



International Development Committee

Oral evidence: [Syrian Refugee Crisis](#), HC 463

Thursday 17 November 2015

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Written evidence from witnesses:

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Members present: Stephen Twigg (Chair); Fiona Bruce; Mr Nigel Evans; Mrs Helen Grant; Fabian Hamilton; Pauline Latham; Jeremy Lefroy; Wendy Morton

Questions 48-107

Witnesses: **Nicholas Grisewood**, Technical Specialist, Crisis Migration, International Labour Organisation, gave evidence

Q48 Chair: Good morning, Nicholas. Thank you very much indeed for appearing as our first witness this morning. We have about half an hour with you before we take our second panel. We have a number of questions. I would like to kick off. This is part of our inquiry into the Syrian refugee crisis. Clearly, one of the striking features of the crisis is the insecurity that refugees face in the surrounding countries, where they are often unable to work legally, so I wanted to ask an initial very general question: how important do you see jobs and livelihoods being as part of the world's response to a humanitarian crisis?

Nicholas Grisewood: I would like to begin by saying it is not so much a question of how we, the ILO, see this, but how it is seen in discussions that we have already had with what were previously the main host countries: Jordan, Lebanon, Turkey, Iraq and Egypt. If you go back to the very earliest assessments that were conducted of the refugee crisis, going back to early 2012 in Jordan, for example, the issue of economic insecurity was apparent from a very early stage. As you are aware, most of the Syrians are actually in host communities, rather than being in camp settings, which is a change of approach from UNHCR over the last decade or so and is likely to become the case more and more, as we go forward. The problem, of course, is the delivery of services to refugees when they are in host community settings, so the issue of economic insecurity has been very high on their agenda for quite some time and it has been on the ILO's radar for quite some time.

One of the challenges that we have faced, unfortunately, is that livelihoods and employment are not a very high priority in terms of support from the donor community. For obvious reasons, the humanitarian action has taken precedence. The unfortunate thing is that, with what has now become a protracted crisis, these issues are now becoming structural.

To try to acknowledge some of these issues and discuss them with the host countries, we organised a regional dialogue in July, in Istanbul, where we invited all five countries, which included Ministries of Labour, Interior and Foreign Affairs, as well as employers' organisations and workers' organisations, just to try to get an idea of the scale and the scope of the problems that these countries were facing. What became very clear, very early on, for these countries is that, if we do not address the employment issue of the Syrian crisis, then we could very well see more problems in stability and security arising across the region. One of the immediate effects that Europe is beginning to see already is that the lack of access to employment is leading to significant onward migration, which is now having impacts on labour markets on a much wider scale.

Q49 Chair: I was in Jordan recently and they were looking at a programme of special economic districts—I am not sure I am using the right term—as an approach to the development of their own economy that could benefit both refugees and the home community. Can you tell us a little more about that, any involvement ILO has on that and perhaps comparable programmes in the other countries in the region?

Nicholas Grisewood: I read the article in *Foreign Affairs* and I think the principle is sensible, but the fundamentals are missing. The whole point of export processing zones or industrial zones, which is essentially what they are, is that they work in an economy that is functioning. When your economy is under a huge amount of stress, the question is what you are setting up new businesses to do, because the economy itself is structurally undermined. This is something that needs to be looked at as a much broader issue, setting up or at least activating the industrial zones, because Jordan has had this concept of industrial zones for quite some time, as part of its decentralisation programme, looking to try to build job opportunities in different parts of the country, particularly in the poverty pockets. If we do not do that in a context of economic growth, then we are not producing any sustainable response.

This was something that again came out quite strongly in the Istanbul dialogue. Countries are getting a little tired of short-term employment responses, which usually involve this sort of approach whereby we try to encourage communities to establish small and medium-sized enterprises, livelihoods, opportunities and different work opportunities for vulnerable groups, such as women-headed households and so on. Then the challenge is that, if you do not have anywhere to sell whatever it is you are going to make, or you do not really know what it is you are going to make or produce, or what services you are going to provide, because the broader economic context does not support that, then ultimately these will fail. They will last as long as the funding is in place, but the long-term perspective for these opportunities for growth, even a decent percentage of these opportunities, is quite limited.

It is not only a question of providing opportunities to refugees in host communities. It is also a question of how you overcome the longer-term impact on public services. Public services cannot continue ad infinitum with humanitarian aid to support them, so we need economic growth that is going to support social protection systems, social security mechanisms, pensions, welfare benefits and other benefits for single-headed households, for example. If we do not find ways for refugees in host communities to be able to contribute to the public treasury, then we will continue to have to pour a considerable amount of money into supporting these economies.

We need to find areas of economic growth and we need to do that through broader economic data analysis, and that is something that has not really happened so far. We lack data. We lack knowledge. We lack understanding in terms of where potential opportunities are. I would like to give the Committee an example of where we could see some opportunities and where we need to perhaps step outside a little bit of our normal frame of humanitarian approach.

Jordan has already commenced a long-term programme to develop a railway network in the country. It has already commenced land acquisition and it has just returned from a trip to China, where Chinese investors have committed to investing a certain amount of money; I believe the figure is somewhere in the region of \$1.5 billion. We know there will be challenges in negotiating with the Chinese authorities in terms of what this might mean for employment opportunities, but I think it is also a discussion that we should have. It is a question of what opportunities these can provide not just to Jordanians and migrant workers who are already in the country, but also to Syrian refugees. Again, we can look long term, because it is about not just the implantation of this particular network, but also the maintenance and improvement of this network in the longer term. Lebanon also has a blueprint for a railway network. There is not one at the moment in the region, so there are opportunities.

Alternative energy sources are underutilised in the countries. Recycling is a massive problem in the Middle East and is an area that we could also look at. We can perhaps look at some of the potential opportunities of longer-term economic growth and investment, and investment is the key. We need to engage with those who invest, which includes the diaspora of Jordan and Lebanon, for example. If we do not provide them with opportunities whereby their investment will grow, then they are not going to invest back in their home country either. We really do need a lot more information around the investment framework because, without this, unfortunately we are not going to have a labour market in the region that can absorb these numbers. We are already seeing the impact of this, for example in Europe today.

It is quite interesting when you talk to the countries who are taking refugees at the moment. They say that a key thing is to get them into work as quickly as possible. Now, that is a challenge for Europe, not least because of the language. It is less of a challenge for the Middle Eastern countries, and there are also some cultural similarities that can play into this particular area. For example, the Germans are very much promoting the need to put refugees where jobs are and not where cheap housing is, and to make sure that we engage the private sector a lot more in the process. We need to talk to employers, look at what they need, look at where the demands are, look at where the potential is and then we need to combine the humanitarian and development tracks, underneath a political solution overall. These development and humanitarian tracks are too far apart at the moment.

Q50 Fabian Hamilton: I wondered what kind of support you think DFID could offer countries in the region to boost employment opportunities. What can DFID actually do? For example, should we help with supporting the railway infrastructure that is being planned, rather than the Chinese?

Nicholas Grisewood: I do not think it necessarily has to be an either/or situation. If the Chinese are quite happy to invest, that is always welcome, but the point is that we need to start the discussion, because we need to look at what the opportunities are. As you know, with Chinese public infrastructure projects, by and large they have a tendency to bring in a lot of their own workers. Perhaps there is room for some manoeuvre in that context, but

that also offers some incredible opportunities, for example for Syrian engineers, for health workers, for low-skilled workers and for medium-skilled workers. The point to be made to the donors is that we need to move beyond the humanitarian track, because it simply is not sustainable at the moment.

It is not even just the Syrian refugee crisis. If we were to look at all protracted refugee crises around the world now, particularly in Africa for example, the key issue is jobs. Jobs might not be the reason why people move initially but, eventually, jobs become a critical consideration for refugees, so this issue of employment is going to have to be looked at.

In terms of what DFID might be able to offer, what I would say is, before we start looking at what it could potentially offer, we need to have some discussions. There need to be much closer discussions with the Governments, which would go beyond the usual Ministries of the Interior and Ministries of Foreign Affairs to include Ministries of Commerce and Trade, Ministries of Labour and Ministries of Planning. We need to involve the investment commissions, for example, in Jordan and Lebanon, and we need to look at where the opportunities are and what it is that DFID can bring to the table. It does not necessarily always have to be money. The Government have made quite clear in the Istanbul dialogue that sometimes technical expertise and experience are a significant help as well, which can include around the investment programme. For example, Europe, with its sophisticated railway networks, would be able to provide a great deal of experience and expertise in training programmes and in support for this programme to be able to work.

Lebanon needs a bit of encouragement. Lebanon has a blueprint and opportunities but, as you know, also faces political challenges itself. Sometimes, it would not harm for some of these discussions to take place at a governmental level to allay some of the concerns that countries of first asylum might have if they open their labour markets to refugees. That is a very important role that DFID and others could play in that context as well.

Q51 Fabian Hamilton: Do you know how hard the UK Government have pressed host countries to allow Syrian refugees to work there?

Nicholas Grisewood: Yes, I do, and I am not belittling that in any way or form, but we also need to be very sensitive to the issue that it is not just about opening labour markets or offering work permits, because we have to look at this as well in the broader sustainable development goal agenda around labour migration. Many of these countries already have bilateral labour agreements with other countries, which look at the exchange of migrant workers. Refugees have a tendency to compete more at that level than necessarily the national worker level, and simply opening a labour market is likely to lead to further chaos in what is already a relatively chaotic situation.

We have to temper the persuasion of host countries to find employment solutions for refugees with some of the carrots, if you like. The carrots, I believe—it is an awful expression to use—are the issues of investment and economic growth. If we do not align those two, then we could be pushing these countries to adopt policy solutions that could lead to further destabilisation in the region. It is a question of how we align those, which needs further sensitive discussion around the issue of economic growth.

Q52 Jeremy Lefroy: Just to follow up on that, you talk about investment. Of course, the UK has the Commonwealth Development Corporation, now known as CDC, which does

a lot of investment in challenging situations. At the moment, its remit does not extend to countries such as Jordan and Lebanon, because typically they have been viewed as middle-income countries. Given the crisis now, would you think that this is perhaps an opportunity for CDC to re-examine whether its remit should extend to countries that are put into incredibly difficult situations by the challenge of Syria?

Nicholas Grisewood: I think so, for the simple reason that, as you said, these are or were middle-income countries. It would be quite interesting to do an analysis now of what impact this has had on the rankings of these countries, which has not been carried out yet. We just have to look at the impact of this in the broader perspective. For example, increased informality in both of these countries is undermining all economic indicators across the sphere by driving down working conditions and wages, which then also affects your tax base, your social security base and a number of other indicators that support the public services that are needed to respond to the Syrian crisis.

Again, we lack a lot of data. Perhaps as a first step it would be useful if the CDC would be interested in examining or at least supporting some of the knowledge base we need to develop that would help in terms of the investment programme. We are really quite concerned about the lack of data. We have very little labour market force data at the moment, because most of the Syrian refugees are working in the informal sector, so of course they fall outside the scope of these normal studies that are carried out on a regular basis. We have very little knowledge of how many, if any, contribute to the social security commissions in both countries. We have little understanding of what the impact is in terms of family dynamics. As you know, there is an increase in child labour at the moment in all of the hosting countries, some of which is linked to the fact that parents cannot get access to the employment market.

Q53 Wendy Morton: My question has partly been answered, but maybe I can just home in on it a little more. We know that DFID and the UK Government have put a lot of financial assistance into the region, but there are also suggestions that, in the bigger picture, some of the funding going into the region has been pulled back, possibly as a result of donor fatigue. It is very possible that that may get worse. I just wanted to ask what your thoughts are on the connection between cuts to humanitarian assistance and the importance of allowing Syrian refugees to work.

Nicholas Grisewood: I am afraid I come back to the issue of alignment and links between humanitarian and development aid. It is important to keep in mind this key focus, even for strong European economies. For example in Germany at the moment, the Ministry of the Interior is working very closely with the Federal Employment Agency in response to the incoming refugees they are accepting at the moment. This means that the Germans see the need to move these people towards employment as quickly as possible. That is where you have the humanitarian link.

We need to get people into situations of normalcy as quickly as possible. Any increase in humanitarian funding is likely to increase dependency, so we need to look at how we move away from a dependent welfare-type humanitarian approach towards one that is targeting more through development processes, which would look at increasing employment opportunities, but with the understanding that this does not mean we should be creating a situation in which Syrian refugees are being pushed into low-quality employment.

If they are going to be pushed into a quality of employment that means their wages are extremely low in terms of being able to survive; if they do not have access to social security benefits, for example health or loss of earnings; if we do not put them into situations whereby they can access the sorts of protections that we would look at ourselves, then we run the risk of creating an underclass in all of these countries. This ultimately continues to undermine the infrastructural capacity of these countries in the longer term, in terms of their own economic growth, and you are going to encourage onward migration. It is going to happen. If we do not reinforce this link, then this continued focus on onward migration is not going to end.

It is quite interesting when you look at the movement of refugees now. When they reach the margins of the European Union borders, they are falling into countries that are suffering similar economic problems to the countries they have just left, which means they do not want to stay there. They want to move on. They want to go to Germany; they want to go to Sweden; they want to go to Norway; they want to come to the UK. If we were able to examine these pathways a little more and maybe direct some of our funding, we could create opportunities for resettlement and relocation in other parts of the world, and then resettlement would be a part of your process. You would focus on the host countries, first and foremost, to ensure that their labour markets can have the capacity to absorb more, but then, when we look at resettlement and relocation, where might that be in different parts of the world?

Q54 Fiona Bruce: Concerning evidence is indicating that there is an increase in child labour among refugee families, so the Committee wondered how you saw host Government approaches towards children, particularly with respect to employment for their families, and how it is impacting on their education, as well as this problem of child labour.

Nicholas Grisewood: You are probably all aware of the No Lost Generation initiative. The UK Government contribute very generously to this particular programme as well, which focuses primarily on education. Something that is again important to look at, in the context of the reasons why children work, is that employment comes down as one of the very strong push factors of children into the area of employment, because their parents cannot easily access employment or they may come from single-headed-parent households of women. The very low participation of women in the labour force is something we need to keep in this bigger picture as well. Traditionally in the Middle East, female labour participation is very low.

A key reason why children work is the fact that parents either cannot find work themselves or are afraid that, if they are found working, action might be taken against them, either in terms of the services they receive from the Government in humanitarian response or—and it does not happen in the case of Jordan—around the issue of deportation. That is always a threat and it is a threat that employers have, which is quite strong, over Syrian refugees: “We can report you to the authorities, because perhaps you are doing something you should not be.”

One of the challenges we face, by which I mean the international community, is that perhaps opening more education opportunities is not necessarily the answer. If we do not align this with opening other opportunities for parents and for young people, then the issue of child labour is likely to continue to be one that will grow. I actually ran a child labour programme in Jordan for two and a half years, from 2011 to 2014, so I understand the problem quite well. One of the challenges we have is that the issue of child labour did not

necessarily appear in the spectrum of concerns around child protection in humanitarian responses. It is doing so more and more at this particular stage, but it did not necessarily appear at the very beginning.

Jordan has a highly sophisticated child labour mechanism of referral, identification and response. The problem is that that works very well with national children; when you throw refugee children into the mix, they do not know what the response is. They do not necessarily know where these children come from. It is not always easy to find out who their families are and you do not have access to their education history. You cannot refer them to the social services, because they belong to the humanitarian track. There was a disconnect between the national track and the child referral mechanism of the humanitarian track. Something quite simple was missing, which meant that children were falling in between.

The problem comes again when you come to some of our traditional responses to child labour. For example, one of those would be access to vocational training to be able to bring these children up to a skills level where they could access decent employment in the long term, but children cannot access formal vocational training centres in Jordan, for example, or in Lebanon. They can access schooling, but they cannot access the formal vocational training centres, and why would they? They cannot access employment in the long term. Why would you spend a year of your life learning how to become a better plumber, a better hairdresser, a better engineer or whatever it might be, if you do not necessarily have access to formal employment in the long term? Our intervention scope is limited, again because of this whole employment and skills dimension, which is missing.

Chair: Nicholas, thank you very much indeed. Unfortunately we only had half an hour with you. I think we could have explored a lot of those issues in a great deal more detail, but thank you for your evidence today. It will be very helpful for our inquiry. Can we now move on to welcome the Minister, Mr Swayne, and his colleagues?

Examination of Witnesses

Witnesses: **Rt Hon Desmond Swayne TD MP**, Minister of State, Department for International Development, **Matthew Wyatt**, Deputy Director Middle East North Africa, Department for International Development, and **Paul Morrison**, Director, UK Syrian Resettlement Programme, gave evidence.

Q55 Chair: Welcome. Thank you very much for coming along today. We have quite a large number of questions we are going to try to get through, and we are very grateful to all of you for being here with us. I am going to hand straight over to Helen.

Mrs Grant: The predecessor Committee emphasised the importance of work and we would like to know what progress you have been able to make in allowing Syrian refugees to work.

Mr Swayne: We took that recommendation very seriously and we have worked very hard at attempting to persuade particularly the Jordanian authorities to allow refugees to work. That proceeds; that is a work in progress. There is some progress, and the Prime Minister has raised this with the King on a number of occasions. I hope that we may be in a position early next year to bring forward a proposal, but that is a work in progress. It is a big ask to go that way.

In general, if I may make a general principle, the best thing we can do for refugees is educate their children and provide employment for the parents. In those countries that are accepting refugees, the care and maintenance we provide for refugees are wholly inadequate. These are countries that would not normally have been recipients of aid but, because they have taken on a burden on behalf of the whole world, there needs to be some recognition that this is a public good on behalf of us all and, to encourage them to bring the refugees into their development plans, there has to be an offer. I am not sure it is a railway but, whatever it is, there has to be something to provide those countries with the appreciation that there is an economic opportunity for their own development here.

Q56 Mrs Grant: You are having those discussions of an economic opportunity nature that were referred to by the previous witness from the ILO.

Mr Swayne: I have certainly had those discussions at my low level down the food chain, but I know that the Prime Minister has had those discussions as well and those discussions are continuing actively, as we speak.

Q57 Chair: Are they very focused on Jordan or are there similar discussions with Lebanon?

Mr Swayne: Lebanon is altogether a more difficult beast, because the Cabinet has not met in Lebanon for some months. Lebanon has difficulty deciding where to put its rubbish, because of the confessional tensions. I have actually been asked for a railway by a Minister in Lebanon, in his own particular constituency, so with Lebanon we have to work more towards the plans and the analyses that the World Bank has drawn up. Jordan has its own resilience plan that we can fit into, which we can negotiate with them. It is an easier beast to deal with.

Q58 Fiona Bruce: Minister, you sat in on the previous evidence session, so will have heard about the challenges of providing vocational training for young people. Is that something you will be looking into?

Mr Swayne: We have started a programme, particularly in Lebanon. The difficulty is that you are not allowed to work, but people do work. By and large, there is a lack of enforcement; a blind eye is turned. We are supporting organisations that provide a level of vocational training and a level of job search, but it is an informal niche between what is actually permissible and what is actually doable. I do not think, in the long term, that is going to be the answer. We have to get secure agreement for a change in the law and that will only come if we have an offer.

Q59 Pauline Latham: Can you tell us what has been done to mobilise human resources within the camps and make productive use of the skills that are already possessed by the Syrian refugees?

Mr Swayne: The Syrians are particularly entrepreneurial and many of them are very highly skilled doctors, who could provide any number of services in camps that are, in effect, very large cities. If you go through Zaatari, you will see a thriving entrepreneurialism, largely based on retail, but there is a measure of manufacturing going on as well. Yes, it would be wonderful if we could harness employment, even within the camps, but my understanding is that that is still formally against the law.

Matthew Wyatt: There are some working for the UN and others. There are people who are working as teachers and doctors across the region, so not many but some of the Syrians who have those kinds of skills are able to work with the UN and, in some cases, with some of the NGOs working out there as well.

Q60 Pauline Latham: There are many more people, other than doctors, and even nurses and teachers. If you look at our population, and theirs would not be dissimilar, it is a complete mix of people. They are stuck in these camps and they cannot all be doctors, nurses and teachers. There is an element of people having such limited opportunity to work and to continue, whatever their profession is. Does DFID plan to do any more to help them? Some of them will think that they are going to get out of there quite quickly and others will recognise that they could be there for years and years. That is pretty depressing. It is bad enough being there, being displaced anyway, without being in a refugee camp thinking that you may be there for 10 years. How does DFID do more? Are they going to do more and will it help keep people's spirits up if they have some future employment that they can look forward to?

Mr Swayne: There is certainly a measure of negotiation that has to go on with the camp authorities, and the camps differ. You will see a very different atmosphere with respect to Zaatari as there is at the new camp at Azraq, so there is a measure of micro-negotiation to be handled there, but we will continue to look for livelihood opportunities and programmes, which we can drive forward wherever those opportunities present.

Q61 Fabian Hamilton: I was just wondering, Minister, whether you could tell us what DFID is doing to make sure that the funding we are giving to refugees in the region is actually directed towards those who most need it. We saw for ourselves in Zaatari last year, as the predecessor Committee, how our funding was being used, but I wondered how that has moved on since then.

Mr Swayne: Half of the funding is going to those most in need, who are in Syria itself, through partners. In all the programming that we do, we direct towards those who are most in need and we have an architecture that ensures those vulnerabilities and needs are taken into account. For example, we have a disability framework, which was drawn up as a consequence of a report by this Committee. That informs everything we do. In addition, the vulnerability of women and girls informs all our projects. It does not make for separate projects, but it is something that we have to take into account whenever we do any programming whatsoever: what will the impact be for women and girls, and for people with disabilities? I would say that, in terms of policy, it informs all our decisions and we work through partners that are specifically tasked to deliver to the most vulnerable, where the need is greatest.

Q62 Fabian Hamilton: How is that actually measured? Is there any way of measuring it?

Mr Swayne: For example, we publish results all the time in terms of the number of food rations that have been issued: 4.8 million people have received one month's supply of food; multiply the months by the people to get the actual number of rations. These are directed to people who are in the greatest need. This year, we are funding £15 million to the UNHCR's Vulnerable Persons Relocation Scheme, a cash scheme, so people who are

particularly vulnerable and of low means receive a cash settlement monthly in respect of the children that they have. Specific programmes are designed to deal with specific vulnerabilities.

Q63 Fabian Hamilton: Are we supporting the work of Handicap International? We saw first-hand what they did in the camp.

Mr Swayne: Yes.

Q64 Wendy Morton: I just want to come back on the point of the funding that is going into Syria itself, the aid that is going into Syria that you referred to. Do we have any sense of how much of it is actually reaching the individuals? When I was in Turkey about 18 months ago, we had a discussion about aid going into Syria, the humanitarian corridors and the importance of keeping them open. We have not really touched on humanitarian corridors in our inquiry so far, so I just wondered if you could perhaps give us a bit of an overview as to what the situation is on the ground, in terms of getting DFID aid through those corridors to where it is needed.

Mr Swayne: It is difficult, because these things have to be negotiated. We work under the UN Security Council resolutions, so we do not have to secure the permission of the regime to deliver them. In any of these convoys and relief efforts, you are faced with warring groups that take very little account of humanitarian principles or international law, in terms of their obligation to provide access. Equally, our partners will run into the dangers of breaking our own law, the anti-terrorism laws. Suppose they had to pay someone a commission to get through a road block; it would raise the question of whether they had broken our anti-terrorist laws. There are any number of difficulties and that is why, to a large extent, we work through civil society organisations in Syria itself, which are delivering aid on the ground.

Matthew Wyatt: It also links to the previous question about vulnerability and targeting the most vulnerable. That was very much what underlay the work we did in the UN to get the resolution that allowed the UN to go across the borders, particularly across the Turkish border. As the Minister says, the constraint is less at the moment the access routes. One or two of the main access routes are still open. The problem in reaching the most vulnerable is when they are in those areas where there is either active conflict or where parties to the conflict, particularly ISIL, just make it impossible to work. That is the biggest constraint that we are facing.

Mr Swayne: I had a surgeon, whom I heard on Radio 4, sounding off about how little we were doing. What is more, he had tried to buttonhole a very senior Minister at a reception, and had been blindsided. I had the office contact him and bring him in, and he painted the picture of how difficult it was to get supplies into Aleppo, which is completely surrounded and completely cut off, but provided me with a number of opportunities for funding a particular organisation that is very good at providing medical assistance and made certain demands. What I was unable to tell him, because of the sensitivities of this information and making organisation targets, is that we were funding the organisation and there was more money on the way.

Q65 Mrs Grant: Minister, can we just go back to my previous question before going to my current one? Can you give an indication of the type of offer that DFID either has made or would make to get that change in law? I take the point about the railway line in the constituency, which I assume was rejected, but I would like to get a feel of what DFID is tangibly offering or could offer.

Mr Swayne: It would be subject to very sensitive negotiations, at the highest level, in a number of countries, because it is not just us. Certainly, if you are going to be looking at export-led growth, then you have to get agreements from other countries as well, as to their tariff regimes and all the rest, so this would be very sensitive, but it would also be an ask of the host countries, in terms of their own bureaucracy. Let us face it: many of these countries already have huge fiscal deficits themselves, based on very large unproductive public sectors and wage bills.

My focus would be slightly different from your previous witness, in that, let me be honest, I am not an objective observer; I am a partisan advocate of free markets, rather than central planning, so I would be suspicious of large infrastructure projects, government-driven. Railways to where? There is an economic assessment that clearly has to be made of that. I am all for the involvement of the international financial institutions to fund infrastructure as part of the deal, but I would be looking for more export-led growth, perhaps using enterprise zones or economic zones of some sort, which would give certain advantages, in which you could expect private-sector-led investment, largely from overseas but also from within the country. That is where I see the engine coming from.

Q66 Mrs Grant: That is very helpful, thank you. You may well have covered my current question, but what is DFID's approach to cash-based assistance? You mentioned a UNHCR scheme. I just wonder if you could elaborate a little more, particularly in humanitarian crises.

Mr Swayne: I am very much in favour of it. In fact, we funded exclusively and have driven forward the report that was published in September this year, the name of which is "Doing Cash Differently", which I hope will lead to some considerable discussion at the humanitarian summit, in changing the architecture. I think that cash has huge advantages; it also has risks, but I do not see the risks as being any greater than the others. It can be more cost effectively provided and it has two principal advantages.

First, it lets people decide what their priorities are and what they need. Instead of giving them a whole load of stuff that they might not have wanted, or they might have wanted other things instead, you give them cash and let them make that decision. Sometimes their decisions are quite surprising. We are doing exactly this at the moment in Africa, in response to El Niño floods. People have been provided with cash and we thought they would go and buy food, but they spend it on schools, on paying to get their children educated. That is a choice that they make.

Equally, the second advantage is, where markets are working, where you have a settlement on the edge of your town in the Bekaa valley as big as the town itself, if those people come to market with money to spend in your shops, they are going to be a whole lot more welcome than if they had been sent a food parcel and do not go shopping.

Q67 Jeremy Lefroy: Our predecessor Committee emphasised the importance of working with the national plans in Jordan and Lebanon, and I wonder if we are doing that and, if so, can you give us some examples of how we are doing that, rather than going off on our own tangent?

Mr Swayne: I do not think you should ever do anything that the host Governments do not want you to be doing or involved in. I would not say that that is an absolute principle, but it certainly helps if you have the wholehearted support for what you are trying to achieve and the facilitation of the Government. It is much easier to do that in Jordan, because there is a national plan and I have had long discussions with Ministers about: “Are you absolutely sure about this?” and “Can you prioritise the plan a little bit more? You are not going to be able to afford to do everything in the plan, so what are your top asks?”

Our principal offering has been the No Lost Generation initiative, putting money into schools, putting money into livelihoods. A particularly useful part of our delivery has been the municipalities programme, where we have gone to communities, specifically those most affected, with an offer. If you are the mayor of a small town in the Bekaa valley, for example, and a large community is now on your doorstep, what can we do for you? It might be a drainage system. It might be some other infrastructure development, but essentially we do what they ask, what they want, so the host community has something to show for this.

Matthew Wyatt: That is absolutely right. Perhaps the other thing to add to that is that the UN appeals, which we have been both trying to raise funding for from others and also funding very much ourselves, are based on plans that are negotiated with the Governments of Jordan and Lebanon. They are very much owned by them and consistent with their longer-term planning, for example the Jordanian Government’s Vision 2025 longer-term plan, so the two things are integrated. All the support that we provide is essentially in response to a request coming from the Governments concerned.

Q68 Jeremy Lefroy: It would be helpful, perhaps in writing afterwards, if we could get some specific examples of how our programmes very much accord with the plans of the host Governments. Thank you. One further question I raised with the previous witness was the question of the remit of CDC. Given that this is such a big area and there is the huge importance of investment in the Jordanian and Lebanese economies, as we heard before, do you believe it might be worth considering, given that we would not normally be putting so much ODA into this area but we are because of Syria, seeing the remit of CDC extended, so that there could be some long-term private sector investment?

Mr Swayne: We have just done a very substantial recapitalisation of CDC, but it does have an independent board. Of course, we have a voice. I would be a little nervous about telling them what to do.

Jeremy Lefroy: Your predecessor Ministers were not worried about telling them what to do.

Mr Swayne: I would not say worried; I would just say I would be sensitive about it. I do agree with you.

Q69 Jeremy Lefroy: What if the Committee were to recommend it, as we did in the last Parliament?

Mr Swayne: I would take it very seriously. I do share entirely your objective: I think we need development finance from international financial organisations, be it the World Bank, the regional banks or even, after some reflection, CDC, but I do not want to give a commitment.

Jeremy Lefroy: No, fully understood.

Q70 Chair: We are now going to move on to the question of resettlement and the Government's commitment to take 20,000 Syrian refugees from the region. This is a big focus of our inquiry. The UNHCR's Resettlement Handbook states that "All groups must have equal access to UNHCR's protection, services and resources." Of course, there is an issue there in terms of the visibility of certain groups compared to others, and potential stigma around certain minority groups. Can you tell us how the UK Government, in using the UNHCR referral processes, are able to capture some of these less visible discriminated-against groups, for example Christians and LGBT refugees?

Mr Swayne: Specifically for Christians, I have accommodated in my office a number of deputations from Christians and, as a Christian myself, I am very sensitive to their needs. Of course, I do not want there to be any kind of confessional discrimination in our aid. It is important that it be based on need, so we rely very heavily on our partners, the UNHCR, to provide those that they consider are most in need. If minority groups have chosen not to register with the UNHCR and have effectively made themselves invisible, then clearly that is a concern. There has to be some evidence of this, on the grounds that 12% of the Syrian population is Christian, but in Jordan it is a tiny proportion of the refugees. In Lebanon it is 2.2%; in Turkey it is 1%.

Paul Morrison: It is less than that in Turkey.

Mr Swayne: It is a bit less in Turkey, but clearly there is a mismatch. Perhaps fewer Christians have fled, but I do not think there is any reason one could jump to such a conclusion. There are a number of reasons why people do not register, and one of them is fear of return, having registered, not having fought for the regime and returning to a land run by the regime, but there being clear evidence that they had fled. It effectively made them opponents of the regime perhaps, so that is one element.

The second is a lack of need to register. Remember, only 17% of the refugee populations are in camps in Jordan, and that is by far the highest. Most people choose not to go to camps. Who would choose to go to a camp if they did not have to? Of course, now more people are moving into the camps. There is a significant movement into camps across the region now as, after five years, their resilience and their savings have worn down and they have increasingly less choice.

Whether people are refusing to register for protection because they are gay, because they are a Christian or because they are another confession, I am not aware of any evidence that that is the case and I am not sure how we could overcome it. A greater problem now is the difficulties that the host countries are making for new registration. That is certainly a problem, but as to how we would try to get the minorities to register more readily, so that they were visible and therefore we are able to include them in schemes such as this one, I am struggling for a solution.

Q71 Chair: Would you know how many of those who have been accepted for resettlement are Christians?

Mr Swayne: No, and I am pretty sure we do not ask.

Paul Morrison: We are keeping an eye on it. It is early days in the resettlement programme. I am not going to get into the details of it, because we want to build our understanding but, right from the outset, we are asking ourselves those questions about the nature of the referrals from UNHCR, so we can build that picture. It does not address the question of the referral point, but at least we are looking at that within the programme that I am responsible for, and building in the processes that we need to keep an eye on it.

Q72 Chair: We took evidence recently from Human Rights Watch specifically around LGBT refugees in Lebanon, which very much did suggest that there was a question around those refugees not registering and obviously facing issues of discrimination and stigma within their own community, let alone from the wider community. Is that something that could be taken into account as part of the resettlement process?

Mr Swayne: I just wonder to what extent there is a solution in terms of public information, in that the LGBT issue is specifically one of the criteria set out by the UNHCR. That people should not avail themselves of something that is specifically made explicit would be a shame.

Q73 Mr Evans: The problem is that a lot of these people are not going to make others aware that they are gay for fear of discrimination and persecution. To me, that is a real problem. I am not saying it is one that is easy to come up with a solution for, but at least we should be aware of it.

Chair: The attitudes in some of the countries in the region will mirror the attitudes that they are experiencing in their own community, whereas we and a number of the other countries that are offering resettlement take a different approach.

Mr Swayne: My answer would be that people ought to be assured of the confidentiality of the registration system. I have certainly sat and watched registrations taking place by very young people, in their early 20s, exposed throughout the day to a series of harrowing tales by the refugees. My first concern on the debrief with UNHCR was what measures they were taking to protect their staff from the trauma of what they were having to experience. I would have thought that those young and highly professional people would be absolutely trusted to deal appropriately with the information that they are provided with.

Q74 Wendy Morton: I have a very specific question, Minister, around the resettlement referrals. That is: when a resettlement referral is being considered, does the UK Government take into account the history of the applicant and whether they or any family members have participated as combatants in the Syrian conflict? Linked with that, what provisions are in place to ensure that any security threats are filtered?

Mr Swayne: It is a two-step process. First, the UNHCR will certainly take into account any known history of war crimes or involvement in criminal activity, but the UNHCR is not an intelligence organisation and so we will then run our own specific security checks.

Paul Morrison: That is right. Thank you, Minister. The UNHCR does an awful lot, notwithstanding the fact that it is not an intelligence agency, to invite the individuals to

interview, to take their biometrics, to look at the documentary evidence that they provide and also to go out into communities in the region to understand who this person in front of them and applying is. They will, at that point, screen people out on the basis of criminality, combatants and war crimes.

They then refer to the UK Government, which will then re-register biometrics, including taking other biometric details and bio-data that UNHCR will not have taken. As the Minister said, we will then run further checks, which check for all of those similar things, and we will also look through the papers to identify any risk factors associated with people who may be combatants, so the whole checking process has two levels. UNHCR does get into quite a lot of detail, but we do not leave it at that and the UK Government will then follow up with a further round of checking. All of this, I should be clear, is before we accept the referral and certainly prior to any arrival in the United Kingdom.

Q75 Wendy Morton: Just following on from that, if I may, you have talked about checks on individuals, which I fully appreciate, but what would happen in a situation where there were concerns about one member of that family? Would it prevent the other members of the family from making their way through the process and seeking resettlement?

Paul Morrison: Given that the primary focus is on maintaining family units, were there to be one member of that family for whom those issues arose, then that would be highly likely to cause that family not to be part of the programme.

Q76 Chair: Just to follow the exact thread of Wendy's question, say a grandson is fighting in Syria. Would that therefore mean the grandmother, who may have particular vulnerabilities, for example a disability, would be precluded or deprioritised?

Paul Morrison: All of these cases get case-by-case scrutiny on the individual cases.

Chair: It is not an absolute bar.

Paul Morrison: The Government have not set in place an absolute "it will be" or "it will not be" if it is one individual. We will have to look at the individual cases for each of the people going through the referral process.

Q77 Mr Evans: Just following on from this, following the atrocities that happened recently in Paris, there have been news stories that a passport was found of somebody who was one of these terrorists, who was hiding among the Syrian refugees. Have you changed or are you looking at possibly changing your policy now, in the light of what has happened in Paris?

Paul Morrison: I should say I have seen the same media reports. I have also seen media reports today that suggest that the passport was a fake. I have no detail on the specifics of it. What we have absolutely done is retested again all of the procedures we have in place. What I should emphasise is that the kinds of cases coming through the resettlement routes are different from those that may come as spontaneous arrivals through the eastern Mediterranean. These people are being selected on the basis of vulnerability by UNHCR. They are not self-selecting and pushing themselves forward. They are subject to the Government checks in a way that, self-evidently, someone who was arriving spontaneously through the trafficked route would not be.

It will not surprise the Committee to learn that, in the light of Friday, we have absolutely gone through all of the processes in relation to all of the different security levels, not just the checking, but also issues around aviation security and the entire process, end to end. They have all been tested. We have looked at them again and we are satisfied that the nature of the checks we have is proportionate to the threats, as we understand them at the moment.

Mr Swayne: Safety must be paramount and we must remember that Daesh wants us to reject the refugees. They do not want there to be any story of Western accommodation and generosity, so that is something we always have to beware of.

Q78 Fabian Hamilton: Very briefly, Minister, following on from what you have just said, I do not know about my colleagues in this room, but I have had quite a few requests from a lot of churchgoers and people outside the churches in my constituency, who want to accommodate Syrian refugees, at their own expense, in their own homes, with the space they have available, paying all the expenses. Is that something the Government might consider?

Mr Swayne: It is magnificent and we have to harness that. We have to capture it and harness it, and that will be part of the programme, sponsoring and joining support groups. We want to put people in touch. Unless you are the Archbishop of Canterbury, you do not have an annex in which you can place someone. I have had that. I have had lots of people saying that they have a spare room. We are taking the most vulnerable people with demanding needs, and I do not believe that a spare room is sustainable, but capture that willingness to help and put those people in touch with organisations. Let us try to build local, regional and national support groups.

Fabian Hamilton: I accept what you say, but for those who are landing on our shores, in Europe and the UK, that is slightly different. They are not necessarily the most vulnerable, but they are people who need looking after. At the moment, the costs are borne by the taxpayer. What my constituents and other constituents are saying is, “We will bear the costs. There is no particular vulnerability, but we will look after these people.”

Mr Swayne: My expression of responding to people’s generosity was with respect to the Vulnerable Persons Relocation Scheme. I do not want to open the door to people who have already got to Europe, because my concern is that you are then circumventing the principle that we have put in place. We are seeking to break the model of the people traffickers. If you let ordinary people and their generosity take account of some cases from Europe and let them in, you are undermining the very purpose of our scheme, which was to prevent that draw that involves such a dangerous journey, paying gangsters to facilitate it.

Q79 Fiona Bruce: How far does integration potential factor in the Government’s decision on resettlement referral cases? I am thinking that the Government’s scheme, by and large, is focusing on vulnerability. It is good that 45 local authorities, as of yesterday, have registered with the scheme; should they perhaps also be encouraged to register potential employment opportunities, so that the help is sustainable over what could potentially be decades?

Mr Swayne: Yes, you are quite right that the focus is on the UNHCR definitions of vulnerability. There are certain measurements of vulnerability. When we have accepted a case, those are offered to local authorities to look at.

Paul Morrison: While vulnerability is the first criterion to decide whether someone is within the scheme, once they arrive, the conversations that we have with local authorities are about what is necessary to put in place around the individuals to support their integration. That could include English language and assistance in engagement with the Department for Work and Pensions, ensuring people are given the maximum opportunity to get into employment. While the initial referral and assessment is not focused on their employability, for example, once they are accepted on the scheme on the basis of their vulnerability, we absolutely are looking to integrate them as effectively and as quickly as possible into UK areas.

Q80 Fiona Bruce: I wonder about perhaps highlighting this issue. In the countries that this Committee visits, we talk to people, and people want a job in developing countries. I would be surprised if it was not the same for those coming here. Should civil society be encouraged to look at perhaps making a broader offer or thinking about how employment opportunities in their region can be made, in addition to the housing and other support offers?

Paul Morrison: Absolutely. In the early stages, we have been building on the existing resettlement schemes, which have very clear requirements as to how we need local authorities to engage in the local structures around employment. What the Home Secretary said in her conference speech earlier in the year was that, as we develop this and as we build on the scheme further, she wants to create a community sponsorship scheme that allows us, in a slightly more structured and formal way than we have been able to achieve to date, to take those offers from members of the public, from business and from others, and to make that happen more effectively. We are working on that at the moment and we will be consulting, but that is certainly the intention.

Q81 Pauline Latham: Given the vulnerable status of the refugees who are coming here to be resettled, can you describe what measures are being taken to ensure that they are effectively cared for and then integrated?

Paul Morrison: We have not rushed into this. The focus for us has been on giving local authorities sufficient visibility and time after the referral to understand the nature of the people who are arriving and their requirements. As I mentioned, we do share with local authorities the minimum standards and the requirements that we absolutely have to make sure are in place, whether that is around the nature of the accommodation to reflect particular needs or engagement with health and education authorities. We have been very active in our engagement with chief executives to make sure that they are putting in place those structures and strategies around each of the individuals.

We have also increased the information we have been able to share, via both the UNHCR referral and the International Organization for Migration, which does medical screening, so all of that information is being passed to local authorities. We are giving them sufficient time then to put the arrangements in place around all of them. The other thing we are doing, because we have had a fantastic response from new areas that are engaging and have not previously, is making those connections with areas that have more extensive

experience of resettlement, to make sure they are passing on their experience and understanding and to build resilience within communities to be able to offer that support.

Q82 Pauline Latham: Derby has actually had a lot of refugees from all sorts of countries. They have integrated and settled relatively well, but there are areas outside of Derby. It would be better if they could maybe go to Derby in the first place, but then be handed on with the expertise, because there will be authorities, for instance Derbyshire Dales or Amber Valley, which have probably never had a refugee or very few. They will not have that expertise, so it has to be shared. Are you convinced that that will happen?

The one thing you do not want is a huge number of Syrian refugees in one place, because that causes some difficulties sometimes. We had it with Eastern Europeans; a lot of those came into Derby and there was a big tension. It was overcome, but there was a tension. Do you see that as being something you need to do, to move them out, although obviously they would prefer to be with people from Syria, whom they know and understand the culture of? It is quite difficult to put them in an area in the middle of the Derbyshire Dales, which is a beautiful area, but it may be outside of their culture to go and live there.

Paul Morrison: We are working very closely with the Local Government Association and local authorities. I should emphasise that this is a voluntary scheme, in the sense that the local authorities are volunteering to take people, so we need to work very closely with them and there are support measures they need to put around the people to ensure that they do not feel disadvantaged, alienated or isolated. We make sure that the community themselves are working on it. Where there is an existing community, we make sure that they are part of the approach as well.

Q83 Pauline Latham: We heard from Fabian that he had churches volunteering, which I have heard of in Derbyshire as well. They can be encouraged to help and support them, where they are put somewhere else, not necessarily to host them if it is not appropriate, but to support them and become a support network for them.

Paul Morrison: I completely agree, and we genuinely see lots of evidence of this happening: local authorities reaching out to their local faith groups and their NGO community. In almost all cases that I have seen, the local authorities are harnessing that local support network. We are also using the existing resettlement areas, which have a longer history of how you do that, to pass on information about how to really harness that civil society response.

Q84 Chair: Are you on course for 1,000 by Christmas?

Paul Morrison: Yes.

Q85 Chair: Am I right that 500 of them will come from a list that was going to go to the United States?

Mr Swayne: No one will be coming here who has not elected to do so. No one who is coming here will have previously been earmarked for the United States. They will have come from a common pool that, had they not been coming here, might well have gone to the United States. Am I right?

Paul Morrison: Yes, that is right.

Q86 Chair: Am I right that the Americans would take a different 500? Do you see what I mean? Is there a net effect of plus 500 or plus 1,000?

Mr Swayne: There will be no reduction in the number. It is not as if it was either/or. That is certainly my understanding.

Paul Morrison: If there is any issue, we work very closely with the Americans. There were 500 cases referred by UNHCR to us, which, had we not decided to expand our scheme, in all likelihood would have gone to America. There will be a continuing throughput of cases, if you think about the numbers of vulnerable people who are in the region, so in the longer term it will not make a difference to the Americans' plans and numbers. That is correct.

Q87 Jeremy Lefroy: I have a couple of specific questions. Are you engaging UK-based Syrian communities in the process?

Paul Morrison: Yes, we are. Richard Harrington, who is the Minister I report to, sits in Communities and Local Government, DFID and the Home Office. One of the earliest things he did was to engage and reach out to the Syrian diaspora in this country. That happens at that national level. In addition, as I mentioned before, the local areas that are resettling the refugees are making sure that they are bringing both the people who have already come in on resettlement arrangements and also where there are Syrian diaspora communities within the areas that they are responsible for. Very often, they are actively part of the welcome committee, the engagement and the ongoing support around the individuals coming in.

Q88 Jeremy Lefroy: The other question is around the use of overseas development assistance. As I understand it, the rules are that all the costs in the first year can be categorised as ODA. How is that working and does that include the costs for civil society organisations that are involved in the welcoming of refugees?

Mr Swayne: All the costs of the first year are ODA-eligible, except economic integration, so the cost of getting someone a job and contributing to the economy is not part of what is eligible. If, for example, we were paying members of civil society to deliver services, then that would be eligible, but I am not sure the extent to which we are planning to do so.

Paul Morrison: It would be decided by the local authorities as well, because the local authorities may well be engaging. If they are engaging people to deliver some of those services, then that is going to be covered in the ODA, as the Minister said, depending on exactly what it is. If it is to do with the general direct costs of the first-year resettlement then, yes, it will be.

Q89 Jeremy Lefroy: How is the accounting for that working? In the Committee in the previous Parliament, we discovered that, for instance, the ODA accounting for Gift Aid was inadequate. It became much better throughout the course of the last Parliament, but it was very much under-recorded. How are you ensuring that all those costs are captured in ODA?

Paul Morrison: We have put in place a number of schemes that build on our 10 years of experience of running resettlement programmes covered by ODA. We are replicating the accounting systems we have in place for the other areas that are coming on stream. They are tried and tested, and well established over the years that we have been running these, albeit on a much smaller scale, but they give us the methodologies and the accounting infrastructure.

Mr Swayne: I do not suspect that Departments will be backward in coming forward in their perfectly legitimate charges for ODA. We must be vigilant that we do not suffer any reputational risk from seeking to charge things to ODA that are not eligible. We must abide by the rules to retain our international credibility.

Jeremy Lefroy: Our experience in the past has been the opposite of the case that they have been backward in coming forward in other areas, but that is very good to hear.

Q90 Mrs Grant: Still on ODA, will the Government fund local authorities that are supporting Syrian refugees beyond the first-year limit provided by ODA?

Mr Swayne: Yes, but not from ODA. Yes, they will, but negotiations as to exactly what that support will look like are proceeding between the DCLG, the Treasury and the Home Office.

Paul Morrison: The announcement we made on 2 October to all local authorities was that, post first-year costs, there would be a contribution to local authority costs. As the Minister says, the exact quantum and exactly what it is are part of the spending review process, which we are in active discussions on.

Q91 Mrs Grant: I know as well that some donors are lobbying for a change in the ODA rules to extend the limit beyond a year. Would DFID oppose that change or would we as a Government?

Mr Swayne: I would be very surprised if there is much support for it. That is on the basis of my engagement so far. There are a number of asks at the moment in the queue for changing ODA rules and I do not believe that the first opportunity even to discuss them in depth is until 2017. I would have thought that changing the rules beyond the first year would be relatively low down in what is quite a difficult process to change.

Q92 Chair: Before we move on to a couple of final questions, for the record, yesterday the Home Secretary talked about taking refugees from the camps. Am I right to understand that that is a shorthand and does also include people who are living in host communities in the region?

Paul Morrison: That is correct. We are taking them from the region.

Mr Swayne: The difficulty, Mr Chairman, will be on securing their registration if they are invisible to the agencies.

Chair: Of course, but there are registered people living in the host communities as well as the camps.

Mr Swayne: Yes, lots of them.

Q93 Chair: We are going to return to the issue of resettlement with Richard Harrington in next Tuesday's evidence session. We just want to finish with some further questions around expenditure and the crisis. One of the striking issues is the contrast between the amount that we are spending through DFID and the amount that is being spent by some other countries in the region. Can I ask you, Minister, what the Government are doing to lobby other donors, including other European Union countries, which are spending way less than they should be?

Mr Swayne: There are three approaches to this. The first is leading by example and continuing to lead by example. The second is providing opportunities. For example, we are putting a significant amount of not just money but management time and main effort into the No Lost Generation initiative. We discovered, as we approached the end of August and the beginning of September, the beginning of the school year, with a target in Lebanon of 250,000 registrations, that we were a couple of million short in terms of paying for these. We go to our partners in Europe and say, "Hey, we have a very good project here. How about it?" A lot of that goes on, not even at ministerial level but below the wire, to encourage countries that there are—"niche opportunities" are the wrong words—opportunities where you can make a very significant difference. That is the second way.

The third is the push for grander diplomacy. We are going to host the next funding conference in February. We have an ambition not only to raise at least as much as was raised in Kuwait at the end of March last year, but to try to move on the agenda to multiyear commitment, which is what we have done with the No Lost Generation initiative. We have committed to Lebanon £10 million a year. Actually, it has become £20 million a year as a result of the Prime Minister's intervention subsequently. Nevertheless, Bou Saab, the Minister responsible in Lebanon, knows he can plan and predict on this basis. This notion of almost random amounts of money coming in on an ad hoc basis is something we really have to move beyond, and I hope to make a significant start on that in February at the London conference and then be able to build on it in May, in Istanbul, at the World Humanitarian Summit.

Matthew Wyatt: Just to add on that, we are co-hosting this conference with Kuwait, which has hosted them in the past, and with Germany and Norway, so we have others as well that are reinforcing that effort to mobilise resources more widely.

Q94 Chair: I was in Jordan last month and one of the things that struck me was the unpredictability, the randomness that you describe, and in particular the World Food Programme's decision to cut the amount that is paid out to those who are registered and then, as I understand it, to partially restore it, but not to its previous level. Is that one of the issues that will be considered at the February conference?

Mr Swayne: I very much believe that it would. We have obviously had discussions with the World Food Programme about what happened there. To be honest, we do not fund the World Food Programme in Jordan and Lebanon. We prefer to use UNHCR cash, but we are most definitely using the World Food Programme to fund provision in Syria itself.

Q95 Jeremy Lefroy: We have seen recent reports about the lack of transparency in international aid going into Syria and indeed the cost of the UN operation. One report talked about up to 50% being consumed in overheads. Could you respond to that, first of all, and then perhaps I can come back?

Mr Swayne: I read these reports, I see these reports and I demand to know: “What is the answer to this? You have spent this money on a new press operation.” I then discover that actually there is no substance to much of the reporting at all. Nevertheless, a fair point is made that there is an absence of transparency. We need to get our partners, as part of our multilateral review, at least as transparent as we are, in being able to show exactly what was spent on what.

Q96 Jeremy Lefroy: Is that not a forlorn hope?

Mr Swayne: No, I do not think it is a forlorn hope. As the data revolution proceeds, it becomes easier to do, but there is an overhead. Putting in place the huge emphasis that we put on value for money, on transparency and on interrogating our partners to ensure that they can deliver specifically what we want comes with an administrative overhead. If you were just giving the money, they would have a lot more to spend than having to invest in administrative processes to satisfy us about the security of the grant aid that we are giving. Everything comes with an overhead, but there is no agreement as to what is an overhead. The manager of the camp has a salary; that is an overhead. The person driving the World Food Programme’s supplies into Syria is being paid. What is more, he has to have a significant security burden and expensive communications equipment. All of those are overheads. We are working in an environment that is expensive.

Q97 Jeremy Lefroy: I fully understand that and we appreciate that. One person’s overhead is another person’s essential cost to deliver the aid, but you say that you do not believe the reports that up to 50% is overheads. You must therefore have a basis on which to say you do not believe it. Can you provide that? Can you provide more detail, insofar as it is possible?

Mr Swayne: Tell me if I am wrong, but I am sure you would. We work on the principle that 7% to 10% is a not unreasonable overhead in these sorts of circumstances. The difficulty is, when we are handing over to UNHCR, which is handing over to NGOs, which are handing over to local organisations on the ground, there is a measure of build-up of overheads. I cannot actually see a way around that, given that those organisations are much closer. Other than employing DFID operatives and sending them out there on the ground, which I am sure the Chancellor would never allow, I cannot see any way round, other than being vigilant about the partners that we work with and the sorts of costs and overheads that they incur.

Q98 Jeremy Lefroy: Do you think that the 2% maximum that the Chancellor, the Government or the Treasury imposes on cost is a hindrance to effective delivery of aid in these circumstances?

Mr Swayne: It is a limitation, but a proper limitation.

Matthew Wyatt: There are two things, really. First of all, on that figure that you mentioned of 50%, which I think came out in the media, we do not understand what the

basis of that is. We have not seen any underlying evidence to support that, so we do not recognise that particular figure.

Q99 Jeremy Lefroy: Excuse me for interrupting, but you should therefore be able to come back with what you believe is the case. Even though there is not as much transparency as we would all like, there should be some estimate you can publish and say, “What the newspaper said was 50% is actually this, roughly.”

Matthew Wyatt: As the Minister said, we have different models. Sometimes we are funding an organisation directly and something like a 7% overhead is the norm for that. In some of the cases, particularly the hardest-to-reach areas, where the UN agencies perhaps need to go through international NGOs and then downstream partners who are Syrians as well, there may be more. There is not a single figure there.

One thing that perhaps is important, which the Minister mentioned, is the multilateral aid review and the dialogue we have with the UN agencies at the central level. At the project level, we scrutinise every project very carefully for value for money to see what the project is delivering, how that compares with other projects delivering similar things and if that looks as though it is good value for money for us. We have an extensive discussion with those who are proposing we should fund them on the value for money they are offering, and then we follow that up through our monitoring to check that we are actually getting that. That is another check that we apply at the project level to complement what we do at the institutional level.

Q100 Jeremy Lefroy: Would it be possible, for instance, to get on a single sheet of paper, or as near as possible to a single sheet of paper, how we have spent or are spending the £1.1 billion that the Prime Minister talks about and what this has delivered, so that we can have a better idea of what has been delivered on the ground, so there is a counter to the argument that, of that £1.1 billion, £550 million has been wasted on overheads, which is the implication of the press report?

Mr Swayne: Yes, and that is largely available even on the website, never mind a sheet of paper.

Q101 Jeremy Lefroy: Perhaps you might supply that to the Committee.

Mr Swayne: I will tell you now that we have provided safe water for 980,000 people, 471,000 medical consultations and one month’s food rations, 4.8 million of them. There are a number of metrics.

Q102 Chair: Minister, it would be useful to have that in writing for the Committee in the form of a letter.

Mr Swayne: We will provide what I believe is an informatic.

Matthew Wyatt: Yes, we have an informatic.

Mr Swayne: I do not approve of informatics myself. Your eyes look at this sheet and you do not know quite where to look. I prefer things in text.

Chair: Infographic.

Mr Swayne: Would you prefer text or an infographic?

Chair: We would love both.

Mr Swayne: You shall have both.

Q103 Jeremy Lefroy: It would also be important that it specifically related to the UK's £1.1 billion. I understand that sometimes the UK is co-funding with others, so the UK's proportion of that, rather than taking the whole figure from a particular programme of which the UK only funds part.

Mr Swayne: That is certainly something we take into account rigorously in our measurement of results, but the EU does not. Where the EU contributes to a programme, let us say it has a 10% contribution to a programme, it will attribute 100% of the results.

Q104 Jeremy Lefroy: Would you not describe that as a form of deceit?

Mr Swayne: Greed? I have had this debate with the European Standing Committee and we have been putting a very significant amount of effort in securing a much better measuring system for the European Union and they are moving in that direction rapidly.

Q105 Chair: On that point, I understand that DFID does not use the International Aid Transparency Initiative, in terms of full traceability of aid flows, by making it a condition for funding. Is that right?

Matthew Wyatt: I am not sure that I fully understand the question there.

Chair: I was not aware of it until preparing for today's meeting, but my understanding is that DFID does not use the International Aid Transparency Initiative to ensure full traceability of aid flows.

Mr Swayne: In other words, we have made it a condition for providing our own aid.

Chair: It is not a condition for funding others.

Mr Swayne: Given that, at the moment, some of the most effective deliverers of aid are not in a position to offer that, it would be placing an enormous constraint on our ability to have an effect in so many of these regions, if we were to say, "You do not get it until you are able to show", but I certainly accept the aspiration that we should be moving in that direction.

Q106 Chair: I take your point that, if it is a local NGO, it may be onerous, but is there a process by which we can help them to overcome that, so that transparency is achieved?

Mr Swayne: Yes, I think there is, because when we go through our multilateral aid review and our civil society reviews, we enter into a series of discussions about how they can improve their performance in order to satisfy us. On occasion, we actually provide funds to enable them to do so.

Matthew Wyatt: Perhaps I could just add that, where our aid goes to local organisations that may have some capacity constraints of their own, we always do that through very

tried and tested partners, mainly the UN and the international NGOs. I am not sure whether or not all of those are signed up to the IATI. Perhaps some of them are not, so we will perhaps have to come back to the Committee on that, but they are certainly all highly reputable organisations that are meeting most of the criteria of IATI. On that specific point, perhaps we should come back.

Chair: I would be grateful if you could come back to us on that specific point.

Q107 Fiona Bruce: On this issue of accountability as well as transparency, I do not know about my colleagues, but every week I must get one, two or maybe more letters from my constituents saying, “Why are we not doing more? 1,000 refugees is a tiny number.” It would appear that they are totally unaware of the £1.1 billion that is being spent in the region. When this Committee’s predecessor went and met with our counterparts in another country, we were very interested to find that civil society and the public were a lot more aware of what was being done, through a much smaller aid budget, simply because greater efforts were made to communicate with the public.

I wonder whether we need to look at what more could be done to inform the UK public of what this country has done and what we should be very proud of. 10 times the amount that other European developed countries are giving to helping the region is something that our constituents would like to know. I know we do not want a major press operation, but I wonder here if this is not something we ought to add to transparency, accountability and more of it.

Mr Swayne: I agree entirely with you. It is my ambition that, by the end of this Parliament, people will write to their MPs congratulating them on our international aid effort, rather than complaining about it. We operate in a relatively hostile media environment, where there is a clear agenda on the part of some newspapers to see a reduction in the international aid budget. That is to be achieved by so denouncing it in the public’s estimation.

Equally, there are imperative reasons why we need to get this information out. If you look at the anger among some of our diaspora populations about what is happening in Palestine or indeed what is happening in Syria, they have no notion of what the taxpayer is funding and what we are bending every effort to achieve. They just do not know. We have to find a way of telling them and that will require imagination and a bit of courage.

I can put it no more strongly: there is a tendency to avoid risk. I do not see DFID as a risk-averse organisation. We work in the most difficult places but, often enough, when I am offered an opportunity to evangelise on local radio, instead I will be offered a statement to approve. Perhaps it is to be light on me on a Saturday or Sunday morning, so that I do not have to make the effort, but I always say, “Why are we issuing a statement when, if you put the Minister on, he can argue against anything put up against him and at least have a go?” We are alive to your concern and certainly my colleague Grant Shapps is very evangelical about this as well.

Chair: That is something to which we shall certainly return. Can I thank all three of you for your evidence today? It has been extremely helpful for our inquiry. Thank you very much indeed.