6 Points we are more Cautious or Concerned about

1) Lack of written consultation:

While we strongly welcome the numerous Zoom roundtable events which took place, we join others in expressing regret there was no formal written consultation. The Scottish Government has a clear process for public consultations (https://consult.gov.scot/) and is to be commended for its 2016 international development review which invited written submissions, in addition to open discussion events. All submissions were independently collated and published, such that one could see a clear line between what was said, by whom, and the policy outcome. We feel this approach, which prioritises transparency and accountability, results in the strongest decision-making.

2) Cancellation of the small grants programme:

The SMP joins others in expressing regret at the decision to cancel the Scottish Government's Small Grants Programme. This programme was seen by many as an innovative and impactful part of Scotland's international development portfolio and was well received by the sector and by partners in Malawi. It looked to support smaller, often volunteer-led, organisations who we feel made a worthwhile contribution, representing strong value for money.

Key to its success was the way the programme was managed: every year the Corra Foundation, who managed the programme for the SG, shared a 'Lessons Learnt' report and the sector networks were invited in to be briefed and feed in their own learning. It was a really positive, collaborative effort, with constant learning and development: the sector could feed into the design of the programme based on what was working well and the networks could step-up to support the programme each year, based on the programme's learning from the previous year. Most crucially, the Small Grants Programme benefitted from the Corra Foundation's highly supportive, engaging, empathetic and constructive management of the fund: always willing to meet with applicants and support their development through the process.

The Terms of Reference of the <u>2020 SG Review of the Small Grants Programme</u> did not require the review to assess either the impact that projects funded by this programme had had or, necessarily, whether the programme's objectives had been met. This was an issue flagged by the SMP at the time. The review did not consider any of the project impact reports and did not consult all those organisations funded by the programme.

The review found that there was insufficient empirical evidence that the programme's objectives had been met but that this was largely because the objectives had not been originally written in a manner that allowed success to be easily measured. We are unaware whether other aspects of the SG's international development work have easily measurable objectives that would meet this standard, or have been through this same process of assessment. The report concludes by assessing four possible routes forward. We note that the option to continue the fund had the most 'strengths' identified (5). In contrast, the option which the SG has chosen to take had the least 'strengths' listed (2) and the most 'issues or challenges' (9) identified by the report.

Continuing the Small Grants Programme had been a 2016 SNP Manifesto commitment and we are sorry that this has not been met.

3) Lack of parliamentary debate at the conclusion of the process:

While we welcome the parliamentary engagement during the review, we note that there has not been a debate at the conclusion of the process as we had understood was the plan. However, we

absolutely appreciate that there were very significant pressures on the parliamentary agenda given Covid and the forthcoming Holyrood election and we welcome early indications that it will return to Parliament after the election.

4) Possible shift away from transparent, competitive processes:

We recognise that the new "Sustainable Recovery" and "Reducing Inequalities" funding streams will have a mix of competitive and non-competitive funding opportunities and the "Institutional Resilience" will be entirely non-competitive basis. With the exceptions of long-term institutional and core funding, we feel competitive calls for applications are the most transparent and effective mode of grant-making, offering best value for money and leveraging maximum wider support and input.

We encourage the Scottish Government to prioritise open calls for applications wherever possible and include details within the annual development impact report on the proportion of funds which have been through a competitive process and the proportion that have not.

5) Possible shift away from wider civic engagement:

A key, longstanding feature of Scotland's approach to international development has been the extent to which it has mobilised a broad section of Scottish civic society, leveraging considerable wider inputs for maximum impact. A strong focus on the unique relationship with Malawi, a commitment to working through dignified partnership, and an active engagement of wider civic society have been foundational to the international development approach taken by successive Scottish governments since 2005. These elements seem to be less visible in this most recent report and we encourage the Scottish Government not to move away from this, distinctively Scottish, approach to international development which allows a relatively modest governmental budget to be multiplied many times over thanks to input from all corners of Scottish and Malawian civic and associational life.

6) Increased budget allocations to large multilateral agencies:

In its report to Parliament, the SG highlights its intention to "consider how we might work through more international bodies in future". While we support multilateralism, we do not necessarily feel that investing significant and increasing proportions of the SG international development fund in multilateral funds such as the UN represents the most appropriate use of the limited budgets. With a total international development budget approximately the same size as that of the island of Jersey, and in the current constitutional context, we feel it is important to prioritise those areas where Scotland can make a unique contribution, adding distinct value and looking to leverage maximum wider involvement and positive influence.