



Provisional UK Official Development Assistance as a Proportion of Gross National Income 2016



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Introduction

This publication provides provisional statistics about the amount of Official Development Assistance (ODA) the UK provided as a proportion of Gross National Income (GNI) in 2016, and presents various breakdowns of this spend. ODA¹ is the internationally-agreed classification of foreign aid financing and is measured in accordance with international standards agreed by the Organisation for Economic Co-operation and Development (OECD).

The expenditure figures presented in this publication are **provisional.** Project-level ODA information is currently only available for DFID. Project-level data is provided by other government departments following the end of the financial year. GNI estimates are revised by the Office of National Statistics (ONS) each quarter as more economic data becomes available². A final estimate of UK ODA as a proportion of GNI with more detailed breakdowns of spend will be published in autumn 2017 in 'Statistics on International Development' (SID)³. SID will use the estimate of GNI for 2016 published by the ONS in September 2017. More information on the UK governments approach to aid spending is set out in the UK Aid Strategy⁴.

Key Definition: Official Development Assistance

Official Development Assistance (ODA) is produced according to standardised definitions and methodologies controlled by the Organisation for Economic Cooperation and Development (OECD). ODA is defined as resource flows to developing countries and multilateral organisations, which are provided by official agencies (e.g. the UK Government) or their executive agencies, and each transaction meets the following tests:

- It is administered with the promotion of the economic development and welfare of developing countries as its main objective; and
- It is concessional in character and conveys a grant element ⁵ of at least 25 per cent.

A glossary, explaining key terms used throughout this report, is available in Annex 1 of SID.

¹ All ODA figures in this release are reported net of loan and other repayments

² See 'Office for National Statistics, Quarterly National Accounts', available here.

³ Once released the publication will be available on the 'Statistics at DFID' webpage.

⁴ UK aid: tacking global challenges in the national interest, available <u>here</u>

⁵ The OECD rules for grant elements of loans are changing in 2018, for more information please see <u>background note</u>.

Key Points

- The provisional ODA:GNI ratio for 2016 is 0.70%.
- Over the past year the amount of ODA provided by the UK Government has increased by 10.0 per cent to £13,348 million in 2016. This represented an increase of £1,210 million, up from £12,138 million in 2015. As part of the 2015 spending review, the UK Government increased UK ODA to meet the 0.7 per cent target based on the ESA 2010 measure of GNI.
- ODA can be either bilateral (where ODA is earmarked spend which the donor has
 control over) or multilateral (where funds from national governments are pooled
 with other donors' funding and disbursed as part of the core budget of the
 multilateral organisation). Over the past year bilateral ODA has increased by £868
 million (11.3 per cent) and multilateral ODA has increased by £343 million (7.7 per
 cent).
- In 2016, 63.9 per cent of UK ODA was bilateral; 36.1 per cent was core
 multilateral contributions. These proportions remain broadly in line with the shares
 in 2015.
- In 2016, 74.0 per cent of UK ODA was provided by the Department for International Development (DFID), down from 80.5 per cent in 2015. The share of other contributors of UK ODA (this includes other Government Departments and non-departmental contributors), went up from 19.5 per cent to 26.0 per cent.
- Statistics on bilateral ODA by geographic region are currently only available for DFID expenditure. In 2016, Africa received the largest percentage (56.9 per cent) of the bilateral ODA disbursed by DFID to a specific country or region, equating to £2,528 million.

1. The ODA: GNI Ratio

The ODA:GNI ratio presents the level of UK Official Development Assistance (ODA) against Gross National Income (GNI).

Table 1 reports the ODA:GNI ratio in 2016 on the basis of the current international standard for measuring GNI, ESA⁶ 2010. The ESA 2010 methodology leads to higher levels of national income compared with the previous methodology for GNI, known as ESA 1995, due to additional areas of economic activity being included in ESA 2010. As part of the 2015 spending review, the UK Government increased UK ODA to meet the 0.7 per cent target based on the ESA 2010 measure of GNI and to reflect economic growth. More details about the recent changes in the GNI methodology and 0.7 per cent target are shown in the background note.

Table 1: GNI Estimates for 2015 and 2016 and ODA: GNI Ratios; Current Prices¹

						£ million
	2015		2016			
	GNI	ODA	ODA:GNI ratio (%)	GNI	ODA	ODA:GNI ratio (%)
GNI (ESA 2010 current methodology for 2016)	1,833,814	12, 138	0.66%	1,916,508	13,348	0.70%
GNI (ESA ² 95)	1,722,979	12,138	0.70%	-	-	<u> </u>

^{1.} The 2015 Spending Review used GNI (ESA 2010) to set the levels of ODA for 2016 to 2020.

The ODA:GNI ratio for 2016 is 0.70 per cent, and therefore the 0.7 per cent target has been met.

Figure 1 shows the trend in UK ODA since 1970. Overall there has been a steady increase in the level of UK ODA since 1970, with a peak in 2005 and 2006 which was driven by high levels of debt relief⁷, and a steep increase in 2013 when the UK Government first met the 0.7 per cent ODA:GNI target. As part of the 2015 spending review, the UK Government increased UK ODA to meet the 0.7 per cent target based on the ESA 2010 measure of GNI and forecasts of economic growth. The GNI measure on an ESA 2010 basis is about 6 per cent higher than the previous GNI measure used to

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^{2.} Unadjusted for Eurostat reservations, and discontinued by ONS in 2016. In the 2010 spending review ESA 1995 is used to set the ODA budgets for 2011 to 2015. This was the measurement used for the 2015 ODA:GNI target.

⁶ European System of Accounts

⁷ See commitments made by the UK and other donors at the 2005 G8 Summit in Gleneagles: http://researchbriefings.files.parliament.uk/documents/RP07-51/RP07-51.pdf

calculate the ODA:GNI ratio, on the ESA 1995 basis. Figure 1 shows the increase in UK ODA in 2016 as a consequence of the methodology change and growth in GNI.

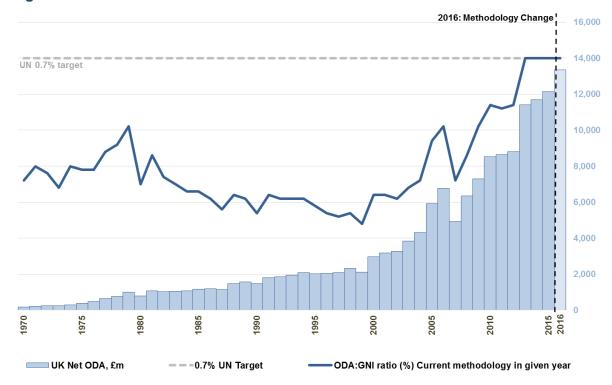


Figure 1: UK ODA Levels between 1970 and 2016^{1, 2}

2. UK Bilateral and Multilateral ODA

There are two main channels of delivery for ODA: bilateral and multilateral. Bilateral ODA is earmarked spend which the donor has control over – this is usually ODA going to specific countries, regions or programmes. Bilateral ODA also includes funding to multilateral organisations for specific programmes or in specific countries; this is referred to as 'bilateral ODA through a multilateral organisation'.

Multilateral ODA describes funds from national governments which are pooled with other donors' funding and disbursed as part of the core budget of the multilateral organisation. Core contributions will fluctuate from year to year in part due to the payment schedules of the receiving multilateral organisation.

^{1.} For the years 2013 -2015 (transition years) the ESA 1995 GNI was used to calculate the ODA:GNI ratio. Please see figure 5 in the <u>background note</u>.

^{2.} Underlying data for this graph can be found in the accompanying excel file 'Statistical Release: Provisional UK ODA tables 2016'. The bar for 2016 is a lighter colour to represent that this figure is provisional.

Table 2 shows that in 2016:

- £8,532 million of ODA was delivered through bilateral channels, an increase of £868 million (11.3 per cent) on 2015. Of total UK ODA, 9.6 per cent (£1,283 million) was for humanitarian assistance.
- £4,816 million were core contributions to multilaterals, an increase of £343 million from 2015. As a percentage of total UK ODA, core multilateral funding represented 36.1 per cent of the total.

Table 2: UK Official Development Assistance 2015-20168

	2015		2016		Change since 2015	
	£m	% total ODA	£m	% total ODA	£m	%
Total Bilateral ODA	7,664	63.1%	8,532	63.9%	868	11.3%
of which Humanitarian Assistance	1,266	10.4%	1,283	9.6%	17	1.3%
Total Multilateral ODA	4,473	36.9%	4,816	36.1%	343	7.7%
TOTAL ODA	12,138	100.0%	13,348	100.0%	1,210	10.0%

3. Breakdown of UK ODA by government departments, crossgovernment funds and non-department sources

Table 3 shows the contribution of government departments and other contributors of UK ODA in 2016. It shows:

Largest Contributors of UK ODA

- DFID spent £9,874 million of ODA (74.0 per cent of total UK ODA) in 2016.
 This is an increase of £107 million (or 1.1 per cent) compared with 2015. In 2015 DFID ODA accounted for 80.5 per cent of the total.
- ODA spent by departments other than DFID and other contributors of UK
 ODA was £3,474 million in 2016, an increase of 46.5 per cent (or £1,103
 million) on 2015. Non-DFID ODA represented 26.0 per cent of total ODA
 in 2016.
- In 2016 the largest non-DFID 'departmental' shares of ODA were: the Department of Business, Energy & Industrial Strategy (BEIS) (5.2 per cent of ODA); the Conflict, Stability and Security Fund (4.3 per cent); the

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⁸ Figures may not sum to totals due to rounding.

- Foreign and Commonwealth Office (3.8 per cent)9, and the Home Office (2.7 per cent).
- The largest non-department sources were non-DFID EU¹⁰ attribution which was £478 million (3.6 per cent of UK ODA) and the UK's contribution to the IMF Poverty Reduction and Growth Trust (PRGT), which amounted to £446 million (3.3 per cent) and supports low income countries, such as Afghanistan and Sierra Leone, with macroeconomic assistance.

Largest increases in ODA

- IMF Poverty Reduction and Growth Trust ODA increased by £326 million, from £120 million in 2015 to £446 million to 2016.
- In 2016, CSSF, a cross government fund aimed at tackling conflict and instability overseas, contributed £575 million of ODA. This was an increase of £251 million compared to 2015 and was the largest spend increase from a non-DFID source (excluding the IMF PRGT).
- BEIS, which tackles climate change and supports research in developing countries, spent £687 million of ODA in 2016. This was an increase of £160 million compared to 2015.

The analysis presented in Table 3 is based on summary provisional returns from government departments, and more detailed spending data will be available in Statistics on International Development published in autumn 2017.

⁹ For more detail on FCO spending please see: https://www.gov.uk/government/collections/officialdevelopment-assistance-oda--2

To See background note

Table 3: DFID and Non-DFID ODA 2015-2016

Ordered by 2016 ODA 2015 2016 Change since 2015 £m % UK ODA £m % UK ODA £m % 9,767 80.5% 9,874 74.0% 107 1.1% Department for International Development^{2,3} Of which: EU Attribution⁴ 3.5% 3.7% 426 498 73 Total non-DFID 3,474 26.0% 46.5% 2,371 19.5% 1,103 Of which: Department for Business, Energy and Industrial Strategy⁵ 30.4% 527 4.3% 687 5.2% 160 Conflict Pool/Conflict, Stability and Security Fund $(CSSF)^{6,7}$ 77.4% 324 2.7% 575 4.3% 251 Foreign & Commonwealth Office 391 3.2% 512 3.8% 121 31.0% Home Office 222 1.8% 362 2.7% 140 63.1% HM Treasury 0.0% 71 0.5% 71 Department for Environment Food and Rural Affairs 57 0.5% 67 0.5% 10 17.0% Department of Health 32 0.3% 45 0.3% 14 42 9% Department of Education 29 0.2% 38 0.3% 9 32.0% Prosperity Cross-Government Fund8 0 0.0% 38 0.3% 38 Department for Work and Pensions 9 0.1% 10 0.1% 2 21.2% HM Revenue and Customs 2 0.0% 9 0.1% 7 379.1% Ministry of Defence 9 0.1% 5 0.0% -4 -47.3% Export Credits Guarantee Department9 0 0.0% 2 0.0% 2 Department for Culture, Media and Sports 0.0% 0.0% 90.9% 1 1 1 Office for National Statistics^{8,10} 0.0% O 0.0% Other contributors of UK ODA EU Attribution (non - DFID)^{4,7} 509 4 2% 478 3.6% -32 326 272.4% IMF Poverty Reduction and Growth Trust (PRGT) 120 1.0% 446 3.3% -15 -14.6% Gift Aid 105 0.9% 90 0.7% 4 18.9% **BBC World Service** 20 0.2% 24 0.2% 4.9% Scottish Government 11 0.1% 12 0.1% 1 0 -12.2% Colonial Pensions administered by DFID 2 0.0% 2 0.0% 0 2.1% Welsh Government 0.0% 0.0% **Total UK Net ODA** 12,138 100.0% 13,348 100.0% 1,210 10.0%

Department comprised the former Department for Energy and Climate Change (DECC) and Department for Business, Innovation and Skills (BIS).

In 2015 the former DECC spent £336m and the former BIS spent £191m of the BEIS total.

In 2016 the former DECC spent £311m and the former BIS spent £377m of the BEIS total.

6.In April 2015, the Government introduced the CSSF replacing the conflict pool. The 2015 figure reflects the Conflict Pool spend from January - March 2015 and the CSSF spend from April -December 2015.

^{1.} Figures may not sum to totals due to roundings.

^{2.} The total figure for DFID no longer includes DFID's share of the Conflict Pool/CSSF. See section 1.4 for more details.

^{3. 2015} and 2016 ODA figures include the UK Government's capital contribution to CDC.

^{4.} Change in methodlogy for calculating EU attribution estimate in 2016. Therefore a percentage comparsion to 2015 is not applicable.

^{5.} The Department for Business, Energy and Industrial Strategy (BEIS) is a government department created in July 2016. In previous publications the

^{7.} CSSF/Conflict Pool includes the contribution to EU peacekeeping activities as the fund responsible for the spend. This contribution is not counted in the EU attribution (non-DFID) figure to avoid double-counting. The overall EU attribution figure has not changed.

^{8.} The cross-government Prosperity Fund and Office for National Statistics are new ODA providers in 2016.

^{9.} Debt Relief from ECGD

^{10.} ONS ODA for 2016 was £55,335.

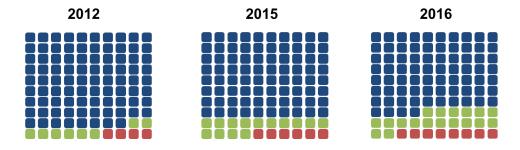
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Share of UK ODA

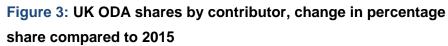
In 2016 both DFID and non-DFID ODA increased compared with 2015. However, since 2012 DFID's share of ODA has fallen as more ODA is delivered by departments other than DFID, this is in line with the approach set out in the UK Aid Strategy, which states "to respond to the changing world, more aid will be administered by other government departments, drawing on their complementary skills". In 2016 DFID accounted for 74.0 per cent of UK ODA, whereas 5 years ago (2012) it accounted for 87.5 per cent.

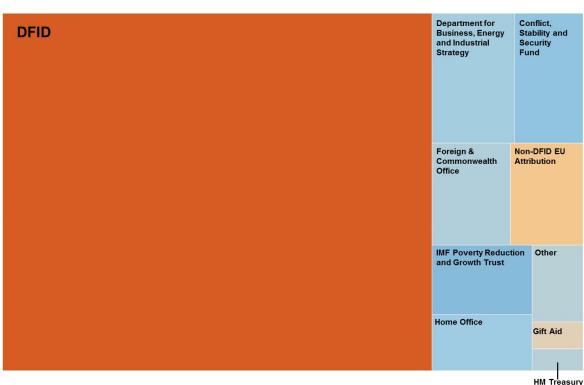
Figure 2:

DFID's proportion of UK ODA is reducing every year. While Other Government Department's and Other UK ODA Contributor's share are increasing.



In 2016, 15 other Government Departments (excluding DFID) contributed £2,423 million to UK ODA. The three largest contributors (BEIS, CSSF and FCO) accounted for 73.2 per cent of the total from other government departments than DFID.





Change in percentage share, 2016 compared to 2015

0%

10%

-10%

4. Cross-government Funds

The Conflict, Stability and Security Fund (CSSF) is a cross-government fund which has a mix of ODA and non-ODA resources. Any National Security Council (NSC¹¹) department and related agency can bid for these funds. The NSC is responsible for the overall delivery of the CSSF while individual spending departments are responsible for managing CSSF spend.

In 2016 there were three additional departments, HM Revenue and Customs, Department for Environment, Food and Rural Affairs and Department for Transport, allocated CSSF funding. Foreign and Commonwealth Office remained the largest recipient, spending 72.5 per cent of total CSSF ODA. Table 4a below shows CSSF by spending department in 2015 and 2016.

Table 4: Breakdown of CSSF/Conflict Pool Net ODA by Government Department, 2016¹²

	2015 % CSSF		2016	
			% CSSF	
	£m	ODA	£m	ODA
Total CSSF / Conflict Pool ODA	324.1		575.1	
Of which:				
Foreign and Commonwealth Office	240.2	74.1%	417.1	72.5%
Department for International Development	68.7	21.2%	108.2	18.8%
National Crime Agency	9.3	2.9%	17.7	3.1%
Ministry of Defence	4.4	1.3%	14.9	2.6%
Home Office	0.7	0.2%	13.7	2.4%
Crown Prosecution Service	1.0	0.3%	2.9	0.5%
ACRO (Association of Chief Police Officers' Criminal Records Office)	0.0	0.0%	0.4	0.1%
HM Revenue and Customs	0.0	0.0%	0.2	0.0%
Department for Environment Food and Rural Affairs	0.0	0.0%	0.1	0.0%
Department for Transport	0.0	0.0%	~	0.0%

[&]quot;z" is not applicable, "0" is null and "~" is less than half the smallest unit displayed.

The cross-government Prosperity Fund¹³ introduced in April 2016, promotes economic reform and development in recipient countries. Departments bid for the funds and the Fund is overseen by a Ministerial Board that sets overall strategic direction, but individual departments are accountable for their own spending and delivery under the fund. In 2016, £38 million of ODA was delivered through the fund. A Departmental breakdown of

For information on the NSC, please see: https://www.gov.uk/government/groups/national-security-council
 As these are provisional figures, the breakdown has not been finalised. Department for Transport spent

£6,000 of CSSF funds in 2016.

¹³ For more information on the cross-government Prosperity Fund please see: https://www.gov.uk/government/publications/cross-government-prosperity-fund-programme/cross-government-prosperity-fund-update

the Prosperity Fund will be available in "Statistics for International Development", published in autumn 2017.

5. DFID Region-Specific Bilateral ODA

Table 5 presents the breakdown of DFID's region-specific bilateral ODA. These figures do not represent the total UK ODA expenditure for each region because they do not include expenditure by government departments other than DFID, core contributions to multilateral organisations, or expenditure that is not assigned to a specific country or region.

- In 2016, Africa received £2,528 million of bilateral ODA from DFID. As in 2015, this was the largest proportion of bilateral ODA from DFID to a single region (56.9 per cent).
- Asia and Europe together received 40.8 per cent of all DFID's region-specific bilateral ODA in 2016. These two regions had the largest increase in regionspecific bilateral ODA between 2015 and 2016 (£79 million for Europe, and £67 million for Asia). This increase primarily supported the Syrian refugee crisis in Asia (Syria, Jordan and Lebanon) and Europe (Turkey).
- In 2016, the Americas¹⁴ received an additional £46 million in bilateral ODA compared to 2015; the majority of which was for infrastructure development in the Caribbean.

Table 5: DFID's Region-Specific Bilateral ODA 2015-2016¹⁵

	2015 % Region- specific		2016 % Region- specific		Change since 2015	
	£m	ODA	£m	ODA	£m	
Total DFID Region-Specific Bilateral ODA	4,272		4,442		171	
Of which:						
Africa	2,549	59.7%	2,528	56.9%	-20	
Asia	1,647	38.6%	1,714	38.6%	67	
Americas	51	1.2%	97	2.2%	46	
Europe	20	0.5%	99	2.2%	79	
Pacific	5	0.1%	4	0.1%	-1	

Regional breakdowns are not yet available for non-DFID expenditure; ODA spend by region will be presented for all UK expenditure in the 'Statistics on International Development' publication that will be published later in the year.

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¹⁴ Americas total includes spend for Dominica, Guyana, Haiti, Jamaica, Montserrat and West Indies regional.

¹⁵ Figures may not sum to totals due to rounding. Analysis of non-country/region specific ODA set out in section 6

6. DFID Non-Region-Specific Bilateral ODA

Bilateral ODA spend by DFID on projects which were not assigned to any single recipient country or region amounted to £1,930 million in 2016, this accounts for 30.3 per cent of DFID's total bilateral ODA expenditure. This consists of, for example, centrally-funded research and other global public goods or programmes that develop policies that benefit several developing countries, and cannot be meaningfully recorded to a single benefitting country or region. Figure 3 provides a breakdown of this expenditure.

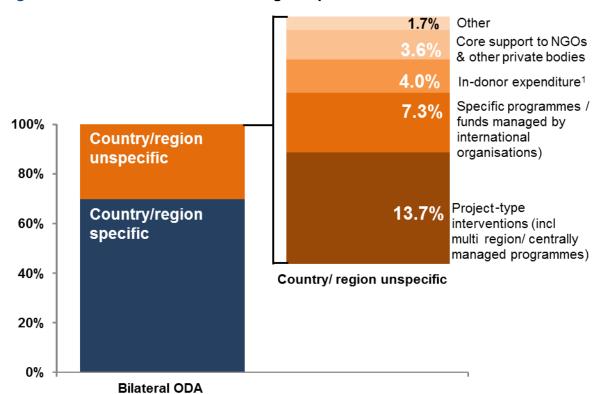


Figure 4: Breakdown of DFID's Non-Region Specific Bilateral ODA in 2016

7. Background Notes

7.1 Definitions and Sources

1. Information on definitions and sources used in this publication can be found in Annexes 2 and 3 respectively of the Statistics on International Development publication available here.

7.2 Revisions and Changes to the Publication

¹ In-donor expenditure relates to ODA-eligible activities conducted within countries that donate aid, including the United Kingdom. ODA spend in the UK to support development work overseas or refugees within the UK are both examples of in-donor expenditure.

2. The revisions process is set out in DFID's Revisions Policy found here.

ODA spending and reporting

- 3. The UK target to spend 0.7 per cent of GNI on ODA is measured on the basis of final ODA spending and the GNI estimates published by the ONS at the end of September in the year following the target year. During the spending year, DFID and HMT monitor ODA spending and the latest information on GNI to ensure the 0.7 per cent target is met.
- 4. UK ODA spend includes DFID spend, non-DFID departmental spend and other sources of ODA (such as EU attribution and gift aid). DFID and HMT monitor spend by other departments and funds during the year and estimate the likely contribution from non-departmental sources of ODA. DFID and HMT monitor movements in GNI during the year using estimates of GNI produced by the ONS and GNI forecasts published by the independent Office for Budget Responsibility (OBR). While DFID can control its own spending on ODA, DFID cannot control GNI nor can it fully control spending by other government departments and other sources of ODA. After final decisions on DFID ODA spending are made the GNI estimate can still shift, so can the amount of ODA spent by other government departments and ODA contributions from non-departmental sources.
- 5. DFID is responsible for collating data and reporting spend on ODA to the Organisation of Economic Development and Co-operation (OECD), including the 0.7 ODA:GNI ratio commitment.
- 6. The ONS produce a first preliminary estimate of GNI for 2016 in the first quarter of 2017. In the spring DFID compile preliminary ODA data for 2015 from ARIES and the aggregate spending returns of the other government departments and other contributors to UK ODA. The first estimate of GNI and preliminary ODA data are used to calculate the provisional estimate of the ODA:GNI ratio, in this publication.
- 7. Between the spring and the autumn the ODA spending of DFID and other government departments are finalised. Other government departments will provide project-level details that allow the ODA spend to be quality assured. The ONS will release a further update of GNI for 2016, which is published in September. The final ODA data and the updated September GNI estimate for 2016 are used to calculate the final ODA:GNI ratio in this publication, and to report to the OECD.

Cross- Government funds

- 8. The Conflict, Stability and Security Fund (CSSF) was introduced in 2015, replacing the DFID, FCO and MoD Conflict Pool. The CSSF pools new and existing resources from across government into one fund, under the strategic direction of the National Security Council (NSC). The fund provides the UK's contribution to multilateral peacekeeping, security and defence activities, and a larger budget for programmes in countries at risk of instability, some of which can be classed as ODA.
- 9. The cross-Government Prosperity Fund was introduced in 2016, replacing the FCO Prosperity Fund. The new fund, which is accountable to a cross-government board, promotes economic reform and development in recipient countries and contributes to poverty reduction in ODA-eligible countries. For more information please see their website: https://www.gov.uk/government/publications/cross-government-prosperity-fund-update

EU attribution

- 10. The estimate for the UK share of the EU budget ODA in 2016 is £976 million compared to £935 million in 2015. EU attribution fluctuates from year to year because the EU works on a seven year programming cycle and so EU disbursements in a given year can vary. The estimate in 2016 is based on published data from the European Commission on the UK's share of development expenditure. This replaces the methodology prior to 2016, which used line by line items of the EU budget to estimate the UK's share of EU ODA.
- 11. To avoid double counting a small part of the EU attribution figure for the UK's contribution to EU peacekeeping is reported in these statistics by the Conflict, Stability and Security Fund as the fund responsible for this spending. This does not affect the overall EU attribution figure.

ODA: GNI Ratio

- 12. The ONS publish revisions to GNI estimates as more economic data becomes available. The provisional ODA:GNI ratio is always based on the GNI estimate published in March and the final ratio is based on the GNI estimate published by the ONS in September. To enable comparability against international data we do not revise the back series to take into account any further revisions made to GNI estimates.
- For 2013, 2014 and 2015 we presented the ODA:GNI ratio, based on GNI estimates using both the ESA¹⁶1995 and ESA 2010 accounting standards to show the different 'target' and 'statistical' ODA:GNI ratio respectively. The 'target' ratio used GNI (ESA 1995) which was in use for the Government's spending plans between 2010 and 2015, and the measure the Government said it would use to monitor the 0.7 per cent ODA target between 2013 and 2015¹⁷. The 'statistical' ratio used GNI (ESA 2010), which This methodology was is the current international standard for measuring GNI. introduced by the Office for National Statistics (ONS) in 2014, and was not available when ODA spending plans were set for the period between 2010 and 2015.
- 14. The ESA 2010 methodology expands the coverage of national income through the inclusion of additional areas of economic activity and technological developments. This expanded coverage raises the level of national income compared with the previous ESA 1995 level. More details about the impact of ESA 2010 changes are provided by the ONS¹⁸. In 2015 the Government set out its spending plans for ODA between 2015/16 and 2019/20, based on GNI (ESA 2010)19 in the UK Aid Strategy. The UK government allocated the ODA budget at spending review 2015 to take into the change to the ESA 2010 methodology. Figure 5 on the next page helps illustrate the recent changes in the GNI methodology used to calculate the ODA:GNI ratio.

¹⁶ European System of Accounts (ESA)

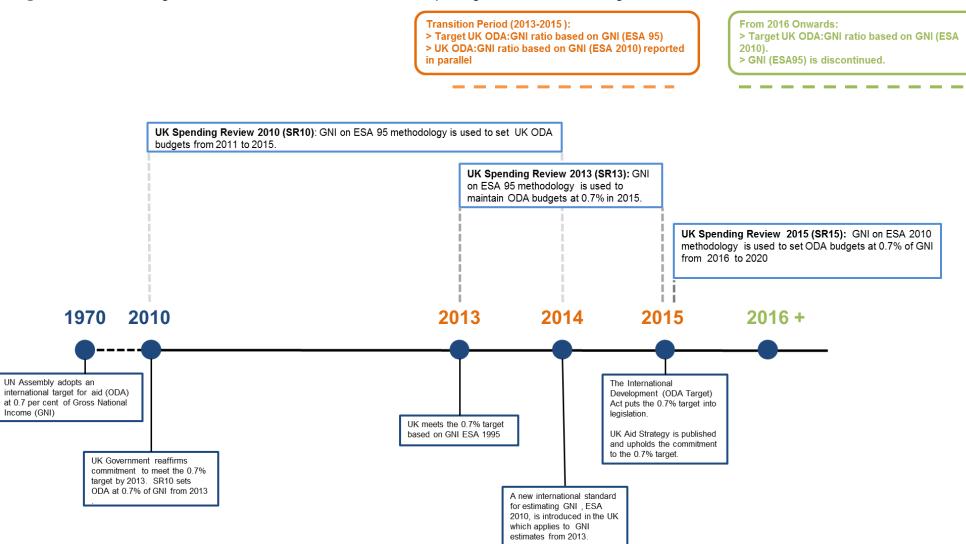
For further information please see: https://www.gov.uk/government/news/international-development- official-development-assistance-target-bill-2015-receives-royal-assent

European System of Accounts (ESA). A note of the impact of the ESA 2010 changes on the National Accounts is available:

http://webarchive.nationalarchives.gov.uk/20160105160709/http://www.ons.gov.uk/ons/guidemethod/method-quality/specific/economy/national-accounts/index.html

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Figure 5: Recent changes in the measurement of GNI and the reporting of the 0.7% ODA target



7.3 Future changes

- 15. Effective from 2019 with 2018 ODA flows, the OECD will introduce the 'Grant Equivalent' (GE) measure of ODA. The GE is designed to allow ODA loans to be compared on a similar basis as ODA grants, by including only the grant element of the loan in ODA. The grant element of the loan will be calculated according to its concessional element such that a highly concessional loan will be credited more grant-like than a loan with low concessional terms. This new approach to measuring ODA is therefore expected to incentivise lending to least developed countries. The OECD will also continue collect and report ODA statistics on the current cash flow basis.
- 16. Most of the UK bilateral funding is in the form of grants, and therefore the new "grant-equivalent" basis for reporting ODA is expected to have minimal effect on total UK ODA.

7.4 Timing and Releases

- 17. Final 2016 ODA data will be available in the 2017 edition of *Statistics on International Development*, which will be available from the DFID website or from the National Statistics publication Hub in autumn 2017. The final publication date for SID will be pre-announced here.
- 18. Provisional 2016 ODA statistics for all members of the OECD will be published by the OECD Development Assistance Committee (DAC) in April 2017, final data is normally published by the OECD in December.

7.5 Quality

- 19. The statistics shown here are provisional, and may be subject to change between now and the final release of these statistics in autumn 2017.
- 20. The DAC sets the definitions and classifications for reporting on ODA internationally. These are laid out in the DAC Statistical Reporting Directives.²⁰ The statistics shown here are reported in line with these directives and are subjected to a quality assurance process as described in Annex 4 of Statistics on International Development here.
- 21. The figure presented for the Welsh Assembly Government represents their estimated spend for the financial year 2016/17 and is used as a proxy for their calendar year 2016 spend. The Welsh Assembly Government is currently reviewing their reporting procedures with a view to being able to report calendar year figures going forward.
- 22. The ODA figures presented in this publication include ODA-eligible support costs of refugees in DAC donor countries including the United Kingdom, during the first twelve months of their stay. For some departments these costs have been calculated by applying a unit cost (provided by relevant departments spending ODA on refugees in donor countries) to the total number of refugees helped. DFID statisticians will continue to work with the Departments to refine this methodology.

7.6 Uses and users

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23. The main purpose of these statistics is to provide timely summary statistics on ODA expenditure by the UK government. They are published prior to the release of provisional ODA statistics by the OECD DAC for all OECD members.

²⁰ See OECD, Aid Statistics, Methodology webpage available here: http://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/

24. During a <u>consultation</u> conducted in 2014, users told us that they use the statistics for a variety purposes: preparing material for briefs; PQs and public correspondence; inclusion in reports and reviews, and providing data for research and monitoring. The users represent the government, civil society and non-government organisations, students and academia and the media.

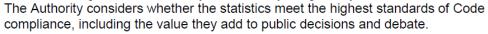
7.7 National Statistics

- 25. The Office for Statistics Regulation (part of the United Kingdom Statistics Authority has designated these statistics as National Statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the Code of Practice for Official Statistics. Designation means the statistics carry the National Statistics label and conform to the standards summarised on the opposite page.
- 26. For information on the work of the UK Statistics Authority visit: http://www.statisticsauthority.gov.uk

NATIONAL STATISTICS STATUS

National Statistics status means that official statistics meet the highest standards of trustworthiness, quality and public value.

All official statistics should comply with all aspects of the *Code of Practice for Official Statistics*. They are awarded National Statistics status following an assessment by the Authority's regulatory arm.



It is a producer's responsibility to maintain compliance with the standards expected of National Statistics, and to improve its statistics on a continuous basis. If a producer becomes concerned about whether its statistics are still meeting the appropriate standards, it should discuss its concerns with the Authority promptly. National Statistics status can be removed at any point when the highest standards are not maintained, and reinstated when standards are restored.

Contacts

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