our International Development Fund, Link Community Development Scotland has been working with the Malawian Department of Inspection and Advisory Services (DIAS) to establish the new National Education Standards (NES) to support education inspection and advisory services. Education Scotland, our national body for supporting quality and improvement

in learning and teaching, has also signed a formal with the Malawi Government, heralding a new and exciting era of strategic engagement, focussing on sharing knowledge and skills to support improvements in Education.

Keeping with our tradition of universal free education, the Scottish Government is funding scholarship schemes for women and schoolchildren in Pakistan. This is also one of the ways in which we're hoping to encourage a new generation of female leaders in education, industry and wider society.

The Scottish Government has also supported the schools feeding programmes run by Mary's Meals for a decade through our International Development Fund, with funding of over £1.7m to date.

**Human rights & civic governance:** Through Scotland's National Action Plan for Human Rights, the Scottish Government is committed to working in partnership with public, private and third sector organisations, alongside wider civic society, to implement a shared vision of a Scotland in which everyone is able to live a life of human dignity through the realisation of internationally-recognised human rights. This approach at a domestic level provides the foundation for Scotland's constructive participation in international human rights monitoring mechanisms which, alongside the Scottish Government's international development activity, promote actions that respect, protect and promote human rights in a global environment so as to raise human rights standards across the world.



Through our International Development Fund, the Scottish Government has, for example: supported the Scottish Police College to work with police officers and community leaders in Sri Lanka to develop community policing capacity at local level, focussing on reducing crime and addressing discrimination and inequality; and funded projects to girls, empower women entrepreneurs and transform leadership in India and Malawi.

## Water & sanitation



Under the Hydro Nation agenda there has been joint working between the Scottish and Malawian Governments at official level on water resource management, governance and legislation: peer-to-peer knowledge sharing on key issues has informed new legislation introduced by both countries in updating aspects of water law and dialogue has highlighted many common areas of interest including water-resource management, community management of assets and increasing public engagement.



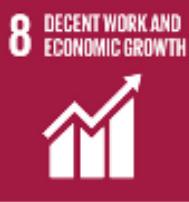
**Renewables:** Scotland's expertise in renewables is why, through our International Development Fund, we funded the Malawi Renewable Energy Acceleration Programme (2012-15). Working through Strathclyde University and its lead partners on the ground in Malawi, this empowered disadvantaged communities to address their energy needs and develop renewable energy projects, helping 80,000 Malawians access renewable energy. MREAP involved a successful blend of university, NGO and private sector partners.



Further renewable energy projects, including through private sector companies like Sgurr Energy acting on a not-for-profit basis, are currently being funded in Malawi under our International Development Fund (2015-18).

The Scottish Government also announced in December the appointment of a Scottish energy policy expert to Malawi - Joss Blamire – from 2016, to help develop their first national renewable energy strategy. He will also support a Sustainable Energy Management Programme in Malawi, which guides the activity of the Government of Malawi's Department of Energy, and the development and implementation of a national SE4All Action Plan.

## Sustainable economic development



**Tourism** is a key industry for Scotland: one of the world's most inviting and hospitable countries, millions of visitors come to Scotland to experience its breathtaking countryside and its thriving, vibrant cities every year. Scotland's success in attracting prestigious brands, leading companies, major events and conferences ensures that it remains an extremely competitive location and excellent investment option for high quality tourism developments. The VisitScotland Quality Assurance scheme is the envy of many internationally. It was the first quality based scheme in the world, based on the whole quality experience as opposed to being solely a facilities driven scheme. Countries such as Sweden and Namibia have tapped into this, and most recently a pilot project has been launched in Zimbabwe to develop minimum standards for eco-friendly businesses to attract visitors using a benchmark developed in Perth.

Scotland has a reputation as '**A Land of Food and Drink**' and is internationally recognised for the quality of our produce, our innovation and balanced approach to the management of our natural resources.

Scotland is one of Europe's **leading financial centres** and is internationally recognised as the most important UK financial centre outside of London and the South East.

Scotland also has a global leading approach to **social enterprise**. Social enterprises do tremendous work to help the most vulnerable people by improving their confidence and boosting skills, while tackling inequalities in society and growing the economy.

In terms of **Technology & Engineering**, Scotland has particular strengths in Software, Digital Health, Big Data and Gaming.



**Climate:** The Centre of Expertise on Climate Change (ClimateXChange), funded by the Scottish Government since 2011, aims to create a world-renowned centre of expertise to deliver objective, independent, integrated and authoritative evidence to support the Scottish Government in relation to its activities on climate change mitigation, adaptation and transition to a low carbon economy. Scotland also has huge expertise on protecting the environment through Scottish public bodies like the Scottish Environment Protection Agency (SEPA), Scottish Natural Heritage (SNH), the Forestry Commission Scotland and local authorities; and sitting with NGOs, private sector businesses, scientists and farmers.

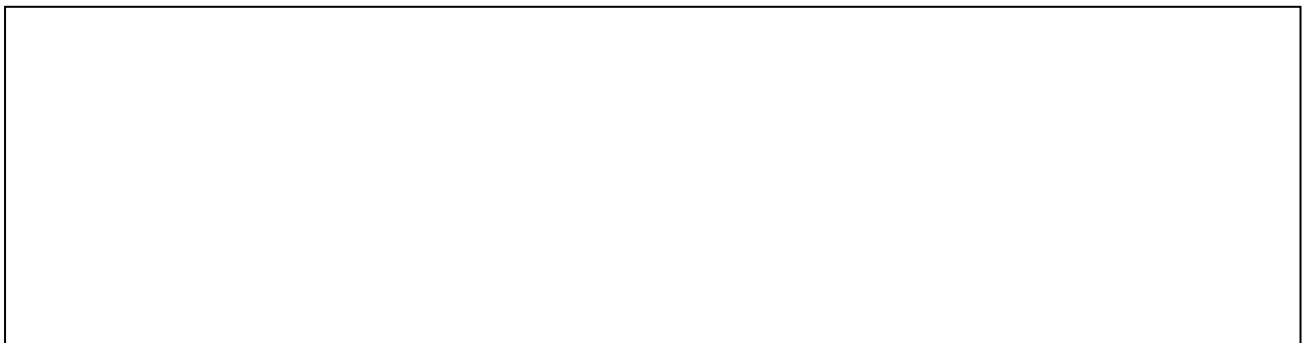


3.31 Having read our consideration of the issues around thematic targeting, and otherwise based on your own experience, please answer the questions that follow:

## **How should we approach thematic focus?**

**7a.** Scottish Government supports a number of thematic priorities (listed below) across all the current priority nations. In seeking to focus our efforts better, and connect better to the Global Goals, which of the current themes do you think are best suited to our partnership working approach, and the specific priority countries we will work with?

- Health
- Water and sanitation
- Education
- Governance and human rights
- Sustainable economic development
- Renewable energy
- Food security
- Climate change



**7b.** Scottish Government supports a number of thematic priorities across all the current priority nations. In seeking to focus our efforts better which of the current themes do you think best connect to the Global Goals?

Please select up to 5 themes that you consider most useful for our future planning, and tell us why.

- Health
- Water and sanitation
- Education
- Governance and human rights
- Sustainable economic development
- Renewable energy
- Food security
- Climate change

Please tell us why.

8. Are there **alternative themes** that you believe should **replace** the current themes, to best support the partnership-working approach and ambition to work with fewer countries?

Please state your suggested theme(s) and reason for proposing it/them in the text boxes below, using one box per theme.

Suggested theme 1 and reason why:

Suggested theme 2 and reason why:

Suggested theme 3 and reason why:

9. Using the themes identified above, when considering that the Scottish Government partnership approach draws upon **expertise in Scotland**, **whose** specific expertise do you think could be harnessed to help deliver the programme ambitions?

For example, our academic expertise, governance, private sector, science, third sector

Suggested theme 1 and reason why:

Suggested theme 2 and reason why:

Suggested theme 3 and reason why:

**10.** When considering that the Scottish Government partnership approach also draws upon sources of expertise in priority countries, are there specific considerations to include when harnessing ‘local expertise’:

**10a.** To help deliver the programme ambitions?

For example, priority countries’ academic expertise, governance, private sector, science, third sector

**10b.** When considering that the Scottish Government partnership approach also draws upon sources of expertise in priority countries, are there specific considerations to include when harnessing ‘local expertise’: to

- ensure that the programme priorities continue to match each country’s priorities?

For example, priority countries’ academic expertise, governance, private sector, science, third sector

**11a.** Currently Scottish Government partnership projects also adopt cross-cutting themes (gender equality, human rights, inclusivity). Do you believe these add value to project outcomes?

- Yes
- No
- Don’t know

Why?

**11b.** Would you suggest further or alternative cross-cutting themes?

Yes

No

If so, which would you suggest and why?

## **SECTION 4**

### **HOW WE WORK: DEVELOPMENT & FUNDING MODELS**

4.1 In this Section we are seeking views on certain key aspects of how the Scottish Government's International Development Fund works, in particular development models, funding mechanisms, and monitoring and evaluation.

#### **Development models**

4.2 Whilst aid is important, it is only one part of the development toolkit. This was recognised in our 2008 Policy, with its inclusion of organisational and institutional capacity building, including through the reciprocal sharing of knowledge and skills. The role of trade and investment is also increasingly being recognised as another part of that toolkit, key to sustainable economic development. Development trends over the last decade (which include this growing recognition of the key role of trade and investment, and capacity strengthening) were discussed in further detail at Section 3 (paragraphs 3.10-3.28).

4.3 If Scottish expertise is viewed to be an ongoing important criterion for our programme, then under this Section it is also important to consider how best to harness that expertise via our International Development Fund.

#### **Funding Model: 2008 Policy Funding Mechanisms**

4.4 Our 2008 Policy, supplemented by the [2008 Guidance on Programmes & Funding](#), outlined the operation of three main funding mechanisms for each programme:

- **Challenge Fund Model** – a funding round is announced with pre-defined criteria outlining broad areas of interest. Any organisation meeting the basic eligibility criteria may bid for funds. There is no limit to the number of organisations who can bid. This was the model to be used for Malawi initiatives, and was also adopted for South Asia projects.
- **Targeted Competitive Tendering** – a requirement for a specific piece of work is identified with the developing country. Organisations working in relevant sectors will be invited to express an interest in bidding and those that meet the basic criteria will be invited to bid for the required work. Usually 4 or 5 organisations will be invited to bid in any one exercise. This model was also to be adopted as appropriate for Malawi initiatives.
- **Block Grant Funding** – a direct grant will be awarded (through a competitive process) to a key organisation or a consortium of organisations to deliver a strategic programme. Decisions as to how the grant is spent will be under the direction of the organisation/s holding the block grant. This was the model which was adopted for our Sub-Saharan Africa programmes, where one large block of funding (£1.2 million over 3 years) is awarded.

4.5 The **Malawi Development Programme** is our only Programme where we made clear that we would consider applications for **matched funding** outwith grant

rounds, but that too is dependent still upon the availability of the remaining funds at that time.

4.6 Our Malawi Renewable Energy Acceleration Programme (MREAP) (2012-15) has been one of our few **programmatic funded initiatives** (rather than individual project), where Strathclyde University as the programme lead, worked with a range of other organisations, including NGOs and the private sector. This flagship programme is the single biggest Scottish Government-funded international development project to date. MREAP worked to empower disadvantaged communities to address their own energy needs and develop their own renewable energy projects, providing access to more reliable electricity for rural towns and villages. By providing research technology, collaboration, educational and training support and entrepreneurship, Strathclyde University worked with the people of Malawi to develop their renewable energy capabilities and climate change policies, putting Malawi on the path to 'green growth'.

4.7 Finally, of course, core funding was to be provided to the Scotland Malawi Partnership, NIDOS, and to the Scottish Fair Trade Forum.

#### *Challenge Fund Model/Block Grant Funding*

4.8 Over time, since 2008, our funding rounds for the Malawi Development Programme, the Sub-Saharan Development Programme and the South Asia Development Programme have become the main funding mechanism, with the majority of the International Development Fund committed and disbursed through this route. In 2014-15, approximately £7 million of the £9 million IDF was committed in this way (see Box 2).

4.9 Eligibility requirements and funding criteria for each funding round are published on the Scottish Government website along with available budget, anticipated timescales for funding decisions and information on the process for decision-making.

4.10 Applications are considered from all types of Scottish based organisations or institutions, as long as they can demonstrate that they have the expertise to develop a relevant programme. Consortium bids (headed by a lead organisation responsible for the grant) are encouraged and may include the involvement of private sector organisations where support is to enable the sharing of expertise, but not for profit.

4.11 It is also made clear that Scottish Government is keen to leverage external sources of funding for our priority countries, and that this will be considered at application stages.

4.12 In 2013, the Scottish Government announced its intention to move to triennial rather than annual funding rounds. Previously, a funding round had been run for one of the Development Programmes in every year.

## Challenges in existing funding models

4.13 Some of the challenges that we see in the more prevalent use of our current funding mechanisms are that:

- The **strategic direction** in our overall programme is diminished and can even be lost. This may affect **impact relative to our fund**. Whilst we set criteria for each funding round, to take into account country priorities, these priorities can be very wide. Part of this may be addressed through the questions we ask in Sections 2 (geographical focus) and 3 (thematic focus). Ordinarily, however, we have a very wide geographical and thematic spread of projects within each country, with projects funded on individual merit. As an example, in Malawi we are currently supporting 44 different projects in 4 very wide themes, across the country.
- **Longer term partnerships are not specifically targeted**, despite the evidence suggesting greater longer term sustainability and impact, with the College of Medicine in Blantyre, Malawi a good example of this. See Box 7.

**Box 7:** Over the last 10 years with Scottish Government funding, the Universities of St Andrews and Edinburgh have helped build capacity and strengthen teaching and learning at the College of Medicine, Blantyre, Malawi. The number of medical graduates annually in Malawi has quadrupled from 16 to over 100.

At the same time, since 2010, the Scotland Malawi Mental Health Education Project has worked to improve the treatment of mental illness through the education and training of mental healthcare professionals in Malawi, with its flagship achievement being to establish Malawi's first ever Masters in clinical psychiatry at the College.

However, all work at the College of Medicine has been through individually funded projects, assessed competitively each time against other applications across all four strands of the Co-Operation Agreement, rather than part of an agreed partnership programme at the Blantyre College of Medicine and Queen Elizabeth Hospital.

- The Block Grant Funding model was aimed at establishing strategic programmes in our SubSaharan Africa priority countries, to involve one large programme or a combination of smaller linked projects, including the transfer of skills through South-South learning. Over time, however, this funding model has become almost indistinguishable from the Challenge Fund model, other than the larger grants involved.
- Although bids by consortia was envisaged, and indeed encouraged, in all our development programmes, we have become aware that the way in which this works in practice, with one organisation designated as the project lead, may act as a disincentive to organisations bidding as a strategic programme consortium.

- With the move to triennial funding rounds, and the majority of the International Development Fund committed three years in advance at a time, **our flexibility to fund innovative and creative initiatives between funding rounds is also diminished**. Therefore, regardless of the merits of any proposals, we have no mechanism to consider applications outwith the triennial funding rounds, in response to identified need.
- These funding models are best suited to development projects, and do not readily fit to enable support where a need for particular **institutional technical assistance and skills sharing** has been identified by our priority countries.

### **Other funding model options**

4.14 There are various options to secure more strategic direction and partnerships in future, including rebalancing the current funding mechanisms away from such a heavy reliance on the Challenge Fund model, to greater use of block grant funding for strategic programmes, and targeted competitive tendering.

#### *Concept notes*

4.15 A further option would be to modify the Challenge Fund and Block Grant model itself, to move to a concept note style of funding round. This is a model which many organisations will be familiar with through donors such as Comic Relief, where applicants initially provide a short expression of their project idea only on paper to the donor. If the idea is accepted Scottish Government staff would then contact the organisation(s) to discuss developing a more comprehensive project proposal, and issues such as partners can also be discussed at that stage.

4.16 This method could, we consider, provide a better blend of the relevant expertise that may be required for a successful and sustainable development project, securing the best of both Scottish expertise in both the relevant field and development expertise. There are also benefits to applicant organisations through this style of application process, whereby fully fledged proposals with the time involved in that are not required of all applicants. Moreover, this may also enable us to better tailor our proposals to the priorities of the host country, thereby ensuring greater impact.

#### *Leveraging additional funds*

4.17 We are further interested in innovative funding models that link activity with leveraging in additional funds.

#### *Funding streams for institutional exchanges / trade & investment*

4.18 We also wish to consider creating different funding streams, more specifically targeted to support (a) institutional exchanges and (b) support for trade and investment, in addition to (c) aid funded projects.

4.19 When our Malawi Development Programme was established in 2005, it was envisaged that the engagement would be a “living, breathing, national effort”. Yet

there are a number of bodies with relevant technical expertise which would like to become involved and form mutually beneficial partnerships, but which do not readily fit our current emphasis on funding development projects.

4.20 It has also become increasingly apparent that to end poverty, wealth and job creation supported by trade and investment is necessary for sustainable economic growth. Whilst still recognising the important role of traditional aid, increasing trade and investment links will begin to address the aid dependency culture in developing countries by strengthening existing businesses and creating sustainable livelihoods. The private sector can have a key and positive impact in this area in particular.

4.21 It is envisaged therefore that three distinct funding streams, not necessarily of equal size, might allow the Scottish Government to better meet the priorities set by our partner countries, allowing us to broaden the scope of our development work to meet the new global challenges.

### *Scholarships*

4.22 We are also proud of the difference that our scholarship schemes to date have made to women and children in Pakistan, and to young people in Malawi, building on Scotland's proud history of universal free education.

### **Lengths of funding rounds, and monitoring and evaluation**

4.23 An issue that has been raised previously, including by the Scottish Parliament's EERC Committee, has been that of how the Scottish Government can support organisations involved in international development activities with longer term certainty of funding for projects. Our International Development Fund programmes, as discussed at paragraph 4.7 above, have traditionally followed three year cycles to fit with Scottish Government Spending Review budget periods.

4.24 We are interested in consultees' views on this, particularly in the context of the above, as to whether and if so how we should support longer term partnerships across political and funding periods, within the constraints of the Scottish Government's own finance periods.

4.25 In particular, we are interested in the potential benefit of keeping projects and programmes running within a longer overall framework, to enable the longer term sustainability and impact to be better measured as part of best practice monitoring and evaluation.

## **Small Grants Programme**

4.26 In 2013, the Scottish Government established a Small Grants Programme<sup>18</sup> as a pilot under the International Development fund, with up to £500,000 being made available in each round to help smaller Scottish-based international development organisations increase their scope and ambitions whilst continuing to deliver assistance to some of the world's most vulnerable communities. It remains a 3 year pilot Programme at this stage, and is being assessed. We are interested in consultees' views on whether this Programme should become a longer term part of our international development work.

## **Monitoring and evaluation**

4.27 The Scottish Government is committed to fair and transparent processes for all funding activity. We are also committed to rigorous monitoring and evaluation procedures for all Scottish Government funded activity, including our International Development Work. More information on our monitoring and evaluation processes is provided on our website<sup>19</sup>. In common with all funders, however, we continue to seek improvement and to strengthen our monitoring and evaluation processes, and your views are sought on this.

4.28 Having read our consideration of the issues around development models, funding mechanisms, and monitoring and evaluation, and otherwise based on your own experience, please answer the questions that follow:

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<sup>18</sup> <http://www.gov.scot/Topics/International/int-dev/smallgrants>

<sup>19</sup> <http://www.gov.scot/Topics/International/int-dev/MandE-Reporting>

## **How we work: development and funding models**

- 12.** Scottish Government is keen to deploy the best funding models for its main country programmes, to suit our strategic priorities, and effectively deliver outcomes. Please share any views you have on the best model(s) to achieve this ambition.

- 13.** Scottish Government recognises that flexible funding between funding rounds is often required to meet specific demands. Please share any views you have on how Scottish Government could best support both planned and flexible spending.

- 14.** In order to focus its funding efforts better, Scottish Government is inclined to adjust the proportions of funding that are allocated to its (long term) IDF programme, and to its flexible funded elements. Please share any views you have on this in the text box below.

- 15.** Thinking further ahead, Scottish Government would like to support longer term funded programmes across political and funding periods. Please share any views and ideas, or examples of good practice on what conditions and arrangements would be required to support this ambition.

- 16.** Scottish Government believes we could make better use of the expertise of the Scottish private sector in future through our international development work. Please share any views and ideas on how best to achieve this ambition.

- 17.** Utilising Scottish expertise is a principle of the Scottish Government International Development programme. Thinking of the academic sector in Scotland, in particular, please share any views and ideas you have, on how we could improve engagement between the Programme and Scotland's academic expertise.

- 18.** Scottish Government believes that partnerships can also be realised through peer-peer knowledge sharing on key areas of mutual interest, through which both institutions can strengthen their knowledge, skills and capacity and empower their people. We are keen to adapt our current funding mechanisms to support this interest. Please share any views you have, especially on funding mechanisms, on how best to support this ambition.



- 19.** Scottish Government's ambition in its international development programme is to support sustainable growth in our priority partner countries, and to encourage better trade and investment links between these countries and Scotland. Please share any views you have on how this ambition might be achieved.

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- 20.** Scottish Government recognises that evaluation of our investments and initiatives must inform better targeting of our efforts. Please share any views on how we might improve our monitoring and evaluation.

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## **SECTION 5**

### **THE BEYOND AID AGENDA**

5.2 As part of this consultation we will also be consulting across other Scottish Government portfolios, in recognition both of our commitment to policy coherence for development and of the existing international work that other Ministers and their Directorates are already engaged in.

5.3 In this Section, we are interested in the views of consultees on the Scottish Government's contribution to the Beyond Aid Agenda.

#### **Beyond Aid Agenda**

5.4 The Scottish Government is clear that Scotland has a unique contribution to offer the world through its people's expertise on climate change and energy, education, health improvement and research along with the Scottish Government's innovative approach to international development. Our international development policy seeks to harness existing links that Scotland has, and our model of civil society-led partnerships in our work in Malawi is of international interest.

5.5 However, we also recognise that aid is only one small part of international development work, and that some of the greater benefits to the world's poorest and most vulnerable can be brought about through policy changes by developed countries:

*"The benefits to poor people that can be brought about by even quite modest 'beyond aid' policy changes are much larger than can be brought about through aid"..."Beyond aid policies mainly address the underlying causes of poverty, while aid is most likely to be spent well when it addresses the symptoms of poverty and meets immediate humanitarian needs<sup>20</sup>".*

5.6 This recognises that a large variety of development challenges, including climate change and inequality need to be addressed outside the traditional development co-operation sphere.

5.7 We also support the view that being a global leader in international development is not necessarily just about the size in absolute monetary terms, but the impact that you can make across your Government policy.

#### **Policy Coherence for Development**

5.8 Policy Coherence for Development (PCD) means 'working to ensure that the objectives and results of a government's development policies are not undermined by other policies of that government, which impact on developing countries, and that these other policies support development objectives, where feasible<sup>21</sup>'.

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<sup>20</sup> Owen Barder, evidence to UK Westminster International Development Committee: "Beyond Aid: The Future UK Approach to Development" (2014).

<sup>21</sup> (Policy Coherence for Development: Promoting Institutional Good Practice, OECD Paris 2005)

5.9 PCD will be a key component of the Scottish Government's international development work going forward, and we will focus on three elements as part of our approach:

- a) ensuring different policies work in synergy with our development policy;
- b) eliminating policy incoherence which can undermine or hamper development progress;
- c) identifying other policies which can contribute positively to development outcomes.

5.10 The Scottish Government will continue to take forward work on PCD on a step-wise approach. The Scottish Government has involved international development stakeholders in the discussions on the refresh of the Scottish Government's International Framework, and on its new Trade & Investment Strategy.

5.11 In addition to the Scottish Government's commitment on Policy Coherence for Development, it is already working across its Ministerial portfolios to support international aims and identify other policies which can contribute positively to development outcomes:

- **On climate justice:** The £6 million Climate Justice Fund (CJF): aims to address the needs of climate vulnerable people, particularly recognising the disproportionate effect the impact of climate change can have on the poor, and women and children in developing countries. The CJF has been supported by Hydro Nation monies from the Environment portfolio and involves close working between International Development and International Low Carbon teams within the Scottish Government. In December 2015, the First Minister announced at COP 21 in Paris that a further £12 million would be made available through the Climate Justice Fund, over the next 4 years (2016-2020). What all projects under the IDF and CJF share is that they contribute to the Scottish Government's support for the global commitment on poverty alleviation.
- **On Climate Change:** The First Minister and Minister for Environment, Climate Change and Land Reform represented the Scottish Government at the recent UNFCCC COP21 climate change conference, participating in bilateral meetings and speaking engagements to promote Scotland's track record on action on climate change - one of the most significant challenges of our age.
- **UN Sustainable Energy for All (SE4All) Initiative:** Scotland was asked by the UN Secretary-General Ban Ki-Moon to contribute to the UN's SE4All initiative, due to our renewable energy expertise, and to share that experience for global good. Ban Ki-Moon has said that "*Achieving Sustainable Development Goal seven will be essential to meeting the other Sustainable Development Goals.*"<sup>22</sup>.

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<sup>22</sup> UN Secretary-General Ban Ki-Moon Sept 2015  
<http://www.un.org/press/en/2015/sgsm17071.doc.htm>

- **On water governance and management:** Scotland is developing its expertise in innovative solutions particularly in rural water and waste water solutions and is sharing expertise and experience in water governance and management. Scotland is the world's first 'Hydro Nation' – using our water to boost the economy, reduce carbon impact, protect the environment and contribute to global need. Scotland's particular relationship with Malawi is recognised under the Hydro Nation agenda through joint working at an official level on water resource management, governance and legislation: peer-to-peer knowledge sharing on key issues has informed new legislation introduced by both countries in updating aspects of water law and dialogue has highlighted many common areas of interest including water-resource management, community management of assets and increasing public engagement.
- **On education:** Education Scotland is taking a key role: a new formal agreement on inspection and improvement in education was signed in Malawi in January 2014 between the Scottish and Malawi Governments. This has, heralded a new and exciting era of strategic engagement, focusing on sharing knowledge and skills to support improvements in education. Reciprocity is embedded, with Scotland also learning from Malawi in several key areas, including how to develop Scottish learners' understanding of global citizenship. Global citizenship is also already embedded in Scottish education through Curriculum for Excellence and Education Scotland are providing support and guidance to schools around the country in taking this forward.
- **On humanitarian aid:** funding for humanitarian responses has been provided from wider Scottish Government portfolios, as well as from the International Development Fund. In October 2014, £300,000 worth of medical equipment and supplies was donated by Scotland's Health Secretary to help fight the spread of Ebola in affected countries of west Africa, on top of the £500,000 given to the WHO to help fund their efforts to combat the outbreak.

### **Sustainable Development Goals: the new Global Goals**

5.12 In July 2015, the First Minister announced Scotland's intention to sign up for the Global Goals. The method of implementation of the Global Goals domestically in Scotland was set out at the same time, through the National Performance Framework and the Scottish National Action Plan on Human Rights (SNAP). This commitment and leadership on reducing inequality both domestically and internationally, and the enabling structures in existence to allow implementation of the Global Goals domestically, have been of interest internationally.

5.13 In committing to the new Global Goals, the First Minister set out that they offered a vision of the world that she believes Scotland shares:

- Ending poverty & hunger;
- Securing education and health services;
- Combatting inequality and achieving gender equality.

5.14 The First Minister's commitment to the Global Goals is further ensuring working across Scottish Government Directorates to achieve domestic implementation, separate to alignment of our international development work with the Global Goals.

## **The Beyond Aid Agenda**

- 21.** In the longer term, Scottish Government is committed to integrating the principles and priorities of its International Development programme into its broader policy agenda. Please share any views you have as to where we should best focus our efforts in the 'Beyond Aid' agenda.

## **SECTION 6**

### **OTHER ISSUES**

6.1 In this Section, we are seeking views on any other issues that we have not otherwise covered in this consultation paper, and on which you would like to give your views.

6.2 We are particularly interested in this Section in any other issues that you consider might arise in relation to the underpinning aim for this public consultation, namely ensuring a refreshed international development policy that takes forward the Scottish Government's commitment towards the Global Goals, through a global development contribution that is focused, targeted and impactful.

- 22.** Please provide any views on any other issues that we have not otherwise covered in this consultation paper, and on which you would like to give your views.



## **SECTION 7**

### **SUMMARY OF QUESTIONS**

7.1 In this Section, we provide a summary of the questions in this consultation paper on which we seek your views.

7.2 As we highlighted in the Introduction, whilst this paper has been divided into sections dedicated to each of the constituent parts, and we would welcome your views on each of those. We also ask you to consider how they all fit together for an overall refreshed Scottish Government international development programme that, in the context of the new Global Goals, might more carefully target and focus our work to where we can make most impact in relation to our budget.

#### **Ambition to improve our International Development Programme**

**1.** Do you support the Scottish Government ambition to improve its International Development programme, through focusing our efforts more effectively?

#### **Geographic Focus: Selecting our other Priority Countries**

**2.** Scottish Government currently has 3 priorities for country selection?

- The nature of the relationship with Scotland, both historical and contemporary
- Relevant activity and expertise within Scotland
- The levels of poverty as defined by the UN Human Development Index as measured through life expectancy, educational attainment and income.

The priority based on need is key in all development work. Our partnership approach has further relied on the first two criteria. In the context of reducing our geographical focus, which, if any, additional criterion could best help us select priority countries?

**3.** Scottish Government seeks to develop the model of Scotland's international development approach (working in bi-lateral partnership, as in Malawi) with a new set of fewer priority countries. What else might we specifically do to enhance the effectiveness of this partnership approach?

**4a.** Scottish Government also believes that development partnership initiatives work best when focused on key regions, and when delivering on specific, specialist themes. When reducing our geographical spread from the current 7 countries, are there any of these countries, **in addition to Malawi**, that you would support **continuing** engagement with?

**4b.** Is there any one alternative country that you would consider Scotland would be better investing in, based on the criteria listed in Q2, **rather** than the current priority countries?

- 5a.** A further element of refocusing Scottish Government partnerships and efforts is to consider whether regional clusters **among or within** priority countries would support the delivery of a more effective and focused programme. Please share your views on this proposition, including which Inter-national (among countries) clusters you think would work best and why.
- 5b.** A further element of refocusing Scottish Government partnerships and efforts is to consider whether regional clusters **among or within** priority countries would support the delivery of a more effective and focused programme which Intra-national (within a country) clusters you think would work best and why.
- 6a.** Currently Scotland engages with its diaspora communities to engender better links with priority countries. Do you consider diaspora links to be adding value to our International Development programme.
- 6b.** If yes, are there ways we could use our diaspora links to greater value?
- ### **How should we approach thematic focus?**
- 7a.** Scottish Government supports a number of thematic priorities (listed below) across all the current priority nations. In seeking to focus our efforts better, and connect better to the Global Goals, which of the current themes do you think are best suited to our partnership working approach, and the specific priority countries we will work with?
- 7b.** Scottish Government supports a number of thematic priorities across all the current priority nations. In seeking to focus our efforts better which of the current themes do you think are best suited to our best connect to the Global Goals?
- 8.** Are there **alternative themes** that you believe should **replace** the current themes, to best support the partnership-working approach, and ambition to work with fewer countries? Please state your suggested theme(s) and reason for proposing it/them in the text boxes below, using one box per theme.
- 9.** Using the themes you have identified above, when considering that the Scottish Government partnership approach draws upon **expertise in Scotland, whose** specific expertise do you think could be harnessed to help deliver the programme ambitions? (e.g. our academic expertise, governance, private business, science, third sector?)
- 10.** When considering that the Scottish Government partnership approach also draws upon sources of expertise in priority countries' are there specific considerations to include when harnessing 'local expertise':
- 10a.** To help deliver the programme ambitions?
- 10b.** To ensure that the programme priorities continue to match each country's priorities (for example priority countries' academic expertise, governance, private sector, science, third sector?)

**11a.** Currently Scottish Government partnership projects also adopt cross-cutting themes (gender equality, human rights, inclusivity) do you believe these add value to project outcomes? Why?

**11b.** Would you suggest further or alternative cross-cutting themes? "If so, which would you suggest and why?"

## **How we work: development and funding models**

- 12.** Scottish Government is keen to deploy the best funding models for its main country programmes, to suit our strategic priorities, and effectively deliver outcomes Please share any views you have on the best model(s) to achieve this ambition.
- 13.** Scottish Government recognises that flexible funding between funding rounds is often required to meet specific demands. Please share any views you have on how Scottish Government could best support both planned and flexible spending.
- 14.** In order to focus its funding efforts better, Scottish Government is inclined to adjust the proportions of funding that are allocated to its (long term) IDF programme, and to its flexible funded elements. Please share any views you have on this in the text box.
- 15.** Thinking further ahead, Scottish Government would like to support longer term funded programmes across political and funding periods. Please share any views and ideas, or examples of good practice from on what conditions and arrangements would be required to support this ambition.
- 16.** Scottish Government believes we could make better use of the expertise of the Scottish private sector in future through our international development work. Please share any views and ideas on how best to achieve this ambition.
- 17.** Utilising Scottish expertise is a principle of the Scottish Government International Development programme. Thinking of the academic sector in Scotland, in particular, please share any views and ideas you have, on how we could improve engagement between the Programme and Scotland's academic expertise.
- 18.** Scottish Government believes that partnerships can also be realised through peer-peer knowledge sharing on key areas of mutual interest, through which both institutions can strengthen their knowledge, skills and capacity and empower their people. We are keen to adapt our current funding mechanisms to support this interest. Please share any views you have, especially on funding mechanisms, on how best to support this ambition.

19. Scottish Government's ambition in its international development programme is to support sustainable growth in our priority partner countries, and to encourage better trade and investment links between these countries and Scotland. Please share any views you have on how this ambition might be achieved.
20. Scottish Government recognises that evaluation of our investments and initiatives must inform better targeting of our efforts. Please share any views on how we might improve our monitoring and evaluation.

### **The Beyond Aid Agenda**

21. In the longer term, Scottish Government is committed to integrating the principles and priorities of its International Development programme into its broader policy agenda. Please share any views you where we should best focus our efforts in the 'Beyond Aid' agenda.

### **Other issues**

22. Please provide any views on any other issues that we have not otherwise covered in this consultation paper, and on which you would like to give your view.

## **ANNEX 1 (see Section 2)**

### **Development Indices**

The **Human Development Index (HDI)** was created to emphasise the principle that people and their capabilities should be the ultimate criteria for assessing the development of a country, not economic growth alone. The HDI is therefore a summary measure of average achievement in key dimensions of human development: a long and healthy life (including life expectancy), being knowledgeable and having a decent standard of living.

The Human Development Index (HDI) was adjusted in 2010 to create an **Inequality-adjusted Human Development Index (IHDI)**:

*“Under perfect equality the IHDI is equal to the HDI, but falls below the HDI when inequality rises. In this sense, the IHDI is the actual level of human development (taking into account inequality), while the HDI can be viewed as an index of the potential human development that could be achieved if there is no inequality.”*

Both the HDI and the IHDI 2015 rank countries from 1 to 188, with the top 49 countries classed as having “Very High Human Development”. Countries ranked 50-105 are classed as having “High Human Development”, countries ranked 106 to 143 classed as having “Medium Human Development” and countries ranked 145-188 classed as having “Low Human Development”.

The **UN’s Least Developed Countries (LDC)** list separately classifies countries that exhibit the lowest indicators of socio economic development, with the lowest HDI ratings of any countries in the world. Three criteria are used for classification: poverty; human resource weakness; and economic vulnerability.

Of our current 7 priority countries, each is ranked as follows in the HDI/IHDI, with Malawi assessed as having the lowest development of those 7:

- Low Human Development: Malawi (ranked 173), Rwanda (ranked 163), Tanzania (ranked 151) and Pakistan (ranked 147); and
- Medium Human Development: Bangladesh (ranked 142), Zambia (ranked 139) and India (ranked 130).

Of our current 7 priority countries, the following 5 countries are also classified as LDCs: Bangladesh, Malawi, Rwanda, Tanzania and Zambia.

**UN HUMAN DEVELOPMENT INDEX RANKING  
(as of 11 December 2015)<sup>23\*</sup>**

<b>Medium Human Development</b>	<b>Medium Human Development contd</b>
106 Botswana	126 Morocco
107 Moldova (Republic of)	127 Namibia
108 Egypt	128 Guatemala
109 Turkmenistan	129 Tajikistan
110 Gabon	<b>130 India</b>
111 Indonesia	131 Honduras
112 Paraguay	132 Bhutan
113 Palestine, State of	133 Timor-Leste
114 Uzbekistan	134 Syrian-Arab Republic
115 Philippines	134 Vanuatu
116 El Salvador	136 Congo
117 South Africa	137 Kiribati
118 Vietnam	138 Equitorial Guinea
119 Bolivia (Plurinational State of)	<b>139 Zambia</b>
120 Kyrgyzstan	140 Ghana
121 Iraq	141 Lao People's Democratic Republic
122 Cabo Verde	<b>142 Bangladesh</b>
123 Micronesia (Federated State of)	143 Cambodia
124 Guyana	144 Sao Tome and Principe
125 Nicaragua	

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<sup>23</sup> [http://hdr.undp.org/sites/default/files/2015\\_human\\_development\\_report\\_1.pdf](http://hdr.undp.org/sites/default/files/2015_human_development_report_1.pdf)

<b>Low Human Development</b>	<b>Low Human Development contd</b>
145 Kenya	167 Sudan
146 Nepal	168 Djibouti
<b>147 Pakistan</b>	169 South Sudan
148 Myanmar	170 Senegal
149 Angola	171 Afghanistan
150 Swaziland	172 Cote d'Ivoire
<b>151 Tanzania (United Republic of)</b>	<b>173 Malawi</b>
152 Nigeria	174 Ethiopia
153 Cameroon	175 Gambia
154 Madagascar	176 Congo (Democratic Republic of)
155 Zimbabwe	177 Liberia
156 Mauritius	178 Guinea-Bissau
157 Solomon Islands	179 Mali
158 Papua New Guinea	180 Mozambique
159 Comoros	181 Sierra Leone
160 Yemen	182 Guinea
161 Lesotho	183 Burkina Faso
162 Togo	184 Burundi
163 Haiti	185 Chad
<b>163 Rwanda</b>	186 Eritrea
163 Uganda	187 Central African Republic
166 Benin	188 Niger

**UN LIST OF LEAST DEVELOPED COUNTRIES  
(as of 11 December 2015)<sup>24\*</sup>**

Afghanistan	Madagascar
Angola	<b>Malawi</b>
<b>Bangladesh</b>	Mali
Benin	Mauritania
Bhutan	Mozambique
Burkina Faso	Myanmar
Burundi	Nepal
Cambodia	Niger
Central African Republic	<b>Rwanda</b>
Chad	Sao Tome and Principe
Comoros	Senegal
Dem. Rep of the Congo	Sierra Leone
Djibouti	Solomon Islands
Equatorial Guinea	Somalia
Eritrea	South Sudan
Ethiopia	Sudan
Gambia	Timor-Leste
Guinea	Togo
Guinea-Bissau	Tuvalu
Haiti	Uganda
Kiribati	<b>United Rep. of Tanzania</b>
Lao People's Dem. Republic	Vanuatu
Lesotho	Yemen
Liberia	<b>Zambia</b>

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<sup>24</sup> [http://www.un.org/en/development/desa/policy/cdp/ldc/ldc\\_list.pdf](http://www.un.org/en/development/desa/policy/cdp/ldc/ldc_list.pdf)

## Locations in Sub-Saharan Africa and South Asia - Where we work





**The Scottish Government**  
Riaghaltas na h-Alba

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