

Indicator description	UK Official Development Assistance as a proportion of Gross National Income (GNI)
Indicator Type	Input
Rationale	<p>The United Nations General Assembly agreed on an international target of 0.7 per cent for the ODA:GNI ratio in 1970 as a benchmark for aid resources. In May 2005, EU member states pledged to meet the 0.7 per cent target by 2015, with a collective EU target milestone of 0.56 per cent by 2010. In the 2004 Spending Review the UK Government set an earlier target date, to increase total UK ODA to 0.7 per cent of GNI by 2013. This target for 2013 has been re-endorsed by successive administrations</p> <p>The target for the UK's ODA/GNI ratio was placed in law in March 2015. The law sets a commitment to spend 0.7 per cent of GNI on ODA in 2015, and each year after 2015.</p>
Technical definition	<p>UK Official Development Assistance (ODA) is defined as resource flows to developing countries and multilateral organisations from official agencies (e.g. the UK Government) or their executive agencies. ODA is measured according to standardised definitions and methodologies specified by the Organisation for Economic Cooperation and Development (OECD). In order for the transaction to be counted as ODA, it must meet the following tests:</p> <ul style="list-style-type: none"> • Administered with the promotion of the economic development and welfare of developing countries as its main objective; • Concessional in character and conveys a grant element of at least 25 per cent. <p>Estimates of UK Gross National Income (GNI) are used in the calculation of the measure <u>ODA as a proportion of GNI</u> (ODA:GNI ratio). The GNI measure is produced according to international standards for compiling National Accounts and it has been adopted by the OECD as the standard measure for comparing ODA spending across countries.</p>
Data calculations	The ODA/GNI ratio is calculated according to definitions and classifications set out by the OECD Development Assistance Committee.
Data sources	The ARIES financial information system provides the source data for DFID ODA. For Other Government Departments' and official agencies than DFID, similar

	<p>financial systems source their ODA data.</p> <p>GNI estimates are supplied by the Office for National Statistics (ONS)</p>
Reporting roles	DFID is responsible for coordinating, collating and compiling estimates and reporting of UK ODA, including data from OGDs
Worked example	<p>UK ODA and the UK ODA/GNI ratio are published annually in the two national statistics releases:</p> <p>Provisional UK ODA as a proportion of Gross National Income (the ODA/GNI ratio) (released in the spring), which includes a provisional estimate of the UK ODA/GNI ratio based on preliminary ODA data.</p> <p>Statistics on International Development (SID)(published in the autumn), which confirms the UK's ODA/GNI ratio and includes more detailed disaggregated ODA statistics.</p>
Baseline data	Not applicable
Return Format	<p>ODA, in £ sterling, provided by UK official agencies, by calendar year.</p> <p>UK ODA as a proportion of GNI is expressed as a percentage (%).</p>
Data dis-aggregation	<p>Key breakdowns of UK ODA spend statistics is made available in SID, including</p> <ul style="list-style-type: none"> • UK ODA spend on international development in the last calendar year • By recipient country, official agency, bilateral and multilateral funding and purpose • Project-level micro data <p>The UK ODA:GNI ratio is not disaggregated.</p>
Data availability	Annually
Time period/ lag	ODA is reported on a calendar year basis.
Quality assurance measures	The Quality Assurance measures applied to the ODA data is set out in Annex 4 of Statistics on International Development

Interpretation of results	Estimates of the UK's ODA:GNI ratio are produced twice a year in April and October, in accordance with the OECD DAC reporting schedule . The ODA:GNI ratio tends to change between provisional and final releases due to further quality assured ODA data and later GNI information.
Data quality	The two publications reporting UK ODA statistics (see worked example) are designated National Statistics, which means that they are produced in accordance with the Code of Practice for Official Statistics
Data issues	The ARIES database is subject to input errors, The risk of input error is relatively low for estimates of total ODA and by country and region, and relatively higher for ODA by sector (where there is sometimes ambiguity, especially for projects that cut across sectors) and by funding channel. Annex 4 in SID describes the work to minimise the input errors
Additional comments	None.
Variations from standard methodology	None.