



By E-mail

International Development Team

Scottish Government

<mailto:internationaldevelopment@scotland.gsi.gov.uk>

Dear International Development Team,

Comments on the International Development Policy by LTS International

Thank you for the opportunity to comment on the short paper produced by External Affairs Minister Linda Fabiani. We are aware that much of the not-for-profit sector will have had the opportunity to provide collective comment through membership groups such as NIDOS and IDEAS; our comment represents that of an independent Scottish company involved in international development and grant management for 35 years.

We would like to preface our comments by placing them into the context of our reading of the Scottish International Development Policy.

1. We note that since £9 million is still very small in international (bilateral) development terms, the funds need to be deployed in a focused manner, where possible add value, and be innovative in the way that they reflect and support Scottish strengths and policy emphases.
2. We have reviewed the Scottish International Development Policy in light of the short paper by the Minister and believe that the seven key principles outlined in the policy remain sound and relevant. As such we believe they provide a strong basis for the Scottish Government's International Development Programme. We do however note that implementation of the three strands of the Scottish International Development (ID) Policy¹ is still evolving: Section 5 of the Policy notes that further research and consultation is required into each of the 3 strands.
3. We believe that of the three strands, 'active consideration of the positive impact of our policies on the developing world' remains the least well articulated at this point.
4. The paper by the External Affairs Minister Linda Fabiani starts to explore further the rationale and potential for the three strands and we feel this is to be applauded.

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¹ A) Support for developing countries through development of NGOs
B) Assistance during times of international crises
C) Active consideration the positive impact of our policies on the developing world

5. There is still potential within Scotland not yet tapped to support the Scottish Government's ID policy and we have identified two areas in particular that resonate with the short paper by the Minister:
 - Climate change adaptation and low carbon energy
 - Fair-trade
6. Scotland has set out clear policy objectives that will drive innovation in these two sectors. This will generate a model for other 'Western' countries but also provide huge potential for outreach and knowledge transfer with poor countries of 'the South'.
7. Both areas benefit from partnerships between business in the 'North' and 'South' as well as between business, the public and the NGO sector; and both areas emphasise responsible commerce and sustainable development.

It is within the context presented above that we would like to provide the following comments on the questions set out in the Minister's Short Paper:

Subject Priorities

- 1. Are these themes [Education, Health and Civil Society development] still appropriate?*
- 1. Do they need to be narrowed e.g. should health be in a specific area such as maternal health or be widened e.g. to include economic development?*

8. We believe the themes do remain appropriate. In our experience small projects, *when well designed*, deliver focused, well bounded inputs that deliver impact at low cost and with appropriate technology. This is particularly in the Health and Education sectors where project outputs can be simply bounded and impacts can usually be relatively easily measured. In such cases they often represent good value for money.
9. Civil society development often requires a greater process approach as it is a broad and complex field. Impact depends on the level and nature of the partner organizations and the state of democratic governance in the country(ies) in which it applies. The theme has thus far been interpreted in a wide scope by applicants to the ID Fund.
10. Whilst it is generally recognised that a strong civil society is a basic need for equitable economic development and effective donor impact, it may be appropriate to focus the area of civil society development supported through the ID Fund to better articulate the priorities of the Scotland ID Policy: i.e. education; health, including water, and HIV/AIDS prevention /treatment.
11. We would comment that 'economic development' in itself is too broad a subject area for the grant fund. If the Scottish Government were to consider including economic development within their policy scope, it should be focused on specific areas that reflect and support Scottish strengths and policy emphases.
12. One approach to supporting economic development may be a separate grant that supports business partnerships for small enterprises to provide peer-to-peer capacity building and knowledge sharing, and the development of appropriate technology (discussed point 25 below).

13. As mentioned above, we feel that Scotland has the potential to utilise its growing capacity in areas such as fair-trade and low-carbon technologies.

Geographic Priorities

- 1 Should we continue to focus resources on Sub-Saharan Africa?*
- 1 Should work be supported elsewhere in the world?*

14. One must consider that with the resources available, the scope and reach of funds should not be spread too thinly; otherwise impacts will be diluted. Even large donor nations are focusing on a smaller number of countries to maximise impact.
15. We would agree with maintaining support to Malawi – it is one of the poorest countries in the world and, with support of the IDF, there are established development partnerships that would be negatively affected by a sudden withdrawal. Apart from Sub-Saharan Africa, small island nations where small projects can have a relatively higher impact could be an area of focus for the Scottish Government to consider.
16. Apart from disaster relief or humanitarian assistance, it would seem most efficient to focus geographically in areas where Scottish technology, expertise and relationships can have the greatest benefit.

International Development Fund and Process

- 1 Should the challenge fund approach continue?*
- 1 Should the main and small grants scheme be amalgamated?*
- 1 Should the three schemes continue?*

Our experience suggests that such challenge fund schemes have the potential to deliver good, value for money impact for the amount invested. The monitoring process may need to be developed further so that outcomes and impacts can more effectively demonstrate contribution to the three main policy themes.

17. Based on our experience of other funds, we would suggest that the Challenge Fund approach to the IDF is appropriate. International development activities are by their nature complex and high risk: the projects should be implemented by competent organisations, and competitiveness drives improvements and capacity developments for planning, implementation, monitoring and outreach.
18. There is a need to keep the process of disbursing grant funding transparent, accountable and fair. The Challenge Fund approach accommodates this.
19. The terms of reference for the Challenge Fund could be revised to encourage partnerships between, or coalitions of, Scottish NGOs to reduce fragmentation and improve efficiency of operations (so that NGOs doing similar work in a common country work collaboratively for example).

On the question of whether the funds should be kept/merged we would suggest:

20. That the small and main grant funds as they currently stand are merged: The issues and themes dealt with are often similar (albeit at a different scale).

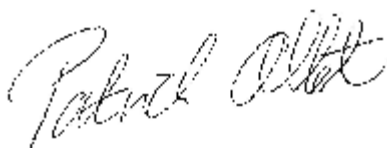
21. A small grants facility may better be used for a more specific purpose. For example, small grants could be provided for project scoping or to support information sharing and lesson learning at project completion.
 - Small grants for scoping could allow small grants for up to, say £5000, for Scottish NGOs to work with chosen partners in establishing a real partnership-based proposal, with stronger chance of success.
 - Post-project small grants may be deployed in cases of successful projects where additional resources would allow the grantees to share lessons amongst the broader development community in Scotland and the target country.
22. Regarding the Humanitarian Health Fund, we are not aware of the impact and how much it is used. We understand this provides resources to allow appropriate responses from the Scottish health community and it is different in structure and scale to the main grants (types of projects supported, its management or responsiveness). We would propose that this is maintained – specifically to aid humanitarian health workers.
23. It would seem that this Humanitarian Health fund may better be served by being responsive as opposed to being subject to annual calls: it needs to be responsive to allow people to react when humanitarian problems occur.

We would suggest that the Scottish Government consider not only increasing the size of the current main grant, but also consider alternative funding schemes that lend broader support to the Scottish International Development Policy:

24. Scoping and post-project grants as suggested above.
25. A development innovations “Theme” that supports building of fair-trade links and the use of appropriate technologies. This grant would allow the policy to draw action from a wider cross-section of the Scottish economy, not only the Charities/NGO sector. The fund could support, for example, SME/peer-to-peer capacity building, the joint development and implementation of new technologies (eg low-carbon energy), or promotion of responsible business.
26. It could be a specific theme under the main grant or managed as a separate grant. If it were separate, it could be uniquely marketed to leverage funds from Scottish business, hence expanding the fund into a real partnership between Scottish public and private sectors and their peers in developing countries.

A final point of consideration is that, given that the grant funding is expected to build the capacity of the Scottish international development sector as an objective, resources could be set aside for supporting knowledge transfer and maximising public awareness of the outcomes IDF. This could also support Theme C of the ID policy [*Active consideration of the positive impact of our policies on the developing world*]. From a policy perspective, the Government should consider the impact of the Scottish capacity building element of the fund and its relevance to the achievement of the Scottish ID policy: is it an appropriate use of Scottish ID resources?

Yours faithfully,



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