Business Plan 2012–2015
Department for International Development

31 May 2012

This plan will be updated annually

Contents:

A) Coalition priorities

1. Honour international commitments

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

2. Drive transparency, value for money and open government

- Make British aid more effective by improving transparency, openness and value for money

3. Boost wealth creation

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

4. Strengthen governance and security in fragile and conflict-affected countries and make UK humanitarian response more effective

- Improve the coherence and performance of British international development policy in fragile and conflict-affected countries

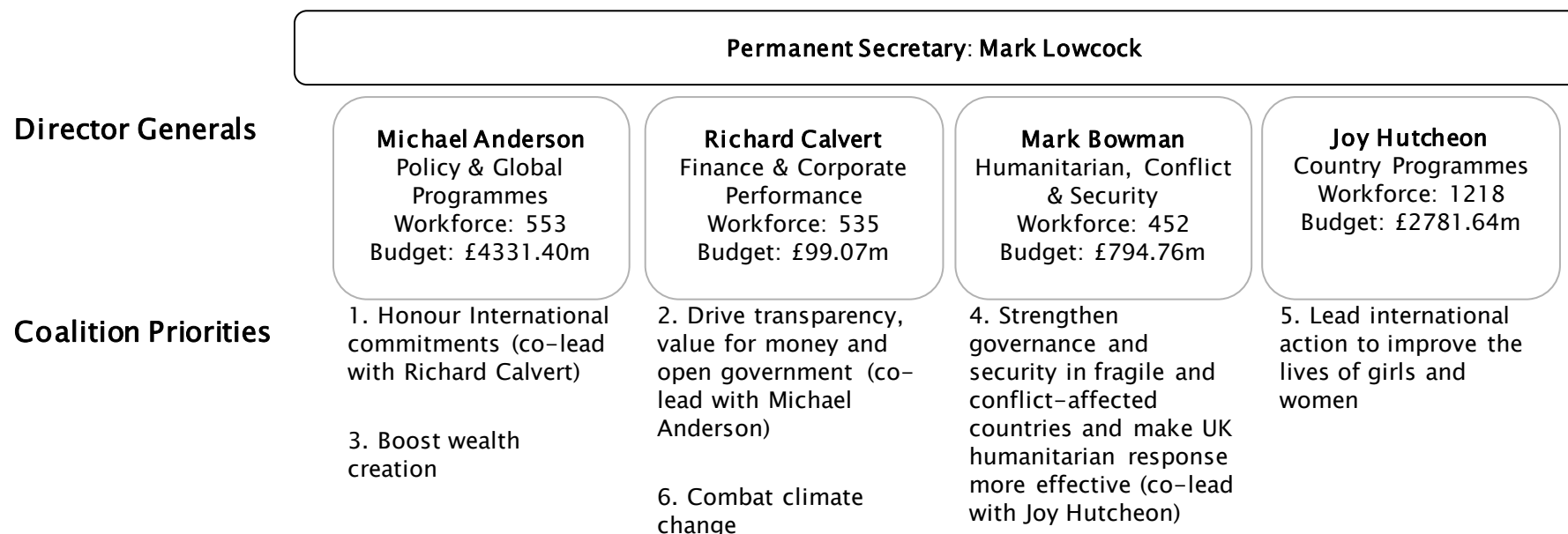## 5. Lead international action to improve the lives of girls and women

- Empower girls and women so that their lives are significantly improved and sustainably transformed through better education, greater choice on family planning and preventing violence against them

6. Combat climate change

- Drive urgent action to tackle climate change, and support adaptation and low carbon growth in developing countries

Departmental responsibilities

This page sets out who in the Department leads on its major responsibilities, including its Coalition priorities.

Permanent Secretary: Mark Lowcock

Director Generals

Michael Anderson	Richard Calvert	Mark Bowman	Joy Hutcheon
Policy & Global Programmes	Finance & Corporate Performance	Humanitarian, Conflict & Security	Country Programmes
Workforce: 553	Workforce: 535	Workforce: 452	Workforce: 1218
Budget: £4331.40m	Budget: £99.07m	Budget: £794.76m	Budget: £2781.64m

Coalition Priorities

1. Honour International commitments (co-lead with Richard Calvert)

3. Boost wealth creation

2. Drive transparency, value for money and open government (co-lead with Michael Anderson)

6. Combat climate change

4. Strengthen governance and security in fragile and conflict-affected countries and make UK humanitarian response more effective (co-lead with Joy Hutcheon)

5. Lead international action to improve the lives of girls and women

Note: Budget allocations by thematic pillar for financial year 2012/13 outlined in Bubble Chart under Departmental Expenditure, including budget allocations not allocated to a specific DG portfolio. Workforce figures are indicative projections for all funded active posts for the financial year 2012/13.

Other Major Responsibilities

1. Respond to humanitarian disasters
2. Deliver on obligations to the Overseas Territories
3. Influence the global development system

B) Structural Reform Plan

This section sets out the key actions the Department will take to implement its Coalition priorities. An implementation report will be published online, setting out progress in completing them.

Additional actions, including our contributions to cross-cutting Government agendas, can be found in Annex A.

1. Honour international commitments

Leads: Richard Calvert and Michael Anderson

ACTIONS	Start	End
1.1 Honour UK commitment to spend 0.7% of gross national income as official development assistance from 2013, enshrine this commitment in law and encourage other countries to fulfil their aid commitments		
i. Enshrine in law our commitment to spend 0.7% of national income as official development assistance (ODA) from 2013, as soon as Parliamentary time allows	Started	Mar 2015
ii. Ensure 0.7% of gross national income is spent as ODA	Jan 2013	Mar 2015
iii. Work with other Departments to help them meet agreed contributions to UK ODA targets and to have plans in place to publish aid data under the International Aid Transparency Initiative's common standard in line with the UK Open Government Partnership Action Plan	Started	Mar 2015
iv. Release data every March/April showing percentage of gross national income spent as ODA by calendar year	Started	Mar 2015
1.2 Maintain momentum on actions to achieve the Millennium Development Goals (MDGs) with a focus on services for poor people		
i. Showcase MDG successes and lessons learned in an event around the UN General Assembly (MDG Countdown)	Started	Sep 2012
ii. Ensure support frameworks are in place for Scaling Up Nutrition (SUN) in at least ten countries	Started	Sep 2013
iii. Expand access to and educational outcomes for poor children, including through low-cost private schools, in at least four countries	Started	Mar 2014
iv. Work to increase access to malaria and reproductive health services for poor people, including through voucher programmes in at least three countries	Started	Mar 2014

1. Honour international commitments

Leads: Richard Calvert and Michael Anderson

ACTIONS	Start	End
1.3 Shaping the future: Leading international thinking on development		
i. Drive international efforts to agree an ambitious new global development agenda beyond 2015 that accelerates progress on poverty reduction, working through the UN Secretary General's High Level Panel co-chaired by the Prime Minister	Started	Dec 2014
ii. Play a lead role in the Post-Busan Interim Group to shape governance and monitoring arrangements for the new Global Partnership for Effective Development Cooperation, ensuring that key areas of results and transparency are adequately prioritised and that participation of emerging economies is encouraged	Started	Jul 2012
iii. Lead the G8 during the UK's 2013 Presidency to deliver stronger accountability on developmental outcomes, including transparency, food security and maternal health	Jun 2012	Dec 2013

2. Drive transparency, value for money and open government

Leads: Richard Calvert and Michael Anderson

<u>ACTIONS</u>	<u>Start</u>	<u>End</u>
2.1 Build open societies and institutions in our partner countries		
i. Support interventions that expand choice and empowerment and make institutions more accountable to citizens in at least ten country programmes and report on progress	Started	Mar 2015
ii. Support electoral processes in at least 13 countries over the period 2011-15, informed by guidance on electoral assistance	Started	Mar 2015
iii. Support a greater number of DFID partner countries to join the Open Government Partnership during the UK co-chair tenure	Started	Apr 2013
iv. Ensure all country operational plans include a human rights assessment	Started	Apr 2013
v. Strengthen the use of media and social media for increased access to information, transparency, accountability and public dialogue in at least ten countries	Started	Mar 2015
2.2 Increase the effectiveness of DFID's approach to anti-corruption and counter fraud		
i. Implement the recommendations of the Independent Commission for Aid Impact anti-corruption report, including by producing due diligence guidance to explicitly cover engagement at the country level with multilateral and other partners, and ensuring anti-corruption strategies are in place for all DFID country programmes	Started	Jan 2013
ii. Agree Counter Fraud Information Sharing Agreements (ISA) with key international donors and UK national law enforcement organisations	Started	Jul 2012
2.3 Focus DFID's programmes on results		
i. Develop a strategy to progress DFID's Results-Based Aid/Financing (RBA)	Jan 2013	Mar 2014
ii. Publish progress against the DFID Results Framework on an annual basis	Started	Mar 2015
iii. Conduct a follow-up to the Multilateral Aid Review	Jan 2013	Dec 2013
iv. Undertake a scoping study on the applicability of the Social Impact Bond as a payment-by-results related instrument to encourage private sector engagement in development	Started	Sep 2012

2. Drive transparency, value for money and open government

Leads: Richard Calvert and Michael Anderson

ACTIONS		Start	End
2.4	**Use transparency to drive development and increase the involvement of poor people in development worldwide**		
i.	Launch an Aid Transparency Challenge to promote higher standards of transparency by all DFID funding partners	Dec 2012	Mar 2015
ii.	Establish an Open and Enhanced Access policy to enable global, freely available access to research funded by the DFID central research budget	Started	Jul 2012
iii.	Complete participatory assessments with recipients of cash transfers in five countries to provide evidence on cash transfer programme design, implementation and impact	Started	Dec 2012
iv.	Implement beneficiary feedback mechanisms in at least three partner countries	Started	Mar 2013
v.	Introduce new ways to allow poor people to directly monitor and comment on aid projects as part of the Global Poverty Action Fund	Oct 2012	Mar 2014

3. Boost wealth creation

Lead: Michael Anderson

ACTIONS	Start	End
3.1 Collaborate more closely with the private sector on development		
i. Introduce performance-based funding for the Private Infrastructure Development Group	Started	Mar 2013
ii. Launch a programme to grow the market for social impact investment in order to increase investment in enterprises that benefit poor people	Started	Mar 2013
3.2 Implement CDC (formerly Commonwealth Development Corporation) Business Plan		
i. Work with CDC to ensure CDC publishes a new strategy by May 2012 to increase its development impact and achieves its targets over the period to 2015	Started	Mar 2015
3.3 Build support for open markets and wealth creation		
i. Introduce new web-based tools so people can see exactly how much tariffs and trade barriers increase the price of imports	Started	Sep 2013
ii. Support, as part of the Africa Free Trade Initiative, action to cut by 30% the average time taken for goods to cross international borders in at least five locations in Eastern and Southern Africa	Started	Feb 2015
iii. Develop a new commercial legal programme to support DFID's wealth creation work	Started	Apr 2014
iv. Work in natural resource-rich developing countries, especially in Africa, to ensure that the benefits of natural resources (oil, gas and mining) are used to improve the lives of the poor	Started	Mar 2015

3. Boost wealth creation

Lead: Michael Anderson

ACTIONS	Start	End
3.4 Harness new technology for development		
i. Release through the HarvestPlus consortium new micronutrient-rich food crops in two countries for key staples such as maize, beans and millet, to improve the nutritional status of vulnerable women and children	Jun 2012	Mar 2013
ii. Provide funding to research consortia to develop two new technologies (drugs and diagnostics) for malaria and neglected tropical diseases	Started	Dec 2012
iii. Support regulatory reform in at least three countries so as to encourage the growth of mobile money transfer and banking services for poor people	Started	Mar 2015
iv. Co-host conference on new technology and development to highlight future priorities and challenges for scaling-up use of new technologies	Started	Apr 2013
v. Launch a new mechanism to enable poor people to use mobile phones and the internet to access services and hold governments to account	Nov 2012	Apr 2013

4. Strengthen governance and security in fragile and conflict-affected countries and make UK humanitarian response more effective

Leads: Mark Bowman and Joy Hutcheon

ACTIONS	Start	End
4.1	**Increase the effectiveness of DFID's approach to governance reform in fragile and conflict-affected countries**		
i.	Implement new security and justice programmes in 12 fragile and conflict-affected states	Started	Mar 2014
ii.	Increase DFID support for peace-building, economic development and strengthened accountability and rule of law in Burma, at a pace consistent with political reform and progress in that country	Started	Dec 2014
iii.	Support the political transition process in Yemen following the Gulf Cooperation Council Initiative	Started	Mar 2014
4.2	**Improve DFID and UK Government effectiveness in conflict prevention, including through support to the Strategic Defence and Security Review (SDSR) in the National Security Council (NSC)**		
i.	Spend 30% of UK ODA in fragile and conflict-affected states by 2014-15	Started	Mar 2015
ii.	Support the development outcomes of the 2012 London Conference on Somalia, including through the establishment of a Joint Financial Management Board and a Stability Fund	Started	Mar 2013
iii.	Work towards concluding negotiations on the Arms Trade Treaty at the July 2012 conference in New York	Started	Jul 2012
iv.	Complete review on the future of the Stabilisation Unit and agree Whitehall response to recommendations	Started	Mar 2013

4. Strengthen governance and security in fragile and conflict-affected countries and make UK humanitarian response more effective

Leads: Mark Bowman and Joy Hutcheon

ACTIONS	Start	End
4.3 Improve effectiveness of DFID investments in fragile and conflict-affected countries		
i. Work with others to build on the New Deal for engagement in Fragile States agreed in Busan, including working towards a Compact setting out mutual commitments between the donor community and the Government of South Sudan	Started	Mar 2015
ii. Support the delivery of the Arab Partnership programme in the Middle East and North Africa region by providing technical assistance to ensure that the investments of multilateral agencies (World Bank, IFC, ADB and EBRD) fully respond to new Arab Spring conditions	Started	Mar 2015
iii. Finalise methodology for cross-UK Government conflict analysis by October 2012, complete new conflict analysis in at least four countries by March 2013, and ensure up-to-date analysis in at least 13 of DFID-supported fragile and conflict-affected states	Started	Mar 2015
4.4 Improve effectiveness of UK and international humanitarian response and preparedness		
i. Assess the performance of UK core-funded humanitarian multilateral organisations against priority areas for reform as identified in the Multilateral Aid Review (MAR), and use this assessment to inform future funding allocations from April 2013 onwards	Started	Mar 2015
ii. Build disaster resilience in at least eight DFID country programmes as recommended in the Humanitarian and Emergency Response Review (HERR), including publishing work on earthquake preparedness in Nepal	Started	Mar 2013

5. Lead international action to improve the lives of girls and women

Lead: Joy Hutcheon

ACTIONS	Start	End
5.1 Lead international action to empower girls and women		
i. Work in partnership with the Nike Foundation to bring private sector expertise into DFID's strategy on gender equality, and stimulate innovative approaches to empowering adolescent girls	Started	May 2013
ii. Implement programmes to deliver the Strategic Vision for Girls and Women	Started	Mar 2015
iii. Assess the progress of international organisations on delivering for girls and women where this has been identified as a reform priority following the Multilateral Aid Review	Started	Oct 2013
iv. Launch the Girls Education Challenge, available to the charitable and private sectors, to put up to one million more of the world's poorest girls in school by 2015	Started	Dec 2012
v. Establish a research and innovation fund to build the evidence and test out new approaches in ten priority countries on the most effective ways of preventing violence against girls and women	Started	Dec 2012
5.2 Lead international action to improve maternal health and access to family planning		
i. Conduct a mid-term review of the Reproductive and Maternal Health Business Plan including progress against results	Apr 2013	Dec 2013
ii. Host a major international event to mobilise sufficient financial and policy commitments to enable at least 120 million additional women in the world's poorest countries to have access to modern methods of family planning by 2020 and to re-establish family planning as a fundamental development and health service for women	Started	Jul 2012

6. Combat climate change

Lead: Richard Calvert

ACTIONS	Start	End
6.1 Support developing countries' climate adaptation and low-carbon growth		
i. Improve the effectiveness, innovation and results focus of the international climate finance architecture, including the future Green Climate Fund	Started	Dec 2013
ii. Partner with at least three governments and International Financial Institutions to develop a framework for assessing the effectiveness of climate spend through the UK's International Climate Fund, and use this to inform the design of the Monitoring and Evaluation framework of the Green Climate Fund	Started	Mar 2015
iii. Launch a public-private partnership programme to enhance developing countries' access to private finance and instigate private investment in low carbon infrastructure	Started	Mar 2013
iv. Implement projects and programmes in six countries to help at least one million people cope with the effects of climate change	Started	Jul 2013
v. Support climate technology innovation centres in at least two countries	Dec 2012	Mar 2015
6.2 Make DFID programmes more climate smart		
i. Ensure that climate change risks and opportunities are identified and addressed across DFID's country programmes and other major policy and spending areas through the implementation of Strategic Programme Reviews	Started	Dec 2013

C) Departmental expenditure

Planned expenditure and major projects [1]

This section sets out the Department's planned expenditure over the Spending Review period, as agreed with the Treasury, and expected cost for the 2012/13 financial year on the Department's major projects.

Planned expenditure (£bn)	2011/12 (forecast outturn)	2012/13	2013/14	2014/15
Total departmental expenditure limits [2]	**7.795**	**8.164**	**10.765**	**10.624**
Administration spending [2]	0.110	0.112	0.103	0.094
Programme spending [2] [3]	6.039	6.417	8.738	8.486
Capital spending	1.646	1.635	1.924	2.044

Major projects expected cost (£m)	2012/13	Whole Life Cost
St Helena Access Project	58.136	246
Total (all major projects)	**58.136**	**246**

Definitions:

Administration spending: the costs of all central government administration other than the costs of direct frontline service provision

Programme spending: spending on activities, goods and services, such as pay and benefits (excl. administration spending as defined above)

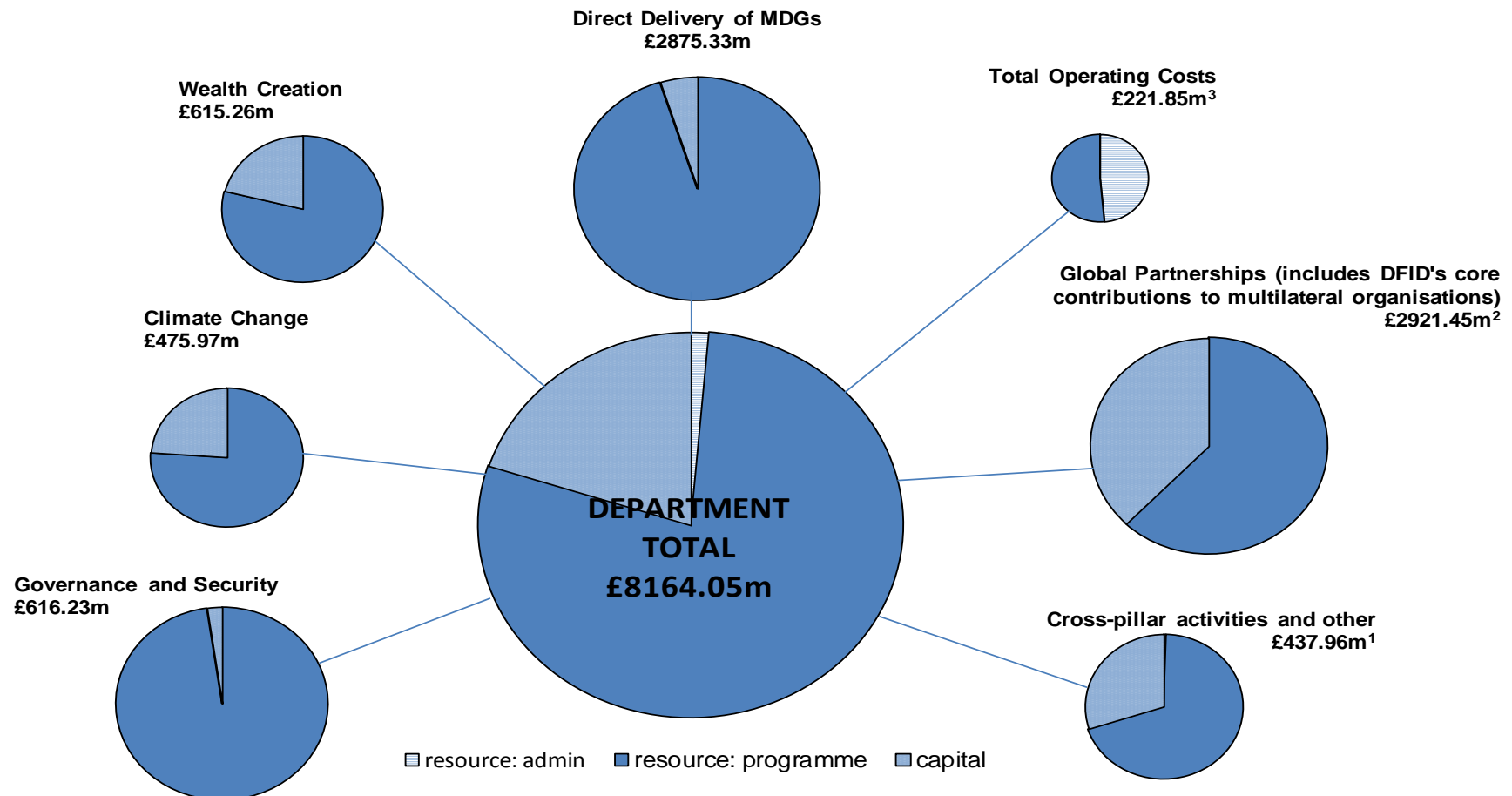*Capital spending:* spending on assets with a lasting value, such as buildings and equipment

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[1] Excludes departmental Annually Managed Expenditure. Numbers may not sum due to rounding
[2] Excludes depreciation
[3] Excludes Conflict Pool

Indicative budget allocation

This chart sets out further detail on how the Department's settlement will be allocated for the 2012/13 financial year across key programmes and activities.

Direct Delivery of MDGs
£2875.33m

Wealth Creation
£615.26m

Total Operating Costs
£221.85m[3]

Climate Change
£475.97m

Global Partnerships (includes DFID's core contributions to multilateral organisations)
£2921.45m[2]

DEPARTMENT TOTAL
£8164.05m

Governance and Security
£616.23m

Cross-pillar activities and other
£437.96m[1]

resource: admin   resource: programme   capital

[1]Also includes ICAI and programme contingencies. [2]Includes Commonwealth Scholarships and EU attributed aid. [3]Includes admin and front-line delivery costs.

Departmental efficiency

This data allows the public to compare the Department's operations to other organisations by setting out the cost of common operational areas, and sets out the Department's efficiency plans for 2012/13.

Spending Category	Latest Data (QDS[1] 3 2011)	Actions to improve operational efficiency in 2012/13
Workforce	1620 (FTEs) civil servants employed	DFID will reduce its overall administration budget by approximately 7%.
Estates	24,078 square metres (UK estate)	DFID will reduce its London estate by 4719 square metres by moving to new premises during 2012 and will save approximately £7 million per annum in terms of future annual operating costs compared with its existing rented office.
Procurement	£178.10m spent	DFID will complete integration of at least 90% of common UK services spend into the Government Procurement Service centralised buying unit and will adopt lean principles to reduce procurement timescales to meet UK Government 120 day target.
Major Projects	£246m total contract value	DFID will report in line with Government Major Project Portfolio requirements. DFID will forward-purchase foreign currency (60% of project cost) to improve price certainty and engage advice to manage commercial risk.
Information Technology	£1.45m spent	DFID will reduce the cost of providing a desktop to a user by between 2-5%. DFID will make efficiency savings of £1.6m per annum in 2012/13, and in subsequent years, by moving to a new overseas telecommunications framework (ECHO).
Corporate Services	£3.84m spent	DFID will continue to implement its corporate services reform programme which will help reduce admin costs by 33% over the Spending Review period. As part of this programme, DFID will deliver a new finance improvement plan and, in 2012/13, will conduct a review of its current financial operations with the view to further improving the relevance, timeliness and quality of both financial processes and financial management information.
Fraud, Error and Debt	£0.01m Fraud, £0m Error and £0m Debt identified	DFID will implement in full the recommendations on anti-corruption and counter fraud from the Independent Commission for Aid Impact, including strengthening its counter fraud and awareness systems and improving its identification of error and debt.

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[1] Quarterly Data Summary

Spending Category	Latest Data (QDS[1] 3 2011)	Actions to improve operational efficiency in 2012/13
SMEs and Voluntary Organisations	£57.10m spent with SMEs and £17.60m spent with voluntary and community sector organisations	DFID has set efficiency targets of 1-3% per annum in respect of management costs for organisations managing its central Civil Society funds. Voluntary and Community Sector Organisations have been tasked to identify 5% efficiency savings.

D) Transparency

Indicators and other key data

The Department has adopted the following input and impact indicators to help the public assess the effects of our policies and reforms on the cost and impact of public services. These indicators, and the other data specified here and in our Open Data Strategy, will be regularly published online.

Description	Type of data
Honour international commitments	
United Nations assessment of progress towards MDGs (www.un.org/millenniumgoals/reports)	Other key data
OECD DAC publication of donor ODA volumes (www.oecd.org/dac/stats)	Other key data
Statistics on International Development – UK Official Development Assistance as a proportion of GNI, including details of DFID spend by country, sector and bilateral/multilateral programme	Other key data
Aid Effectiveness indicators used to monitor progress towards Busan/Paris High Level Forum outcomes (www.oecd.org)	Other key data
Number of volunteers participating in International Citizen Service, by age and by region	Other key data
Average unit price of long-lasting insecticide-treated bed nets procured	Input indicator
Number of insecticide-treated bed-nets distributed with DFID support	Impact indicator
Cost per person of providing sustainable access to an improved sanitation facility with DFID support	Input indicator
Number of people with sustainable access to an improved sanitation facility through DFID support	Impact indicator
Drive transparency, value for money and open government	
DFID's online Project Database includes all relevant project documentation, including Business Cases (summarising each project we fund and how much it costs), Annual Reviews (summarising progress and achievements on an annual basis) and Project Completion Reviews (projects.dfid.gov.uk)	Other key data
R4D (information on DFID's research projects) (www.dfid.gov.uk/R4D/)	Other key data
Publication of Operational Plans together with headline indicators for all DFID spending departments (DFID website)	Other key data
DFID Results Framework indicators	Other key data
Results frameworks (including indicators of project effectiveness) for multilateral organisations which DFID funds	Other key data
DFID's Annual Report indicators	Other key data

Description	Type of data
Boost wealth creation	
DFID programme spend on improving access to financial services	Input indicator
Number of people with access to financial services as a result of DFID support	Impact indicator
Strengthen governance and security in fragile and conflict-affected countries and make UK humanitarian response more effective	
DFID spend on elections (including share of spend in fragile and conflict-affected countries)	Input indicator
Number of people who vote in elections supported by DFID (including share of people in fragile and conflict-affected countries)	Impact indicator
Lead international action to improve the lives of girls and women	
Cost per child supported in primary education	Input indicator
Number of children supported by DFID in primary education (disaggregated by sex)	Impact indicator
Cost per birth delivered with the help of nurses, midwives or doctors with DFID support	Input indicator
Number of births delivered with the help of nurses, midwives or doctors through DFID support	Impact indicator
Combat climate change	
DFID spend on adaptation programmes	Input indicator
Number of people supported by DFID programmes to cope with the effects of climate change	Impact indicator
DFID spend on clean energy programmes	Input indicator
Number of people with improved access to clean energy as a result of DFID projects	Impact indicator

Open data

This section sets out as a summary DFID's commitment to open data. Further details, including what new datasets will be published when, will be set out in full in DFID's Open Data Strategy, to be published this summer.

1.   Big Data. To support traceability of aid we will redevelop our aid information platform to incorporate data from DFID and partners. Through an Aid Transparency Initiative we will drive increased transparency by our partner organisations (other government departments, NGOs, multilaterals, the private sector and partner governments) which will help citizens trace the use and impact of aid funding. We will publish further information on DFID's aid projects, including first results against DFID's results framework and detailed location information. We will provide greater access to data from DFID-funded research. We will explore ways of linking DFID aid data with partner country budget data.

2.   My Data. DFID do not provide any significant public services directly to UK citizens, and therefore do not hold significant volumes of data on such individuals.

3.   Satisfaction and Experience Data. We will run pilot projects in a number of developing countries to test ways of seeking feedback from the people directly affected by development projects, using mobile technology where appropriate. We will use the opportunities provided by social media to further engage with members of the UK public on DFID activities.

4.   Dynamic Information Markets. Building on our success in bringing the providers of 75% of global ODA within the International Aid Transparency Initiative in the last 12 months, we will actively encourage adoption and use of IATI standards through an Aid Information Fund.

5.   Data Quality. Building on lessons learned and good practice across Whitehall we will develop a Transparency Data Quality Improvement Plan to improve the quality of data we publish.