

**Research Briefing**

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By Philip Loft,  
Philip Brien (section 2),  
CJ McKinney (Asylum and  
refugee policy)

# The UK aid budget and support for refugees in the UK in 2022

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## Summary

In 2020, the UK Government [announced it would reduce its aid spending from 0.7% to 0.5% of Gross National Income \(GNI\)](#), in response to the impact of the Covid-19 pandemic on the UK's economy and public finances. It's unlikely spending will return to 0.7% of GNI [until after 2027/28 at least](#).

Additional pressure on the UK's reduced aid budget has come from the requirement to [meet existing commitments to international organisations](#), increasing [humanitarian aid to Afghanistan and Ukraine](#), and hosting an increased number of refugees and asylum seekers in 2022, including from Afghanistan, Ukraine, and from small-boat arrivals across the channel.

This briefing explains the international rules that apply on reporting aid spending on refugees in aid-donor countries, the patterns of past UK aid spending on refugees, and the significance of this to spending plans in 2022.

## Spending aid in the UK

Under international aid rules, many of the costs of hosting refugees can [count towards the aid budget](#) for the first 12 months refugees are in the UK. This includes basic subsistence costs, such as food and accommodation.

An increasing amount of UK aid has been spent on UK-based refugees, with spending more than [doubling from £424 million in 2016 to £898 million in 2021](#) (rising from 3.2% of the aid budget to 7.5%). Most of this money in recent years went towards providing food and shelter for refugees. Other aid is also spent within the UK. In 2021, this came to £727 million, and included administrative costs, UK-based experts and scholarships.

## How is the aid budget being managed in 2022?

The Government has acknowledged that the costs of supporting those arriving from Ukraine, the resettlement of Afghans, and other asylum applications [has put a pressure on its aid budget for 2022](#).

While the numbers who will be eligible for assistance and the total costs for the UK's aid budget are uncertain, around [149,200 Ukrainians](#) have arrived under UK visa schemes (February to 5 December 2022) and [22,800 people from Afghanistan](#) (August 2021 to November 2022), in addition to asylum seekers from other countries, including [via small boats in the channel](#).

Analysis by the Center for Global Development estimates that up to £3 billion of the aid budget (25%) [might be spent on hosting refugees in 2022](#).

In November 2022, the Government said it would commit [an additional £2.5 billion in aid for 2022 to 2024 to help meet these costs](#). This will come from the Treasury reserve and [be classed as aid spending](#). The Commons Library briefing, [Reducing the UK's aid spend in 2021 and 2022](#) provides more.

# 1

## Does hosting refugees in the UK form part of the aid budget?

### The UK adheres to international aid rules

Official Development Assistance (ODA) refers to aid intended to promote the economic welfare and development of developing countries.

UK [ODA is reported under international rules](#) set by the Organisation for Economic Co-operation and Development's (OECD) Development Assistance Committee (DAC), which the UK is a member of. Rules are consensus-based.<sup>1</sup>

### The “12-month rule”

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No costs from after 12 months of an asylum seeker arriving in the UK are deemed ODA eligible.<sup>2</sup>

DAC rules allow aid-donor states to count the costs of assisting refugees in their own countries [for 12 months following the date of their arrival as ODA](#).

Under the DAC rules, “refugees” include:

- Asylum seekers/applicants.
- Refugees with a recognised status, such as those under a resettlement programme or granted refugee status under international refugee conventions or national legislation.
- People granted temporary protection, such as through a temporary resident permit, after applying for asylum to avoid civil war or severe unrest.

For those with rejected asylum applications, only costs before their final rejection are reportable. Equally, those in transit, and both irregular and regular migrants who have not declared their intent to seek asylum are not considered refugees under DAC rules and any related costs are therefore not eligible to be counted ODA.<sup>3</sup>

Refugees do not have to come from countries eligible for ODA, only that they are outside their home country because of fear of persecution, unrest, or war.<sup>4</sup> However, in previous reports to the DAC the UK said those from non-

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<sup>1</sup> OECD, [ODA](#). All sources accessed 2 and 3 November 2022, unless stated.

<sup>2</sup> PQ 95853 [[Development aid: Asylum](#)], 29 November 2022

<sup>3</sup> DAC, [Clarification to the statistical reporting directives on in-donor refugee costs](#), October 2017, pp5-6

<sup>4</sup> As above, pp3, 4, 7

ODA countries are excluded from UK aid figures (note Ukraine [is an ODA-eligible country](#)).<sup>5</sup>

The DAC advises that countries should adopt a “conservative” approach to accounting and that some spending, such as processing asylum applications and municipalities' costs for integrating and settling refugees, do not count as ODA.<sup>6</sup>

Legitimate costs include basic health care, food, temporary accommodation and some training and education (eg language skills).<sup>7</sup>

The DAC justifies the inclusion of in-country refugee costs as ODA, stating it:

- Emphasises refugee protection is a legal obligation under the 1951 Geneva Convention Relating to the Status of Refugees and 1967 Protocol.
- Is a form of humanitarian assistance.
- Is time limited. After 12 months from the date of entry or application of asylum, refugees are considered resident under DAC rules.<sup>8</sup>

Individual countries are responsible for ensuring their reported ODA spend is in line with OECD rules. The UK has not confirmed its reported aid spend for 2022—final figures will be published in the [Autumn of 2023](#).

## 2 How much aid has been spent on assisting refugees in the UK in the past?

### The UK started to report spending in 2013

The UK routinely reports spending to support refugees in the UK as aid. This included from 2015, when several thousand Syrian refugees arrived in the UK under the [Syrian Vulnerable Persons Resettlement Scheme](#) (PDF).<sup>9</sup>

However, as a 2015 analysis by the University of Sussex notes, until 2009 the UK [opposed the inclusion of such spending as aid](#),<sup>10</sup> and until 2013 the costs of

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<sup>5</sup> OECD, [UK: In donor-refugee costs in ODA](#) (PDF), 2021, paras 20, 24, 25, 30,

<sup>6</sup> DAC, [Clarification to the statistical reporting directives on in-donor refugee costs](#), October 2017, p9

<sup>7</sup> As above, p7

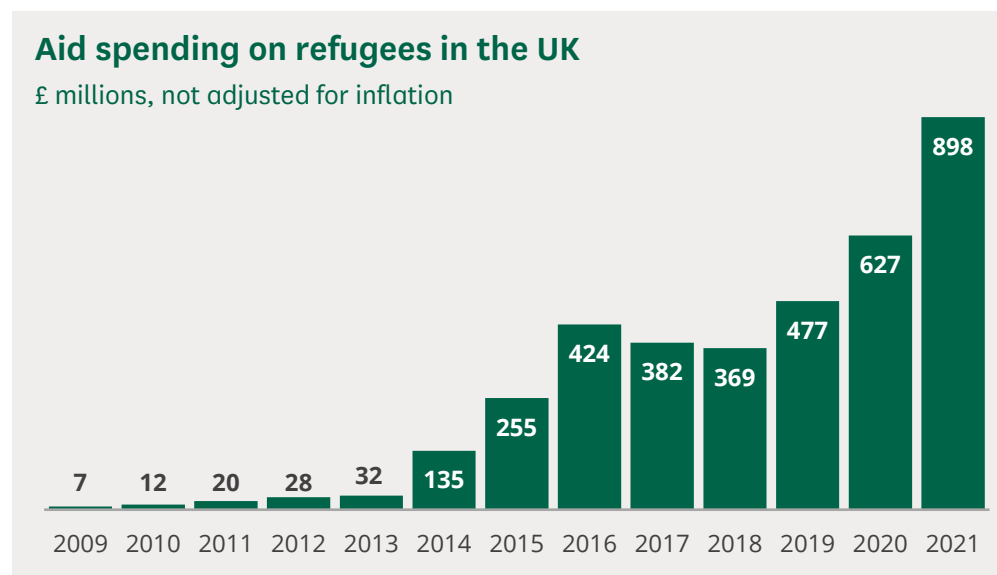
<sup>8</sup> As above, pp4, 6

<sup>9</sup> National Audit Office, [The Syrian Vulnerable Persons Resettlement Programme](#) (PDF), September 2016 and UK Visas and Immigration, [VPRS and Vulnerable Children's Resettlement Scheme](#), 2021

<sup>10</sup> James Hakner, [Analysis: If aid budgets are used to help refugees at home, is it still foreign aid?](#), 11 September 2015

UK-based refugee hosting were not counted as aid by the UK.<sup>11</sup> Some groups, such as Action Aid, criticised the decision to include in-donor spending on refugees, arguing it does not contribute to poverty reduction abroad.<sup>12</sup>

As the chart below shows, from 2014 onwards the UK began to report increasingly large amounts of spending on refugees as aid, reaching £898 million in 2021.



Notes: Figures for 2021 are provisional. OECD figures originally in US\$, converted to sterling using average annual exchange rates in [ONS series AUSS](#).

The [FCDO statistical release for spending in 2021](#) states £1,052 million was spent on refugees in donor countries in 2021, up from £628 million in 2020. The above figures have been retained to allow comparison with other figures reported by OECD countries (see graph on next page).

Source: OECD.Stat, [database DAC1](#), retrieved 3 November 2022

This also represented an increasing proportion of the overall aid budget, going from less than 0.5% of all aid spending in 2009-13 to 3.2% in 2016, and eventually rising to 7.5% in 2021.

In 2021 bilateral aid on refugees in donor countries was the largest single sector of UK bilateral aid spending—exceeding, for example, health, education, and humanitarian aid.<sup>13</sup>

A number of major aid donors have typically spent proportionally more than the UK on refugees within their own borders in recent years.

As the chart below shows, donors on the OECD’s Development Assistance Committee (this includes most of the world’s largest donors) spent on

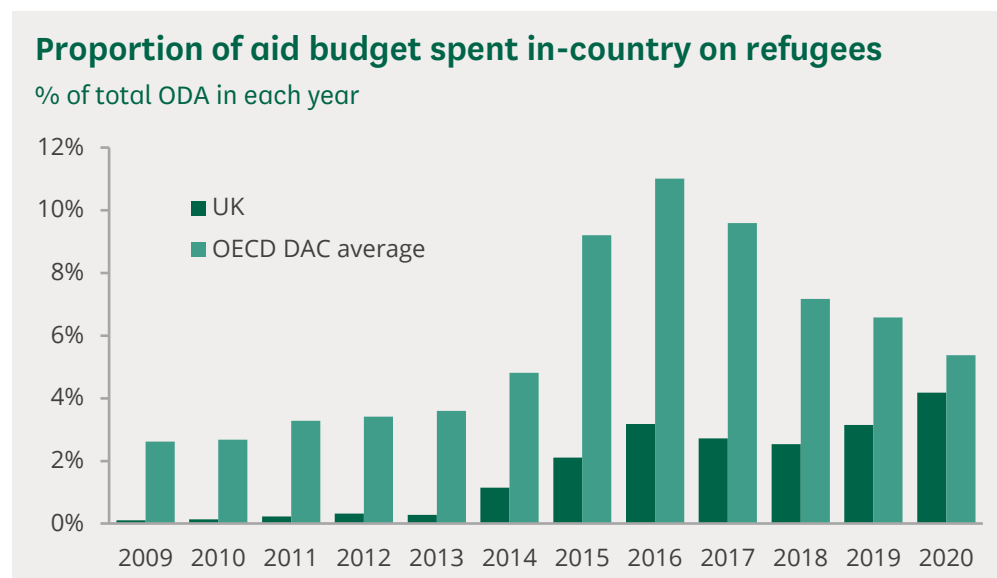
<sup>11</sup> Center for Global Development (CGD), [Projections of UK-hosted refugees, and the implications for the UK’s aid budget and spend](#), 26 September 2022

<sup>12</sup> International Development Committee (IDC), [Aid under pressure: Support for development assistance in a global economic downturn](#), HC 179, 19 May 2009, para 102 (PDF)

<sup>13</sup> FCDO, [Statistics on international development: Final UK aid spend 2021](#), 23 November 2022, p38

average about 3-5% of their budgets on in-country refugee costs from 2009 to 2014, rising to 11% in 2016.

However, since then, the proportion has steadily decreased, meaning that the trends for the UK and other major donors have gone in opposite directions.



Source: OECD.Stat, [database DAC1](#), retrieved 3 November 2022

Since 2018, the UK has reported a somewhat more detailed breakdown of where this money has gone.

In total between 2018 and 2020, a large majority (75%) of all aid on refugees was spent on food and shelter. The next largest category was administrative costs (9%), followed by health (5%) and training (4%).<sup>14</sup>

## How much other aid is spent in the UK?

Other ODA additional to that for hosting refugees is also spent in the UK. In 2021, the FCDO reported that this total came to £727 million, and included “the administrative costs of FCDO, raising development awareness, cost of UK experts and UK scholarships.”<sup>15</sup>

<sup>14</sup> FCDO, [Statistics on International Development: final UK aid spend 2020](#), 29 September 2021

<sup>15</sup> FCDO, [Statistics on International Development: Provisional UK Aid Spend 2021](#), 12 April 2022, chart 3

## 3 What pressures does the 0.5% aid budget face in 2022?

### 3.1 Reduced aid budget

In 2020, the UK Government [announced it would reduce aid spending from 0.7% to 0.5% of Gross National Income \(GNI\)](#), in response to the impact of the Covid-19 pandemic on the UK's economy and public finances.<sup>16</sup>

In 2021, [UK aid spending fell 21% compared to 2020](#) to stand at £11.4 billion.<sup>17</sup> Following the November 2022 Autumn statement, [spending is not expected to be restored to 0.7% until after 2027/28 at least](#).<sup>18</sup>

The Bank of England has also forecast a recession for 2023 and part of 2024, meaning the 0.5% figure [may represent a falling level of spending](#).<sup>19</sup>

### 3.2 Refugees from Ukraine and Afghanistan

#### Numbers of visas issued and arrivals

As of 8 December 2022, the Home Office says around 204,000 Ukrainian scheme visas have been issued (either under the family scheme or sponsorship scheme), and [there have been 149,200 arrivals into the UK](#).<sup>20</sup>

As of 24 November, the Government [said around 22,800 people have arrived into the UK from Afghanistan](#) under the UK's Afghan Citizens Resettlement Scheme, or the Afghan Relocations and Assistance Policy.<sup>21</sup>

However, the figures for Afghanistan are not final and include some British nationals.

The conflict in Afghanistan and ongoing instability in the country under Taliban rule, and Russia's invasion of Ukraine in February 2022, have caused the displacement of many thousands of people.

<sup>16</sup> Commons Library, [Reducing the UK's aid spending in 2021](#), section 1

<sup>17</sup> FCDO, [Statistics on international development: Final UK aid spend 2021](#), 23 November 2021, p53

<sup>18</sup> HM Treasury, [Autumn statement 2022](#), 17 November 2022

<sup>19</sup> Bank of England, [Monetary policy report](#), November 2022

<sup>20</sup> Home Office, [Ukrainian Family Scheme, Ukraine sponsorship scheme and Ukraine extension scheme visa data](#), updated 8 December 2022

<sup>21</sup> Home Office, [Afghan resettlement programme: Operational data](#), 24 November 2022

The UK Government has launched schemes to help people from those countries come to the UK. It says meeting the needs of “people seeking sanctuary in the UK” from these two conflicts has affected its planned ODA spending in 2022.<sup>22</sup>

Most people from Ukraine and Afghanistan allowed to come to the UK in 2021 and 2022 have been issued with visas, rather than formal refugee status. In the 12 months ending in June 2022, there were 181,000 visas issued to Afghan and Ukrainian nationals, compared with 1,500 grants of asylum.<sup>23</sup>

This may have implications for how much related spending is ODA-eligible, but this is uncertain (see above, page 3). The FCDO has said it is in discussion with the Treasury over how much of this funding will be categorised as ODA, and that “[eligible costs for the Ukrainian visa schemes will be reported as ODA](#).”<sup>24</sup>

In October 2021, the Ministry of Defence confirmed its support to the Afghan Relocation and Assistance Policy (ARAP) [was not anticipated to be classified as ODA](#). However, it did not state how Home Office support, such as bridging accommodation and support services in the UK, would be classified.

The Home Office has said no ODA funding has been used at migrant processing centres or facilities, such as Manston and Western Jet Force in Kent.<sup>25</sup>

### 3.3 Asylum seekers in the UK

In addition to those originating in Afghanistan and Ukraine, there has also been an increase in the number of people from other countries applying for refugee status.

The Home Office says the increase in asylum applications is “likely linked to a sharp increase in small boat arrivals to the UK of which almost all currently claim asylum.” As of 26 October 2022, 38,000 people had arrived in the UK via this method from multiple countries, [including Albania, Afghanistan and Iran](#).<sup>26</sup> 93% of these arrivals claimed asylum.<sup>27</sup>

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<sup>22</sup> PQ 76103 [[Development Aid](#)], 7 November 2022

<sup>23</sup> Home Office, [Immigration statistics data tables, year ending June 2022](#), 23 September 2022, tables Vis\_D02 and Asy\_D02. The figure given for grants of asylum includes refugee status, humanitarian protection, resettlement and “other leave”.

<sup>24</sup> PQ HL1714 [[Ukraine: Refugees](#)], 22 July 2022; HL Deb, [13 October 2022](#), c857

<sup>25</sup> PQ 82341 [[Development aid: Detention centres](#)], 17 November 2022

<sup>26</sup> Home Office, [Factsheet: Small boat crossings since July 2022](#), 2 November 2022

<sup>27</sup> Home Affairs Committee, [Oral evidence: Channel crossings](#), HC 822, 26 October 2022, Qs 2-4



## 3.4

# UK Government has not published an estimate of costs on assisting refugees in the UK

The final number of asylum seekers and refugees the UK will host in 2022, and the level of spending that will be eligible to be counted as ODA, is uncertain.

Final figures for ODA spend in 2022 will also not be published until the second half of 2023.

Neither is this likely to be an issue for 2022 alone, as the conflict in Ukraine continues and the 12-month limit will extend into 2023 for many refugees.

In response to Parliamentary Questions in July 2022 on how much of the aid budget the UK will spend on hosting refugees from Ukraine in 2022 and 2022/23, the Government said that the cost [will be determined by the number of arrivals at the year's end and the ODA-eligibility of the spending](#).<sup>28</sup>

Appearing before the International Development Committee in October 2022, the Permanent Under-Secretary of the Foreign, Commonwealth and Development Office (FCDO), Sir Philip Barton, said [there is potentially pressure on the aid budget from \(PDF\)](#):

- The ODA costs of those who have come to the UK from Ukraine.
- Wider pressures from asylum costs and migration pressures.
- Resettlement of Afghans in the UK.<sup>29</sup>

The Chair of the International Development Committee (IDC), Sarah Champion MP, asked what the cost of resettlement for Ukrainian refugees may be. Sir Philip [confirmed it is a significant pressure but no firm figure is yet available](#):

**Chair:** Save the Children estimated that the cost of visas and resettlement is about £3 billion. Is that an accurate figure?

**Sir Philip Barton:** In terms of figures, it is a dynamic situation. These are people flowing into the UK all the time. Exactly how many are going to come in any particular period is not certain, so I cannot put an absolute cost on this. This is a very significant pressure. We are in active discussion with the Treasury about what that pressure might be in this and future financial years and what it means for our own budget as a Department.<sup>30</sup>

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<sup>28</sup> PQ 36753 [[Refugees: Ukraine](#)], 19 July 2022 and PQ HL1714 [[Ukraine: Refugees](#)], 22 July 2022

<sup>29</sup> IDC, [Oral evidence: FCDO annual reports and accounts](#), 18 October 2022, Q3

<sup>30</sup> As above, Q4

In response to a further Parliamentary Question from the IDC Chair to the International Development Minister, Andrew Mitchell, on 8 November, the FCDO committed to [publishing a breakdown for this financial year of how the UK's in-country refugee costs are being spent](#), based on DAC guidelines.<sup>31</sup>

In December 2022, International Development Minister Andrew Mitchell also said he [expected the costs to now be at their peak](#):

We do not know the full extent of the costs of that first-year refugee expenditure at the moment and we are having to make a judgment. We expect that it will become less. It is probably towards its peak at the moment and we are very hopeful that those figures will diminish.<sup>32</sup>

## 3.5 Estimates of spending by NGOs

Two estimates have been published by NGOs on the amount of aid that may be spent—these are based on some assumptions, described below.

Two former Government officials, Stefan Dercon and Ranil Dissanayake, have also raised concerns that the costs of hosting Ukrainian and other refugees in the UK will result in less spending on humanitarian crises abroad.<sup>33</sup>

Ultimately, the level of spending and impact on the ODA budget is dependent on the numbers of refugees, their pattern of arrival, the costs for hosting, and the size of the UK economy (a larger economy will allow 0.5% of GNI to represent higher spending levels, and a smaller economy will mean these costs will take a larger proportion of the budget). These are all uncertain.

### Center for Global Development (CGD) analysis

In September 2022, the CGD published an estimate that between £1.8 billion and £3 billion in UK ODA, or up to 25% of the aid budget, [will be spent on hosting refugees in 2022](#). It estimates additional spending may be around £919m compared to previous years. It also notes that falling UK aid contributions to the EU may free up some spending.<sup>34</sup>

The CGD estimate is based on around 270,000 arrivals in 2022 from three main sources: Ukrainians issued with visas under the UK schemes, small boat arrivals, and the Afghan Citizens Resettlement Scheme.

For costs, the CGD notes that because refugees will arrive throughout the year, not all require a full-year of ODA-eligible support in 2022, with some

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<sup>31</sup> HC Deb, [8 November 2022](#), c116

<sup>32</sup> IDC, [Oral evidence: Future of UK aid](#), HC 891, 6 December 2022, Q395

<sup>33</sup> BBC News, [UK foreign aid being spent in UK passes £4bn mark, experts say](#), 28 October 2022; The Times, [Billions more spent in UK will count as foreign aid](#), 7 November 2022

<sup>34</sup> The UK is expected to make continuing contributions to 2026, but these are expected to fall each year: see Commons Library, [Reducing the UK's aid spending in 2021 and 2022](#), section 7

costs moving into 2023. It also assumes, based on past spending, that around £11,200 may be spent per recipient (2016-19 average), but this may be as high as £18,500 (the 2020-21 average).<sup>35</sup>

## Save the Children analysis

Analysis by Save the Children, cited by the IDC Chair (above) [estimates that as of August 2022](#):

- £1.6 billion has been spent on hosting Ukrainian refugees
- There is the potential for £1.4 billion more to be spent if those who have visas or were awaiting results of applications were deemed eligible.

This estimate is based on several assumptions, including the arrival of further refugees from Ukraine, the full use of allowances the Government is providing to local authorities and sponsors, and the level of demand that refugees place on education and healthcare.<sup>36</sup>

## 3.6

## Other spending pressures

In addition to in-donor refugee costs, there are other pressures on spending to be negotiated if the UK is to keep aid spending within 0.5% of GNI.

### There are existing multilateral commitments to be met

Under the new UK aid strategy, the Government intends to shift aid spending away from multilaterals (international organisations) to bilateral ones (meaning funding will go directly to specific countries and programmes).

However, the UK has ongoing commitments to several organisations, including the World Health Organization, the UN, Gavi, the vaccine alliance, and the EU Development Fund (to 2026). This will put pressure on future pledges and the Government may seek flexibility in its multi-year commitments to these and similar institutions to manage spending.<sup>37</sup>

### Additional aid for Ukraine and Afghanistan

In 2022, unexpected additional spending has come because of Russia's invasion of Ukraine. While the FCDO did not initially allocate any country-

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<sup>35</sup> CGD, [Projections of UK-hosted refugees, and the implications for the UK's aid budget and spend](#), 26 September 2022

<sup>36</sup> Save the Children, [Is UK aid facing another round of major cuts?](#), 2 August 2022

<sup>37</sup> Commons Library, [The UK's 2022 aid strategy](#), section 8.2 and IDC, [Oral evidence: FCDO annual report and accounts](#), 18 October 2022, Qs 17, 80-84

specific ODA for Ukraine for 2021/22, following Russia's invasion it has [pledged £220 million in humanitarian assistance](#) to the country.<sup>38</sup>

In response to the Taliban's capture of Kabul in August 2021, the UK also increased its spending in Afghanistan from a planned £155 million in 2021. Spending in 2021/22 and 2022/23 is [expected to be £286 million in each year](#).<sup>39</sup>

### **Much humanitarian aid is already committed**

Under the UK's international development strategy, the Government intends to spend £3 billion on humanitarian aid from 2022 to 2025. [A quarter of this sum is already committed](#) to Afghanistan, Ukraine, Yemen, and Syria in 2022 (a total of £752 million). This means that fewer countries may receive funding, or fewer will see funding restored to previous levels.<sup>40</sup>

## **3.7 How have other countries managed their aid budgets in response to Ukraine?**

The war in Ukraine has seen many DAC members host an increased number of refugees.

However, the CGD notes that no G7 country (US, Germany, France, Canada, Italy, Japan) other than the UK is funding all the costs of hosting Ukrainian refugees from their existing aid budget.<sup>41</sup>

Of other DAC states, Sweden and Norway initially planned to finance these costs through their existing aid budgets, though their governments later said they would restore their full aid budgets.<sup>42</sup>

Like the UK, Denmark and the Netherlands intend to use some of their existing ODA budget to meet the cost of hosting Ukrainian refugees in 2022.<sup>43</sup>

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<sup>38</sup> Commons Library, [Ukraine crisis 2022: Aid and refugees](#), section 4

<sup>39</sup> Commons Library, [Aid to Taliban-controlled Afghanistan](#), section 4.2

<sup>40</sup> Commons Library, [The UK's 2022 aid strategy](#), section 5.2

<sup>41</sup> CGD, [Projections of UK-hosted refugees, and the implications for the UK's aid budget and spend](#), 26 September 2022

<sup>42</sup> Devex, [Sweden restores more global aid after lower Ukrainian refugee forecast](#), 25 August 2022 and Devex, [Nordic nations partially walk back foreign aid cuts](#), 28 June 2022

<sup>43</sup> Donor Tracker, [Netherlands announces US\\$150 million in ODA will go to in-country Ukrainian refugee costs](#), 1 June 2022; The Local, [Four countries lose Danish development aid as funds diverted to help Ukrainian refugees](#), 24 March 2022

## The impact of the war in Ukraine on global ODA

OECD analysis warns that a combination of ODA being re-focused to address the pandemic from 2020, rising global inflation due to the war in Ukraine impacting on food and energy costs, and ODA spending to help Ukraine and host Ukrainian refugees, means [there is risk that countries most in need “will be crowded out by today’s emergencies and crises.”](#)

It warns that resources to respond to other humanitarian crises are under pressure. It states that to July 2022:

- Humanitarian aid committed to Ukraine by DAC countries was equivalent to 7% of total 2021 ODA. Humanitarian funding in previous years to all countries usually represents 10% of spending.
- The anticipated costs of hosting Ukrainian refugees in DAC countries could represent 11% of their ODA if it is at the same level and cost as 2021, when in-donor refugee costs represented 5% of ODA.<sup>44</sup>

## 4

## UK response to spending pressures

### Delayed release of future spending plans

In its [most recent annual report](#), published in September 2022, the FCDO said that ODA spending incurred through the Afghan resettlement programme and support for Ukrainian refugees means that the Government has had to revisit its ODA allocations to ensure it remains within the 0.5% target this year.<sup>45</sup>

It said an update on plans, which may include country and programme spending, will be provided “in due course.”<sup>46</sup>

### Pause in “non-essential” aid spending

From July 2022 to November 2022, non-essential aid spending was paused by the FCDO in order to ensure that increased aid spending does not push the aid budget above 0.5% of GNI in 2022.<sup>47</sup>

<sup>44</sup> OECD, [How Covid-19 and Russia’s war of aggression against Ukraine are reshaping ODA](#), July 2022

<sup>45</sup> FCDO, [Annual report and accounts 2021 to 2022](#), updated 23 September 2022, p250

<sup>46</sup> As above, p250

<sup>47</sup> FT, [UK Treasury blocks “non-essential” overseas aid payments](#), 24 July 2022

In October, the International Development Minister, Andrew Mitchell, said the pause would be extended [until the Treasury's Autumn statement on 17 November 2022](#) (PDF). He says this would allow discussions with the Treasury on how to manage the ODA budget and that ending the pause his “priority.”<sup>48</sup>

Exemptions in place under the pause included for spending that protects against immediate threats to life and wellbeing and prevents people falling into humanitarian need.<sup>49</sup>

It is uncertain how much planned and new activity was paused because of the decision.<sup>50</sup> Members of the IDC have been critical of the uncertainty over what is regarded as essential.<sup>51</sup>

## The Government has released extra funding

In November 2022, the Treasury announced that in response to increased spending to help people from Ukraine and Afghanistan seek refuge in the UK, it will provide an additional £2.5 billion from 2022 to 2024 to meet these costs.

Funding will come from the Treasury reserve, and is additional ODA funding.<sup>52</sup>

## Spending may rise slightly above 0.5%

While spending is not expected to be restored to 0.7% until at least after 2027/28, the Government has also said spending [will be “around 0.5%” during this period](#).<sup>53</sup>

This suggests there may be a degree of flexibility, with 0.5% not treated as a cap. In December 2022, Andrew Mitchell, the new International Development Minister, said spending currently stands at 0.55% of GNI.<sup>54</sup>

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<sup>48</sup> [Minister for Development to IDC](#), 31 October 2022 (PDF)

<sup>49</sup> [Minister for Development to the IDC](#), 17 October 2022 (PDF)

<sup>50</sup> IDC, [Oral evidence: FCDO annual report](#), 18 October 2022, Qs 15-21

<sup>51</sup> As above, Qs 25-31

<sup>52</sup> HM Treasury, [Autumn statement](#), 17 November 2022, “Spending”; IDC, [Oral evidence: Future of UK aid](#), HC 148, 2022-23, 6 December 2022, Q401

<sup>53</sup> HM Treasury, [Autumn statement 2022](#), 17 November 2022

<sup>54</sup> IDC, [Oral evidence: Future of UK aid](#), HC 148, 2022-23, 6 December 2022, Q399

## Could spending come outside the ODA budget?

Save the Children argues that the Government [could free up spending by counting some outside the 0.5% aid budget](#):<sup>55</sup>

- **Donated Covid-19 vaccines:** The Government has said that surplus Covid-19 vaccines, donated overseas, will be counted towards the 0.5% aid budget.<sup>56</sup>

Save the Children argues this could be separated from aid spending, citing criticism from the US and the Netherlands that [vaccines initially brought for domestic use should not be counted as aid when donated](#).<sup>57</sup>

- **Debt relief for Sudan:** In 2022, the UK is expected to cancel £580 million of debt owed by Sudan, and [count this within the 0.5% aid budget](#).<sup>58</sup>

Similarly, analysis from the CGD recommends that funding for refugees [should be separated from the UK's aid budget](#), in order to preserve funding for humanitarian crises overseas.<sup>59</sup>

The International Development Minister, Andrew Mitchell, says the Government will adhere to international aid rules and would not seek to reopen debate on aid definitions. He [argued this would risk a wider negotiation on ODA-eligible activities](#):

I have always believed that if Britain was able to reopen them [ODA rules] there would be an awful lot of people who would come after the money across Whitehall.<sup>60</sup>

### Forthcoming reviews into aid for refugees in the UK

In February 2022, the UK's Independent Commission for Aid Impact announced a review into [UK aid's support to refugees in the UK](#). This is expected to be published in Winter 2022/23.

In November 2022, the Commons International Development Committee also announced an inquiry into aid spending on refugees within the UK, to assess whether it is an “efficient, effective and ethical” use of public money.<sup>61</sup>

<sup>55</sup> Save the Children, [Is UK aid facing another round of major cuts?](#), 2 August 2022

<sup>56</sup> HL Deb, [11 July 2022](#), c1269

<sup>57</sup> Devex, [US, Netherlands unconvinced on aid eligibility of surplus vax donation](#), 23 December 2021

<sup>58</sup> Jubilee Debt Campaign, [UK to cut £861 million from aid budget using fictitious debt](#), 21 October 2021

<sup>59</sup> CGD, [Projections of UK-hosted refugees, and the implications for the UK's aid budget and spend](#), 26 September 2022

<sup>60</sup> IDC, [Oral evidence: Future of UK aid](#), HC891, 6 December 2022, Q398

<sup>61</sup> IDC, [Use of the aid budget to support refugees in the UK new inquiry launched](#), 16 November 2022

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