

QUADRUPLING AID TO BURMA – BASED ON 2007/8 UK AID TO BURMA

This shows the costing for quadrupling aid to Burma using the 2007/8 UK aid spend (£9m) as the baseline, as per quotes from Andrew Mitchell Oct-Nov 2007.

1). Description of policy, including any assumptions necessary to allow the commitments to be costed:								
<p><u>Quadrupling of aid to Burma by 2013/14, and maintaining that level of nominal spend in 2014/15.</u></p> <p>Assumptions:</p> <ul style="list-style-type: none"> • 2009/10 uses current budget of £25m programme costs. • Current spending plans assume an increase to £28m in 2010/11. But the estimates below are based on a linear increase in programme costs from 2009/10 to 2013/14, creating additional costs in 2010/11 as shown in table. • Scenario assumes target of £36m – quadrupling the £9m programme costs in 2007/8 by 2013/14. • No increase in administration budget was thought necessary to fund additional staff. 								
2). Information required on distributional effects of the policy:								
N/A								
3). Cost/Revenue to the Exchequer over five years:								
Please summarise spending impacts in Table 1, below.								
Figures are shown on a nominal and real basis.								
£m	DEL							AME
	Start-up cost	Year 1 2009/10	Year 2 2010/11	Year 3 2011/12	Year 4 2012/13	Year 5 2013/14	Year 6 2014/15	N/A
Baseline	0	25	28	28	28	28	28	
Additional Programme Costs				+2.66	+5.32	+8	+8	
Nominal Total £	0	25	28	30.66	33.32	36	36	
Real interest uplift factor (2.25%p.a)			1.023	1.046	1.069	1.093	1.118	
Real Rate adjusted total £			28.630	32.055	35.620	39.351	40.236	
For tax policies please summarise the scorecard impacts over the next five year period in Table 2, below:								
N/A								
For any other information that it is necessary to present, please use the space below in this answer box:								
4). Distributional effects (if none requested, any significant):								
N/A								
5). Comparison with current system (if applicable):								

N/A

6). Other comments (including other Departments consulted):

DFID are the lead department on UK aid, and were consulted for all figures.