STATES OF JERSEY



GOVERNMENT PLAN 2023-2026: SCRUTINY REVIEW BY THE ECONOMIC AND INTERNATIONAL AFFAIRS SCRUTINY PANEL (S.R.22/2022) – RESPONSE OF THE MINISTER FOR INTERNATIONAL DEVELOPMENT

Presented to the States on 31st January 2023 by the Minister for International Development

STATES GREFFE

2022 S.R.22 Res.

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Ministerial Response to:	S.R.22/2022
Ministerial Response required by:	31st January 2023
Review title:	Government Plan 2023-2026: Scrutiny Review by the Economic and International Affairs Scrutiny Panel
Scrutiny Panel:	Economic and International Affairs Scrutiny Panel

INTRODUCTION

Jersey's overseas aid programme continues to translate the generosity, skills and compassion of the people of Jersey into the delivery of effective assistance to hundreds of thousands of people. Equally importantly, we have continued to invest in strengthening the capacity of Jersey Overseas Aid itself, which continues to be an evermore effective and professional donor agency. The island's commitment to aid provides at once life-improving assistance, and improves its reputation by reinforcing the fact that Jersey is a good global citizen dedicated to fulfilling its international obligations.

I would like to thank the Panel for their time in scrutinising this year's Government Plan.

FINDINGS

	Findings	Comments
15	In 2021, the Government Plan was approved by the States Assembly which included that annual funding for Jersey Overseas Aid should be pegged to GVA, increasing it to reach 0.28% of GVA by 2023, working towards the current OECD (DAC) average of 0.31% of national income by 2026.	In 2019, the Assembly voted, over the period of the 2020 Government Plan, to reach a projected 0.28% of GVA by 2023, with a phased increase of 0.01% per year from 2020 and linking the annual funding for Jersey Overseas Aid to GVA from 2021. The advantage of linking this budget with the size of Jersey's economy is that if the activity contracts or stagnates, so will the aid budget.
		The pegging of the overseas aid budget to GVA ensures that it remains, automatically and proportionately, affordable for the island. It also

	Findings	Comments
		enables international comparisons against globally-agreed targets.
16	Jersey Overseas Aid is due to recruit an additional officer in 2023 to allow for more projects to be undertaken and provide efficient oversight and monitoring of all overseas projects. The Panel is informed that undertaking more projects poses less risk to public finances.	JOA's staffing needs are primarily driven by the number of projects and activities it undertakes – and to a lesser extent by their size. Fewer, larger programmes would necessitate fewer staff to select, monitor and evaluate them, but compromise JOA's ability to achieve other objectives, such as flying a flag for Jersey, specialising and developing a reputation in subjects (like Dairy, Finance and Conservation) where Jersey adds particular value, and facilitating Jersey individuals and organisations to directly participate in international development. There is also then a concentration of risk should one project have a major problem. However, if JOA spreads itself too thinly and funds too many projects it can achieve less impact – and more staff are required for quality assurance. With an increase in budget in 2023 JOA will be able to fund a few additional projects every year, and modestly increase their size. For example, as stated in the Ministerial priorities, it will begin to implement dairy programmes in Zambia. JOA Commissioners are reviewing JOA HR requirements, both for Programme and Operations posts, and will ensure that the organisation is adequately staffed to ensure that its strategic and operational objectives are met, and that risk is professionally managed and mitigated. It is worth noting that at c.4% JOA's overhead and staffing costs are significantly below the average (7%) for government aid donors.
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CONCLUSION

With Jersey's aid budget gradually moving closer to international norms (0.27% of GDP in 2022 compared to the OECD average of 0.32%), the island is quietly becoming a centre of excellence in international development, meaning that it can continue to lift people out of poverty and provide emergency assistance to those affected by humanitarian disasters and conflict. At the same time, Jersey Overseas Aid remains well-placed to assist the private sector to become a global centre for sustainable finance

and impact investment, help to demonstrate how Jersey is a force for good in the world and offer ever more opportunities for Islanders to make a difference themselves.

Critically, linking the budget for Jersey Overseas Aid to GVA allows JOA to continue to increase the efficacy and reach of Jersey's development programming and contribution to global humanitarian aid causes, whilst remaining affordable for the island.