# FCO_UK_PS_BK test

The RBIS Fund: working through the Rules-Based International System to promote security and prosperity

STRATEGY

Financial Year 2016-17

Multilateral Policy Directorate

# CONTEXT

**The rules-based international system (RBIS)** is founded on relationships between states and through international institutions and frameworks, with shared rules and agreements on behaviour. It works for UK interests in multiple ways: promoting peace and prosperity through security and economic integration; encouraging predictable behaviour by states; and supporting peaceful settlement of disputes. It also encourages states, and a wide range of non-state actors, to create the conditions for open markets, the rule of law, democratic participation and accountability.

**HMG’s 2015 National Security Strategy and five-year Strategic Defence and Security Review** commit the UK to “invest more in our alliances, build new, stronger partnerships and persuade potential adversaries of the benefits of cooperation, to multiply what we can achieve alone.” This includes building partnerships to “strengthen, adapt and extend the rules-based international order and institutions, enabling further participation of growing powers”. Among the specific priorities identified for such work are:

* Strengthening the **efficiency and capacity of the UN**, “the world’s leading multilateral institution”
* Strengthening the **Commonwealth**, a “worldwide partnership of diversity and shared values”
* Supporting the **International Criminal Court and other tribunals** involved in “global efforts to end impunity for the most serious crimes of international concern”.
* Promoting the “active **participation of women in peace-building discussions**” and expanding the reach and implementation of our **Preventing Sexual Violence in Conflict Initiative.**
* Tackling the **drivers of instability** through “increased support for tackling corruption, promoting good governance, developing security and justice, and creating jobs and economic opportunity” and “building stability overseas with allies, the private sector and civil society organisations”.

**HMG’s new Aid Strategy**, published on the back of the SDSR, set out a new vision for using official development assistance, built around four strategic goals: strengthening global peace, security and governance; strengthening resilience and response to crises; tackling extreme poverty and helping the world’s most vulnerable; and promoting global prosperity. This reflects the new 2030 agenda for sustainable development agreed by world leaders in 2015, including the shared commitment to “peaceful and inclusive societies” (Goal 16).

These HMG priorities are reflected in the **FCO’s strategic objectives for 2020; and in Multilateral Policy Directorate’s Business Plan,** whose overall goal is to “advance UK interests and values through the rules-based international system”. It is also reflected in the **Conflict, Stability and Security Fund’s Multilateral Strategy** (CSSF MUST).

Programme funds are an increasingly important tool for delivery: the CSSF (MUST) invests around £20m per year in multilateral peace and security work, the FCO Magna Carta Fund (MCF) for Human Rights and Democracy invests a further £10.6m per year, and the RBIS Fund will allow for additional investment of £9.6m in FY 16-17.

1. **PRIORITIES**

The RBIS Fund will allow the FCO to extend its multilateral programme work into new areas in a way that complements both FCO diplomacy and existing cross-Whitehall programme activity. It will be run alongside the MCF by a single, integrated team in Multilateral Policy Directorate. While the MCF supports human rights work across a wide range of countries, the RBIS Fund will combine a narrower geographic focus with a broader thematic agenda.

The RBIS Fund will work (1) with multilateral **institutions and frameworks**, in order to improve their effectiveness and impact; (2) on priority **themes**, where working through the RBIS is instrumental and efficient. While it will operate in consultation with DFID and other partners across government, it is FCO-run and can therefore move more quickly and flexibly than the CSSF or the Prosperity Fund.

We expect the RBIS Fund to continue through the four-year life-time of the current Parliament, with a possible increase of funding in Years 2-4. However, this is not yet confirmed. We are open to multi-year projects but these will need to be decided on a case-by-case basis.

In Year 1 there will be five programmes:

* United Nations: Work to reform the UN and its agencies so it is more efficient, effective, and reflective of the modern world; support specific initiatives in areas where the UN can deliver real impact; and boost UN capacity to develop and uphold international rules.
* Commonwealth:Work to reform the Commonwealth Secretariat so it is more efficient and effective; make best use of the Commonwealth’s unique assets; and champion shared values.
* International Justice: Work to gather the evidence needed to bring people to justice; build judicial capacity in ODA-eligible countries; and provide support and reparations for victims.
* Women, Peace and Security/Preventing Sexual Violence in Conflict: Work to build local capacity in ODA-eligible countries; promote women’s participation in peace processes; deliver justice for survivors; and tackle the stigma endured by survivors.
* Responsible Business: Work to strengthen security and build prosperity in ODA-eligible countries; joining with the private sector and civil society on voluntary initiatives that tackle the drivers of conflict in fragile and conflict-affected states.

**3. WHERE WE WORK**

The scope of the Fund is global and much of it will be allocated through international organisations, with a focus on strengthening their support for developing countries. We will also work with governments and civil society where national or regional initiatives can have a significant demonstration effect. The Fund is 100% ODA and hence will reflect the 2016 UK Aid Strategy and follow OECD [Overseas Development Assistance](http://www.oecd.org/dac/stats/daclist.htm) criteria.

**4. HOW** **WE WORK**

An RBIS Fund Board, chaired by the FCO Multilateral Policy Director as Senior Responsible Owner, will oversee implementation of this strategy and provide strategic direction, decision making and leadership. The Board will agree programme strategies, set initial allocations for the five programmes (adjusting as necessary in light of progress), oversee top risk management, and ensure outcomes are monitored and evaluated. The SRO for this Fund also chairs the MUST CSSF Board and is therefore well-placed to ensure complementarity.

Baroness Anelay will be the lead Minister responsible for overseeing the RBIS Fund, combining this role with her existing oversight of the Magna Carta Fund. The SRO will consult her on the overall Strategy and priorities for the Fund and on specific projects that are of particular interest (primarily for reasons of risk). Other Ministers will be consulted as appropriate on individual programmes (e.g. Commonwealth, Responsible Business).

# The Board and SRO will be supported by MPD’s Programme Team, headed by a D7 officer. This Team will support the SRO to fulfil his obligations as set out in the Standard Operating Procedures provided by Finance Directorate. Within parameters to be agreed by the Board, an Executive Committee, chaired by the Head of MPD Programmes, will ensure that funds are being managed to common standards across the five programmes including by quality controlling project documentation, authorising expenditure against Board agreed plans, monitoring progress reports, and integrating gender issues, conflict sensitivity and human rights angles into funding decisions. They will also manage financial planning and disbursements with a view to delivering excellence.

# Specific projects and initiatives will be selected through a mix of procurement routes, as determined by the RBIS Fund Board and the MPD Programme Team:

# Commercial procurement, involving a project/programme designed by the FCO, with an implementer identified via a commercial process – either open tender, pre-approved supplier (along CSSF lines, if applicable) or single source justification.

# Voluntary contribution to an international organisation or a multi-donor trust fund.

# Direct implementation by an FCO department or post.

# Locally engaged project staff: staff may be hired on fixed term contracts to run projects in the overseas network.

# Competitive grant scheme (“call for proposals”). Bids may come from civil society, governments, think tanks, other UK government departments and international organisations.

**5. MONITORING AND EVALUATION**

Robust monitoring and evaluation (M&E) will be used to measure impact and address problems arising during implementation. Primary mechanisms will be

* Ongoing relationships and oversight between project implementers, Posts, MPD policy leads and the MPD Programme Team.
* Quarterly Reports: Project implementers will be required by grant contract to submit quarterly progress reports, and quarterly financial reports to the FCO (or local Embassy or High Commission), or to the relevant Project Manager (for some multi-country projects) unless otherwise specified in the grant agreement. Project implementers will be required to produce Project Completion Reports. The MPD Programme Team will turn project-level reporting into a Fund-wide report to the Senior Responsible Owner (SRO) and Board, summarising progress and risks.
* In-Depth Project Evaluations: The RBIS team will arrange the evaluation of approximately 10% of projects annually. This is to ensure that project impact and value for money are assessed, and to gather lessons learned. Criteria for such evaluations include:
* Prioritising projects valued £150,000 or over
* Pilots that the fund would be keen to replicate elsewhere
* Projects on a theme or in an area of particular FCO interest
* Projects with implementation difficulties

**6. RISK MANAGEMENT**

Risks will be overseen by the RBIS Fund Board quarterly, based on a risk register maintained by MPD’s Programme Team. Risk owners will be responsible for reporting proposed changes to the risk levels at these intervals. In reviewing specific projects, the board will identify those which carry higher risk for reputational or other reasons and the SRO will consult Ministers on these.

Multilateral Policy Directorate

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