

Unite Briefing

UK International Development Aid Cuts

Unite the union is the largest trade union in the UK not for profit sector with thousands of members across most of the major UK aid charities and international NGOs.

Summary:

- The decision to **cut UK aid to just 0.3% of GNI should be urgently reversed.**
- Unite members report that the **cuts will have a devastating impact** on many of the most vulnerable people around the world – disproportionately women and girls - and result in an increase in refugees.
- Cuts mean **lifesaving services and programmes are closing, affecting millions** – i.e. increased poverty, inequality, exploitation, illiteracy, ill health, political instability, conflict and deaths.
- These cuts result in a major **loss of UK influence**, trust and soft power and have a **devastating impact on those working within the sector**, with thousands of job losses already announced.
- Unite believes that increases in defence spending should be paid for via a **wealth tax on the richest 1%**, and without cuts to UK aid.
- MPs should **pressure the government to reverse these cuts.**

Background - UK Aid Budget

- The UK is committed to spending **0.7% of GNI on Official Development Assistance (ODA)** to support UN recommendations and enshrined this in UK law, under the International Development (Official Development Assistance Target) Act 2015.
- **In 2021 the Government cut aid to 0.5% of GNI**, refocused it to prioritise UK business interests and conflated aid spending with budgets to house refugees and asylum seekers.
- The Conservatives **redirected funding** to middle-income countries and support private consultancies and businesses e.g. via British International Investment (BII). **Only 17% reaches the poorest nations.**
- Despite **Labour's election (2024) pledge to restore spending** the government is reducing aid funding to just **0.3% of GNI by 2027** and redirecting budgets to military spending.
- UK cuts follow **the suspension of USAID**, announced by President Trump and were **matched by cuts to aid from other European countries.**

Value for money of the aid budget - Cuts are a false economy:

- International aid is a strategic and cost-effective approach to enhancing global stability and reducing future defence expenditures.
- For every \$1 invested in peacebuilding and development initiatives, there can be a \$16 savings in the overall costs associated with conflict and its aftermath (United Nations).
- Every \$1 spent on activities that stimulate economic growth, and stability can avert \$103 on a future conflict (One Campaign).

Aid cuts will hit the most vulnerable hardest:

- **Women and Girls:** Women and girls are vastly more affected by these cuts as they disproportionately experience poverty, lack of access to education, humanitarian crisis, violence and climate change (International Development Committee, CARE international UK).
- **Health & Lives:** The cuts put millions of lives at risk from preventable diseases, e.g. 38 million children could miss immunisations (WHO). The USAID cuts in particular create a global crisis in HIV/AIDS healthcare. More broadly vital Sexual and Reproductive Health and Rights (SRHR) programmes such as UK-funded Women's Integrated Sexual Health (WISH) are at risk.
- **Children & Food Security:** Hundreds of thousands of children may lose access to meals; Millions of people impacted (UN World Food Programme)
- **Education:** Education projects and schools around the world face closure affecting millions, again disproportionately impacting women and girls. (Save the Children)
- **Human Rights:** UK support for LGBT+ equality is at risk, as a time when global disinformation and anti-rights mobilisation targeting sexual and gender minorities is increasing.
- **Instability:** Conflict risks increasing due to sudden withdrawal of support in fragile states, as well as increased pandemic threats as funding is pulled from health surveillance systems. (IRC) This will likely also lead to an increase in the number of refugees and asylum seekers worldwide.

- **Soft Power Loss:** UK's global influence and diplomatic reach will be weakened by these cuts.
- **Compounding US Cuts:** UK contribution to the replenishment of the Global Fund for AIDS, TB and Malaria are now uncertain, when an extra 6.3 million people are already predicted to die of AIDS in the next four years because of US funding withdrawal (UNAIDS, April 2025)

The UK Aid sector will be hard hit by these cuts:

- **Funding instability** causes staff burnout, layoffs, and a decrease in long term viability of organisations, as vital skills, contacts and international relationships are lost.
- **Thousands of job losses and project closures** have already been announced in major UK Aid organisations (e.g. Save the Children UK, Care international UK, Christian Aid, Oxfam, International Rescue Committee and NEAR) with many more expected across the globe in beneficiary countries.
- **Funding Competition:** Less opportunities force organisations to compete for the same money.

There is an urgent need for an Equality Impact Assessment:

- The Humanitarian and Development Sectors are **asking for an urgent Equality Impact Assessment to assess the real-world impact of cuts to UK aid.** Without this due diligence, Parliament is unable to fully scrutinise the severe impact of aid budget cuts, particularly on women and girls, those with disabilities, and others in humanitarian need.
- The FCDO Equalities Impact Report after the aid budget cuts in July 2023 acknowledged the reductions would **disproportionately affect vulnerable populations in countries.**

Urgent changes are needed to the way the aid budget is spent:

- **Refocus on Poverty Reduction** – Aid must target the most vulnerable (women, girls and marginalised demographics), not subsidise powerful corporations through supporting UK business interests.
- **Prioritise Humanitarian Needs, Disaster Relief and Conflict Zones** – Prioritise as many crises and conflict areas as possible, not just the visible crises parliament has already committed to.
- **Invest in Prevention** – this will reduce the need for long-term aid and defence costs.
- **Support Women and Girls** – 20% of funding should explicitly focus on women and girls, as the best way to reach the most vulnerable groups and deliver effective support and impact for the most vulnerable and in need.
- **Reprioritise Health, HIV and Marginalised Groups** – sustain health and HIV services to save lives and prevent health security threats following US withdrawal, particularly LGBT+ people, sex workers, and others facing heightened vulnerability.
- **Focus on Fragile States** – They carry 82% of global humanitarian needs.
- **Separate Asylum Costs from Overseas Development Aid (ODA)** – 20% of ODA is currently spent domestically on housing asylum seekers. These costs must be separate from the aid budget. Well spend international aid can reduce the overall number of refugees and savings can also be made by reducing reliance on costly hotels through investment in appropriate accommodation.
- **Ensure Predictable Funding** – Stability is essential for programme impact.
- **Debt Relief** – This will support low-income countries and is outside of the aid budget.
- **Alternative Revenue could be sought** e.g. via a wealth tax on assets over £4M which could generate tens of billions each year.
- **Improve Funding Access for Local Partners and Grassroots Organisations** – These organisations, including women-led and women's rights organisations, know how to efficiently meet community needs with lower programme costs in comparison to working with INGOs.

Call to Action – MPs should:

- **Send a joint MP letter** to the Foreign Secretary calling for the reversed of cuts, reform of aid priorities and a full equality impact assessment.
- **Table Parliamentary questions:** To seek clarity and accountability regarding the aid cuts and their impact.
- **Maintain pressure** on the Government ahead of the 11 June 2025 Comprehensive Spending Review, when FCDO budgets are expected to be announced, including by relaying concerns to the Foreign Secretary.