

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

OVERSEAS AID & DEVELOPMENT COMMISSION

FUNDING ARRANGEMENTS AND FUTURE DEVELOPMENTS

Letter of Comment from the Policy & Resources Committee on the item lodged by the Overseas Aid & Development Commission entitled "Funding Arrangements and Future Developments".



Policy & Resources
Committee

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HM Greffier
Royal Court House
St Peter Port

29 September 2017

Dear Sir

**Letter of Comment - Proposition No. P2017/83 – Overseas Aid & Development
Commission – Funding Arrangements and Future Developments**

The Policy & Resources Committee supports the need for Guernsey to commit to overseas aid and development and believes this is consistent with the Policy & Resource Plan outcome of a 'mature international identity' and our commitment to meeting international standards in respect of social and environmental issues.

As indicated in the Overseas Aid & Development Commission's policy letter, Guernsey currently spends approximately 0.13% of GDP on overseas aid and development. This is not directly comparable to the International target for countries to give 0.7% of their GDP in 'Official Development Assistance' as this is often made up of direct donations or loans from one country to another and funding for certain international organisations active and developing countries as well as the more traditional grants.

Notwithstanding this, the Policy & Resources Committee is supportive of any measures which seek to increase the impact of the expenditure in this area and work differently in order to seek to leverage the funding which Guernsey is able to afford. Therefore, the Committee is supportive of the concept of an Impact Fund in order to increase the value expended on overseas aid. If successful, the Impact Fund should build on the government investment by seeking to attract philanthropic funds and private capital, and through making loans to schemes that will be able to pay back to the Fund thereby increasing the amounts available for future investment. This innovative approach is commended as it should multiply up the impact of the investment made from the Commission's budget.

The Committee will, of course, work closely with the Commission during the progress of this initiative. Approval of any investment made into an Impact Fund and its ongoing

management and monitoring will be subject to the same level of governance and control as any other investment made on behalf of the States of Guernsey.

Finally, the Committee commends the corporate approach being taken by the Commission in respect of agreeing a real-terms' reduction of 1% in its 2018 budget allocation. The Commission has agreed that the 1% reduction, and any future reductions, will be allocated to the funding put aside for the Impact Fund which ensures that while funding reduces in real-terms, investment enabled by Guernsey should still increase.

Yours faithfully

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke, identifying the signatory as Deputy Gavin St Pier.

Deputy Gavin St Pier
President

Cc: President, Overseas Aid & Development Commission