

Department for Business, Energy and Industrial Strategy (BEIS), Country and Sector Strategies for Official Development Assistance (ODA) Spending

2016 - 2021

BEIS ODA spending across the three funds is delivered through a mixture of strategies such as country specific approaches and thematic approaches, to deliver the UK Aid strategy commitments of; promoting global prosperity, tackling extreme poverty, strengthening resilience and response to crises, and strengthening global peace, security and governance. The funds include; the Global Challenges Research Fund (GCRF) and the Newton Fund, and the International Climate Finance (ICF), which are ring-fenced research and innovation (GCRF and Newton) and climate change spend (ICF). Below are the strategies used by each fund;

Global Challenges Research Fund (GCRF)

The aim of the Global Challenges Research Fund is to reduce poverty by generating and putting into use knowledge to address development challenges and advance development for the poorest people and countries. BEIS research and innovation ODA spend through GCRF leverages the UK's world-leading research and innovation base to ensure that UK science takes a leading role in addressing global challenges faced by developing countries.

BEIS has overall strategic oversight for the GCRF, which operates primarily at the research base level, with decisions on individual research projects made by expert delivery partners. BEIS and delivery partners have collectively worked together to produce the overarching [UK Strategy for the Global Challenges Research Fund](#), which sets out the research areas linked to the UN Sustainable Development Goals.

The GCRF delivery partners are coordinated through a Strategic Advisory Group (SAG) to create complementary programmes that:

- promote challenge-led disciplinary and interdisciplinary research, including the participation of researchers who may not previously have considered the applicability of their work to development issues.
- strengthen capacity for research, innovation and knowledge exchange in the UK and developing countries through partnership with excellent UK research and researchers.
- provide an agile response to emergencies where there is an urgent research need.

Newton Fund

The Newton Fund works bilaterally in collaboration with partnering Government's and funders. This ensures the activities agreed meet partners' development priorities. All open calls are on our [website](#).

A list of the current 17 partnering countries including individual strategies for each country can be found on the [Newton Fund website](#).

International Climate Finance (ICF)

ICF is a cross-government collaboration led by 3 different departments including Department for International Development (DFID), Department for Business, Energy and Industrial Strategy (BEIS) and the Department for Environment, Food and Rural Affairs (DEFRA). Together, these departments will spend the UK's pledged £5.8bn of ICF between 2016 and 2020. It aims for an even split between mitigation and adaptation and places the UK amongst the world's leading providers of climate finance.

BEIS ICF spending targets mitigation actions in the following thematic areas;

1. Halting Deforestation – we support work to halt deforestation and create profitable, sustainable supply chains. The UK has committed up to \$5bn collectively with Germany and Norway for countries who bring forward ambitious projects to halt deforestation.
2. Accelerating Decarbonisation – The Intergovernmental Panel on Climate Change (IPCC) has made clear that urgent, transformative change is needed in how we produce and use energy, build our cities and homes and transport people and goods. Limiting global warming to 1.5C will require annual global emissions to fall by 50% by 2030. Over the same time frame the global economy is expected to double, with \$90 trillion being invested in infrastructure. We are using our UK International Climate Finance to help push these investment decisions towards low-carbon, climate resilient and inclusive growth, and away from unsustainable, carbon-intensive growth.
3. Making Markets Work – This is a key focus of UK International Climate Finance. We want to reduce costs and risk perceptions of low-carbon investments by providing concessional or market-rate finance to help innovative projects reach financial close and demonstrate profitability, mobilising the private investment required to tackle climate change.
4. Capacity Building – The UK recognises the importance of building capacity to tackle climate change, and this is an integral part of most ICF-funded programmes. From research on best practice and feedback from developing countries, we understand that capacity building should:
 1. Be country-led, responding to local demand and tailored to the local context, reflecting local capacity and social norms and building upon existing national processes and institutions
 2. Be flexible, able to adapt to evolving circumstances and priorities in-country
 3. Be sustainable, ensuring capacity is built and sustained in the longer-term.

Further information about the ICF strategy including case studies can be within the [ICF Booklet](#).