ANNEX 1: UNDERSTANDING AID EXPENDITURE STATISTICS

Annex 1 provides a summary of the main terms used throughout Statistics on International Development, explaining key terms such as Official Development Assistance (ODA), bilateral aid and multilateral aid. A glossary of aid terms, including descriptions of the classifications used for the different types of aid and different sectors that the UK supports, are also included in Annex 2.

1.1 The UK is a member of the Organisation for Economic Co-operation and Development's (OECD) Development Assistance Committee (DAC) which is a forum for consultation among 34 members and associates. The DAC sets the definitions and classifications for reporting on official financing for development internationally, including Official Development Assistance (ODA). It produces a statistical report[1] on international aid flows annually. As a DAC member, the UK is committed to transparent reporting of development assistance in a way that permits international comparisons. This section explains the key definitions used throughout this publication.

Official Development Assistance (ODA)

1.2 Financial flows count as Official Development Assistance (ODA) if they meet all the following conditions:

- They are grants or loans to countries or territories on the DAC list[2] of ODA recipients, or to recognised multilateral institutions
- They are provided by official agencies or by their executive agencies (i.e. Central Government Departments or extending arms of government)
- They are administered with the promotion of the economic development and welfare of developing countries as its main objective
- They are concessional in character

1.3 ODA is reported on a calendar year basis, enabling international comparison between DAC donors.

1.4 ODA was reported on the grant equivalent measure for the first time in 2018. The grant equivalent methodology affects how the value of official loans spent by departments and other contributors are scored as ODA, which is different from the cash flow methodology used to calculate ODA in previous years. More information on this change can be found in an explanatory note on ODA grant equivalent and in the OECD reporting directives for ODA.

[1] OECD, Development Co-operation Report
[2] OECD, DAC list of ODA recipients

Concessional

1.5 ODA is concessional in character. For bilateral loans this means they must have a grant element of at least 45 per cent for Low Income Countries and Least Developed countries (calculated at a discount rate of 9 per cent), 15 per cent for Lower Middle-Income Countries (calculated at a discount rate of 7 per cent) and 10 per cent for Upper Middle-Income Countries (calculated at a discount rate of 6 per cent).

1.6 Loans to multilateral institutions must have a grant element of at least 10 per cent. The grant equivalent is calculated using a discount rate of 5 per cent for global institutions and multilateral development banks, and 6 per cent for other organisations, including sub-regional organisations.

1.7 Loans to International NGOs must have a grant element of 10 per cent (calculated at a discount rate of 6 per cent).

Classification of Bilateral and Multilateral Aid

1.8 The classification of aid as bilateral or multilateral is based on definitions set by the DAC. In general, bilateral assistance is provided either directly or indirectly through delivery partners to developing countries while multilateral assistance is provided as core contributions to international multilateral organisations. While much of the UK expenditure is clearly identifiable as bilateral or multilateral in nature, there are some anomalies:

- Funds can only be classified as multilateral if they are channelled through an organisation recognised as multilateral by the DAC. This list is updated annually based on members' nominations. Organisations must be engaged in development work to be included.

- Aid may be classed as bilateral while a case is being made for the recipient institution to be recognised by the DAC as a multilateral organisation. Once the DAC has recognised the multilateral organisation the aid may be retrospectively re-classified as multilateral.

- While core funding to multilateral organisations is always classified as multilateral expenditure, additional funding channelled through multilaterals where the recipient country/region, sector, theme or individual project is classified as 'bilateral through multilateral' expenditure.

Classification of Bilateral Aid Types

1.9 The classification of UK bilateral aid types is consistent with DAC reporting standards, and these are set out in the OECD DAC reporting directives.

Sector Expenditure Estimates

1.10 The ODA statistics are classified on a use basis according to DAC sectors (also referred to as purpose codes). UK spends ODA in many different sectors. Details of the sectors used for reporting ODA are found in Annex 12 of the OECD DAC reporting directives.

For each sector code selected, budget holders (those responsible for managing the expenditure) indicate what proportion of the total budget is expected to be spent in or on behalf of that sector.

Imputed Share of Multilateral ODA

1.11 When UK government departments provide core contributions in support of multilateral organisations, it is not possible to directly track UK funding to the recipient country or sector as it is mixed with other stakeholders' core budget funding. However, to provide an indication of the destination and sector of UK aid, the overall proportions of ODA reported by the relevant agencies to OECD DAC are used to impute the UK's contribution.

1.12 This publication uses the breakdown of ODA reported by each multilateral organisation to estimate the amount of UK core contributions spent in each country or sector. Where a multilateral organisation does not report its development assistance to the DAC but the multilateral is only mandated to work in a country, region or sector, ODA statisticians allocate 100% of its core contributions to the relevant country, region or sector. If a multilateral organisation does not report to the DAC but works in multiple sectors and/or countries then 100% of the UK's core contributions to that multilateral are allocated to the category 'non-specific developing country' or 'non-sector allocable'.

1.13 In 2020, the ODA statistics team reviewed the methodology underpinning the UK Imputed Multilateral Share calculation. Following the review, the methodology was updated and improved. The improvements together increased the coverage of the UK IMS estimates: in 2018, around 10% of the UK's core contributions were not covered in the OECD disbursement data: With our new methodology this falls to 6%. For information on the review, please see the explanatory note.

ANNEX 2: GLOSSARY OF AID TERMS

Annex 2 contains terms used to describe the Official Development Assistance (ODA) statistics. Items which are underlined have separate entries elsewhere in the Glossary

Administrative costs: these cover the administrative costs associated with delivering the aid programme. They include UK-based and local staff, consultants, travel, rents and communications

Administrative costs also include the overseas costs of staff in agreed diplomatic posts concerned with full or part-time administration of aid delivery.

The general costs of delivering a programme will be included in programme costs rather than as admin.

Attribution of EU budgetary spending on development:
the UK is attributed a share of the EU's External Assistance Budget based on total UK contributions to the EU. EU attribution fluctuates from year to year in part because the EU works on a seven-year programming cycle and so EU disbursements in a given year can vary. The estimate for the UK's share of development expenditure is based on published data from the European Commission (EC). The figures reported in Statistics on International Development are split between FCDO's and other government departments' (OGDs) share of the budget. Under the Withdrawal Agreement, the UK committed to meet outstanding contributions from the 2014-2020 EU budget beyond 1 January 2021 including for external action, development and humanitarian aid. This means a declining tail of ODA contributions until 2029-2030 and which is part of the wider financial settlement in the Withdrawal Agreement.

Bilateral aid: aid when the recipient country, sector or project is known. Core contributions for specific programmes is also classed as bilateral aid (for example the Global Partnership for Education).

Bilateral Aid delivered through a Multilateral Organisation: funding channeled through a multilateral organisation where the department determines the country, sector or theme that the funds will be spent on. For example, this includes contributions to multi donor trust funds and special appeals managed by multilateral agencies.

Bilateral Aid delivered through an NGO: aid channeled through UK or international Not for Profit Organisations, such as NGOs or Civil Society Organisations (CSOs). It contains both funding for specific projects and core funding i.e. when the extending agency has no control over the sector or recipient country.

British Council (BC): the UK's international organisation for educational opportunities and cultural relations. BC funding goes to support a range of initiatives including building the capacity and quality of English language teaching; supporting education systems; and using cultural exchange to improve economic welfare. UK ODA statistics include the proportion of this work which is focused on delivering economic welfare and development in ODA eligible countries.

British International Investment PLC: (formerly known as CDC Capital Partners PLC) a Government-owned development finance institution (DFI) responsible for investing in the private sector mainly in Africa and Asia (it does so through fund management companies). The conditions under which BII operates mean that its investments must have a clear development objective. This is reported as part of FCDO ODA spend.

Cash basis: a measurement of ODA which is calculated by recording the flows of cash that were granted, or the face value of loans that were lent to developing countries while deducting any repayments on the loans. This “cash basis” method, had been used to produce ODA headline figures until 2019 (reporting on 2018 ODA).

Chevening Scholarships: a programme that funds students in developing countries to study in the UK. Largely funded by the FCDO, the scholarship scheme also receives significant contributions from universities and other private organisations in the UK with which the FCDO have partnership agreements.

Civil Society Organisations (CSOs): Non-governmental organisations, trade unions, and faith and community groups have a long and impressive record of involvement in international development. Official funding to CSOs for development and humanitarian assistance abroad is reported in ODA.

Climate Investment Funds (Formerly the Environmental Transformation Fund): an international fund that supports development and poverty reduction through better environmental management, and helps developing countries respond and adapt to climate change. DESNZ is the lead department for the UK’s ODA contributions to CIFs.

Colonial Pensions: pension payments made to ex-members of the UK Overseas Civil Service who were employed directly by developing country governments. These payments are administered by FCDO but they are not sourced from FCDO Departmental Expenditure Limit (DEL). These payments are reported under ‘Other Source of UK ODA’.

Concessional loan: a loan where the terms are more favourable to the borrower than those currently attached to the commercial market. For ODA the degree of ‘concessionality’ is expressed as its grant element. For more detail on how these are calculated, please see the OECD DAC reporting directives.

Country Specific: spend which can be allocated to a specific recipient country or group of countries (i.e. region). This definition includes funding from all spending departments, regardless of if the department is based in a country or centrally in the UK.

DAC List of Recipients of Official Development Assistance (ODA): a list of developing countries or territories that define the ODA measure for statistical purposes. Aid allocations to these countries are national policy decisions and responsibilities.

Countries are divided into income groups based on Gross National Income (GNI) per capita as reported by the World Bank, with the Least Developed Countries (LDCs), as defined by the United Nations, separately identified. The DAC List is reviewed every three years. Countries that have exceeded the high-income threshold for three consecutive years at the time of the review are deemed graduated and removed from the List.

Debt relief: this includes *Debt cancellation* (sometimes called stock relief) – partial or 100 per cent reduction of amounts outstanding (principal and/or interest); *Debt rescheduling* where payments (interest and/or principal) are delayed or rearranged; *Flow relief* – partial or 100 per cent debt service payments.

Development Assistance Committee (DAC): a forum within the Organisation for Economic Co-operation and Development (OECD) for consultation among 34 members and associates, on how to increase the level and effectiveness of aid flows to all aid recipient countries. The list of members are found here.

The DAC sets the definitions and criteria for aid statistics internationally. Statistical Directives exist to encourage comparability of reporting of resource flows by DAC members.

Equity Investment: A share in the ownership of a corporation that gives the owner of the share a claim on the residual value of the corporation after creditors' claims have been met.

UK Export Finance (UKEF): a ministerial department that provides insurance for exporters against the main risks in selling overseas, and guarantees to banks providing export finance. It also negotiates debt relief arrangements on commercial debt.

Payments by the UKEF to commercial banks, enabling them to maintain internationally agreed interest rates for export credits for trade with aid recipient countries, are known as International Stabilisation Grants. These are included in Other Official Flows (OOF).

Export credits: finance for goods and services to aid recipient countries. Only credits with an initial or extended maturity of over one year are included in total flows of resources. Private export credits are those made available by the private, bank and non-bank, sector. Guaranteed export credits are those parts of private export credits guaranteed by UK Export Finance (UKEF).

General Budget Support
See Poverty Reduction Budget Support

Gift Aid: tax that is reclaimed by UK charities from the HMRC on donations made by UK taxpayers. UK ODA includes an estimate of Gift Aid related to charitable spend on ODA-eligible activities.

Grant Equivalent Measure: the headline measure of ODA used in reporting since 2018. This approach to measuring ODA, was designed to allow loans to be compared more transparently alongside grants and incentivise lending to least developed countries. To understand how the grant equivalent is calculated, please see our technical note.

Gross National Income (GNI): the economic measure used to compare the aid flows of donors for the UN ODA target, and the income levels of DAC listed ODA recipient countries**.** It measures a country's wealth, which consists of Gross Domestic Product, income received from other countries (notably interest and dividends), less similar payments made to other countries.

Guaranteed export credits
See Export credits.

Humanitarian assistance: involving the provision of material aid (including food, shelter and medical care), personnel, and advice in order to: a) save lives, alleviate suffering and maintain human dignity during and in the aftermath of man-made crises and natural disasters; b) reduce the incidence of refugees and internally displaced people ; c) hasten recovery and protect and rebuild livelihoods and communities; d) reduce risks and vulnerability to future crises, including strengthening preparedness measures.

The UK provides funding to certain UN agencies (mainly WFP, UNICEF, OCHA, UNHCR and WHO) for their humanitarian assistance programmes in individual countries – classified as bilateral aid. The UK also gives core funding to these organisations where we do not specify the recipient of the funding; this is classified as multilateral aid.

The UK also channels assistance through Civil Society Organisations, such as the Red Cross, as a means of providing humanitarian assistance to individual countries.

Income groups: a categorisation of countries for ODA (and lending) based on average Gross National Income (GNI) per person. These figures [are reported by the World Bank.]

Input Sector Codes
See Sector

International Climate Fund (ICF) an international fund aimed at reducing poverty by supporting adaptation measures to climate change, low carbon growth, and protection of forests and natural environments. It is jointly managed by FCDO, DESNZ, DEFRA, and DSIT.

Least developed country (LDC): a country that has particularly severe long-term constraints on development, according to per capita GDP and human development indicators. Inclusion on the list of LDCs is defined by the United Nations.

Multilateral aid: core contributions to organisations on the DAC List of Multilateral Organisations. A core contribution is when the extending agency does not specify the recipient or sector of the contribution and funds are transferred into the general budget of a multilateral and are not separately identifiable from other donor's contributions.

Some international bodies conduct activities that benefit both ODA-eligible and non-ODA-eligible countries. The DAC assess the share of activities of these organisations that focus on ODA-eligible countries and express this as a coefficient. When ODA is reported these coefficients are applied to core contributions. For example, when reporting core contributions to UNESCO only 60% is reportable as ODA.

Official Development Assistance (ODA): those flows to developing countries and multilateral institutions provided by official agencies or by their executive agencies, each transaction of which a) is administered with the promotion of the economic development and welfare of developing countries as its main objective; and b) is concessional in character ([See the OECD statistics directives)]

The UN target for ODA (0.7 per cent of GNI), endorsed in 1970 by the UN General Assembly, is expressed in terms of net ODA (i.e. after deduction of loan capital (i.e. principal) repayments) as a percentage of Gross National Income.

Other Bilateral Aid: a term used in the SID that covers earmarked ODA spent through non-multilateral partners, such as Non-Governmental and Civil Society Organisations, research institutions and universities or directly by the government. For example, delivering family planning services across Malawi through an NGO.

Other Official Flows (OOF): flows to developing countries by the official sector which do not meet the criteria for ODA, either because they are not primarily aimed at development, or because they are not sufficiently concessional.

Poverty Reduction Budget Support (usually referred to as 'Budget Support'): financial support to developing country governments that take the form of a general contribution to their overall budgets (general budget support) or support with a more restricted focus (sector budget support).

PRBS is provided to support of a government's policy and budgetary expenditure that has a long-term objective of poverty reduction; and uses national (or sub-national) financial management, procurement and accountability systems, although provided the recipient government's Public Financial Management Administration (PFMA) systems remain the principle means by which fiduciary risk is managed, additional safeguards may be agreed to where necessary;

Promissory notes: a method of funding multilateral organisations where the extending agency 'deposits' funds with the Bank of England. Multilateral organisations then 'encash' these funds as they need them. They include capital subscriptions to the World Bank, the Regional Development Banks, the International Fund for Agricultural Development, the Global Fund to Fight AIDS, TB and Malaria, Global Environment Facility and the Montreal Protocol. Promissory note deposits are reported, consistent with OECD reporting standards. This funding method is reported as Multilateral aid in Statistics on International Development.

Regional Development Banks: banks which serve regions, for example the African Development Bank or the European Bank for Reconstruction and Development, and are part of the multilateral system.

Resource accounting: is an accrual-based approach to Government accounting that adopts a commercial style of preparation in line with generally accepted accounting practice. Accruals accounting is a method of recording expenditure as it is incurred, not when it is paid out, and income as it is earned, not when it is received.

Sector: areas of economic, social or humanitarian activity that aid is intended to support. See section 1.9 for sector types.

Sector Budget Support
See Poverty Reduction Budget Support

Technical Assistance: the provision of know-how in the form of personnel, training, research and associated costs. (see the DAC directives for the different types of aid used for statistical purposes)

UK Integrated Security Fund, UKISF (Formerly the Conflict, Stability and Security Fund, CSSF): a pooled cross-government 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 budget for countries at risk of instability, some of which can be classed as ODA.

ANNEX 3: DATA QUALITY AND PROCESSING OF THE FOREIGN, COMMONWEALTH AND DEVELOPMENT OFFICE'S NATIONAL STATISTICS

Annex 3 sets out the quality assurance procedures applied to the data used for compiling statistics on UK Official Development Assistance (ODA).

3.1 On the 2nd September 2020, the Department for International Development (DFID) and Foreign and Commonwealth Office (FCO) merged to form a new department - the Foreign, Commonwealth and Development Office (FCDO). Comparisons in the Final SID report to historic FCDO figures are based on the sum total of former DFID and former FCO spend.

Introduction

3.2 The basic building block of UK ODA statistics is activity (project) data recorded by spending teams in FCDO country posts and central departments, and by other UK official agencies. The ODA activity data includes: a project or programme description; the agency extending the funds; the country, region or organisation receiving the funds; the purpose and sector that the activity is designed to assist, and the official expenditure or income[3] for the activity.

3.3 Former DFID and former FCO collected this information through their financial management systems, 'ARIES' and 'PRISM'. During 2022, FCDO launched a new finance and HR system 'Hera' to serve the merged department. 2023 was the first full year that all FCDO ODA data was extracted from the Hera system, following a partial extract in 2022. Other Government Departments (OGDs) use similar administrative systems for their data. In compiling UK ODA statistics, the OGD data is combined with FCDO data.

3.4 In terms of volume of spend, FCDO's data underpin about 69 per cent of total UK ODA; OGDs' data and other sources comprise the remaining share.

3.5 A central team of statisticians in the FCDO compile annual UK ODA statistics and make these available in advance of the OECD DAC statistical releases, in a series of Accredited Official Statistics publications:

- Statistics on International Development: Provisional UK ODA spend (published in the spring), which includes a provisional estimate of the UK ODA:GNI ratio based on preliminary ODA data;
- Statistics on International Development: Final ODA aid spend (published in the autumn), which confirms the UK's final ODA:GNI ratio and includes more detailed disaggregated ODA statistics, including by region, country and sector.

3.6 ODA statisticians work with spending teams to ensure Hera and OGD data comply and are consistent with the international definitions and classifications for

[3] These include loan repayments, and recoverable grant funding due to for example early closure of projects.

reporting on ODA. The definitions and classifications are specified in the [OECD DAC Statistical Reporting Directives](#).

3.7 The commitment to spend 0.7 per cent of the UK's GNI on ODA was placed in law[4] in 2015. It makes provision for the UK to spend 0.7 per cent of GNI on ODA in 2015, and each year after 2015. Following economic and fiscal circumstances caused by the Coronavirus (COVID-19) pandemic, the UK government announced[5] a temporary reduction in ODA spend in 2021 to spend 0.5 per cent of GNI on ODA. In February 2025, the UK government took the decision to reduce ODA spending to the equivalent of 0.3 per cent of GNI by 2027 to fund an increase in defence spending[6] and has stated its commitment to restoring ODA spending to the level of 0.7 per cent of GNI as soon as fiscal circumstances allow. Statistics on International Development reports the annual ODA:GNI ratio.

3.8 UK aid data is published through the Development Tracker available on GOV.UK[7]. FCDO project data, as well as other government departments' data, is also made available according to the International Aid Transparency Initiative (IATI) standards.

3.9 The Independent Commission for Aid Impact (ICAI) and the National Audit Office provide independent scrutiny and assurance to Parliament of FCDO's work, including comment on UK ODA statistics[8] and the data that underpin the statistics[9].

3.10 Annex 3 is laid out in two sections, covering:

- **Data quality and processing arrangements** carried out to compile the Accredited Official Statistics. This follows the four areas of good practice suggested by the UK Statistics Authority for quality assurance of administrative data sources used in official statistics[10]: operational context and administrative data collection; communication with data supply partners; quality assurance (QA) principles, standards and checks by data suppliers, and produces QA investigations and documentation.

- **An assessment of assurance** of the quality of the administrative data sources used and processes undertaken. This is based on the level of public interest in the Accredited Official Statistics and level of documentation and assurance to keep users informed.

Data quality and processing arrangements

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[4] http://www.legislation.gov.uk/ukpga/2015/12/pdfs/ukpga_20150012_en.pdf
[5] Official Development Assistance: Foreign Secretary's statement, November 2020 - GOV.UK (www.gov.uk)
[6] https://www.gov.uk/government/speeches/prime-ministers-oral-statement-to-the-house-of-commons-25-february-2025
[7] Development Tracker (fcdo.gov.uk)
[8] Independent Commission for Aid Impact
[9] The UKs Comptroller and Auditor General (C&AG) annually audits FCDO's financial statements at 31 March in line with the Government Resources and Accounts Act 2000. The C&AG published the conclusions of his 2025/26 audit within the Certificate and Report shown on page 147 of FCDO's annual report and accounts.
[10] https://osr.statisticsauthority.gov.uk/accredited-official-statistics/

3.11 This section describes the operational context, communication with spending teams, quality assurance carried out by spending teams and quality assurance carried out by the statisticians compiling ODA statistics.

Operational context and data collection

FCDO's financial management systems are used for different operational purposes, for example:

- Managing, monitoring and evaluating FCDO's ODA projects
- providing Management Information (MI) for planning and performance
- providing transparency information for publishing on the Open Government website and through IATI and the Development Tracker
- providing financial data for deriving accounting and statistical information. For example, they provide the source data of FCDO's Resource Accounts and ODA statistics

3.12 Spending teams entering project data onto the system follow a process set out in FCDO's Programme Operating Framework which begins with the approval of a business case for project funds and ends with a mandatory review of the project following completion. The rules also include guidance on financial management, transparency of data and assurance checks applied to data through internal audit procedures, which help to ensure data quality.

Quality Assurance standards and checks by spending teams

3.13 Project and financial data entered into financial management systems are subject to supervisory checks by line management, confirming they have reviewed the information entered on the system. The financial data entered should be signed off by a quality assurer and a senior responsible owner before being posted to the system. As the input data are published on the open government website and via the Development tracker, they are also reviewed for completeness, accuracy and accessibility – i.e. the checking will look at the accuracy and clarity of the project description, sector and financial information to ensure that they meet international transparency standards.[11]

3.14 In some cases where programme information could pose a security risk, certain details will be withheld from publication. For example, supplier information.

3.15 The financial transaction and project data are also subject to challenge through an internal assurance process, led by the internal audit team twice a year (autumn and spring). Spending teams are requested to complete statements of assurance to confirm they have received audited statements for project spend; funds have been paid to intended recipient and used for the agreed purposes, and payments have not been made in advance of need. These statements of assurance, which are prepared by the spending team's financial accountant/manager and signed off by the head of the spending team, provide a level of assurance that the spending in financial management systems is accounted for.

3.16 Some spending teams in FCDO have statisticians within them and, through their understanding of ODA statistics and the reporting requirements, they help

[11] FCDO's data complies with the International Aid Transparency Initiative (IATI) standards for open publishing of information on aid activities (see [IATI Standard - iatistandard.org](https://iatistandard.org)).

improve the quality of the input data on site. However, the data within Hera are subject to input error from spending teams. The risk of error is considered to be relatively low for data by country, region and project spend; and relatively higher for disaggregated data by sector (where there are around 400 statistical codes to choose from and there is sometimes ambiguity about the right code, especially for projects that cut across several sectors) and by funding channel. To minimise these kinds of input errors ODA statisticians carry out further checks centrally on the data.

Quality assurance Investigations and Documentation by FCDO statisticians and OECD DAC

3.17 The overall approach taken by the ODA statisticians to perform quality assurance of the data involve the following:

- In-depth review exercises
- Data investigations (to improve the quality of MI data)
- Analytical checks for internal data consistency
- Trend and coverage analysis
- Basic rule checks on OGD supplied data
- External validation of the data by OECD DAC

In-depth review exercises

3.18 ODA statisticians carry out periodic in-depth review exercises, which will look at the quality processes and procedures of several areas of the accredited official statistics.

3.19 In 2017, the ODA statisticians reviewed specific items of the statistics such as the quality of the UK imputed multilateral share, ODA estimates derived from OECD DAC databases, and the impact of the introduction of multiple sector codes per activity on the sectoral ODA statistics. In 2018, the statistics team reviewed and updated the way in which Gift Aid spent on ODA eligible activities and updates were made in 2025 to ensure this methodology accurately reflected current use of Gift Aid for ODA activities. In 2018, the statistics team also reviewed the way in which FCO's front-line diplomatic activity administration costs were estimated, and looked again at the methodology for calculating ODA eligible in-donor refugee costs considering further OECD DAC guidance on this area of spend.

3.20 In 2017, the DAC agreed clarifications to the reporting directives on In Donor Refugee Costs to improve consistency, comparability and transparency. Following this, the ODA statisticians conducted a statistical review of the UK's ODA reporting in this area of spend. The team implemented the findings in ODA 2018 costs to align with the clarifications agreed by the DAC. A further methodology review on in-donor refugee costs was conducted in 2023 following the increase in asylum seeker spend, the introduction of the Afghanistan resettlement scheme and the introduction of the Ukraine Schemes.

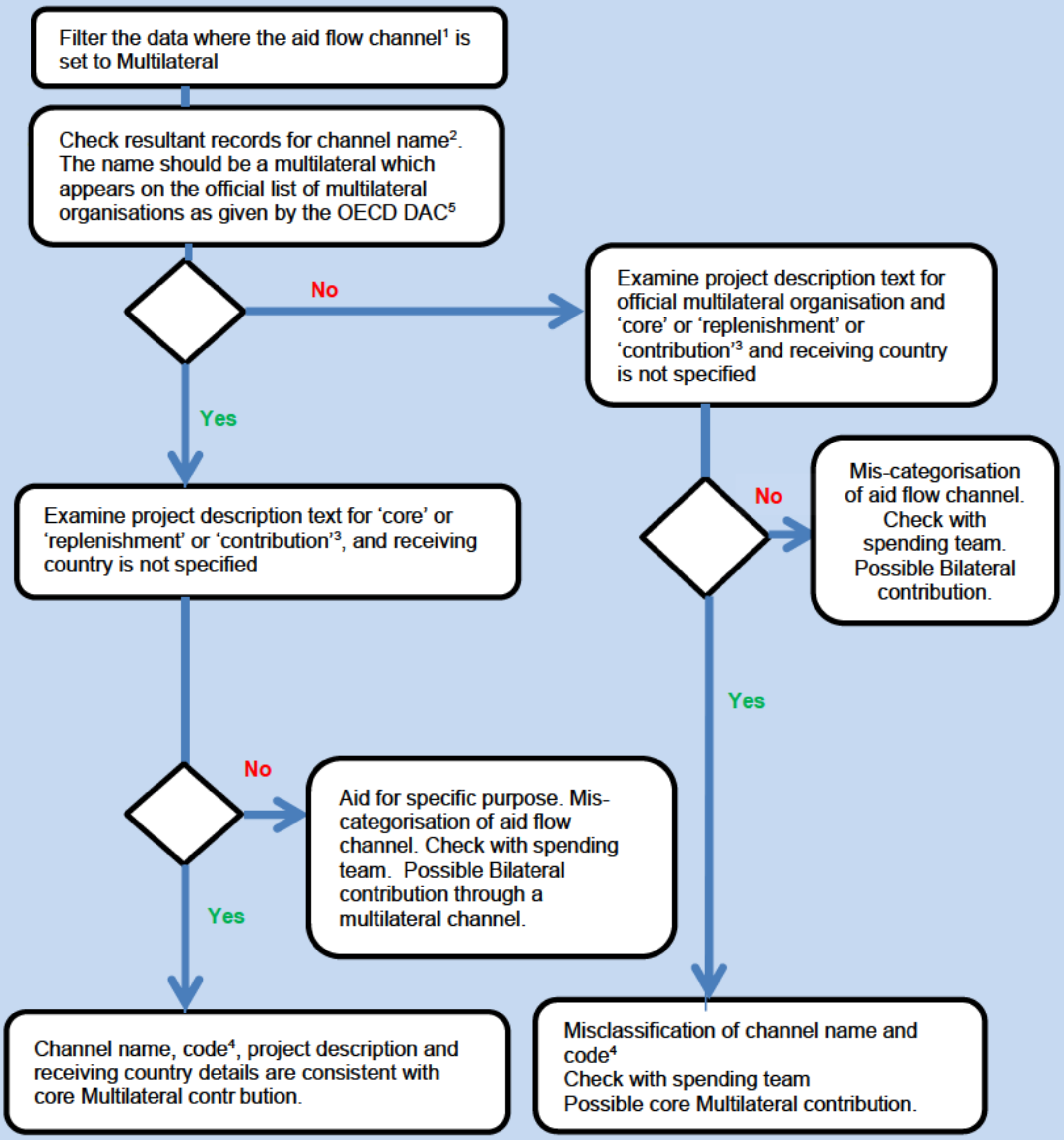
Data investigations (to improve the quality of MI)

3.21 Through the continued development of the Aid Management Platform (AMP), responding to errors found by end users of the data for MI and data inconsistencies should be found before they are published. One dedicated team of such end users have been working with spending teams to clean live data used for MI and other reporting purposes, such as the ODA statistics and the Development Tracker. For example, in 2018 the ODA statisticians looked at the supplier information used to derive categories of delivery partner in the ODA statistics, and this resulted in the cleaning of over 1,100 project lines with more precise delivery partner information. This cleaned data fed into the final ODA spending statistics for calendar year 2017 in Statistics on International Development.

Analytical checks for internal data consistency

3.22 The ODA statisticians have developed analytical checks, which have been documented, to validate the data. The checks examine the internal consistency of the data based on the input information. An example of the validation performed is shown as a flow diagram in Box 1 below. This example looks at the consistency of the information for core multilateral funding. It shows the data are judged to be assigned correctly to the multilateral funding channel only when the name of the organisation and associated code, project and country descriptions comply with the definition of core multilateral funding, otherwise the data are returned to the spending team for checking. Similar analytical checks are also performed on other funding channel codes.

Box 1: Example of the validation process for core multilateral funding



1. Aid Flow Channel is Bilateral, Multilateral, and Bilateral, core contributions to NGOs and other private bodies/PPPs.
2. Channel of delivery name is a term used to describe the Bilateral or multilateral implementing agency (e.g. UN agency, NGO).
3. Other phrases such as 'shares' or 'promissory note' may also signify core funding.
4. Channel code is a 5 digit code associated with the implementing agency, used for statistical reporting purposes.
5. See https://one.oecd.org/document/DCD/DAC(2026)14/FINAL/en/pdf for more details on statistical codes used.
6. Note: A similar process is followed to check for errors where the data are restricted to the Bilateral channel.

Trend and coverage analysis

3.23 ODA statisticians carry out trend and coverage analysis during data processing, looking at annual percentage changes of spend with the back series to judge if data is out of kilter with historical trends and checking that the large spending projects have been correctly included in the data set. Results of this check have shown some incorrect coding of spend between bilateral and multilateral funding channels and among extending agencies. These errors have been corrected during processing.

Basic rule checks on Other Government Department supplied data

3.24 Data commissions sent out to Other Government Departments (OGDs) include detailed guidance on definitions and methods to meet Accredited Official Statistics Standards. The commission also contains data checking rules and checks that helps solve the simpler errors before the commission return reaches the ODA statisticians.

3.25 The team provides support to help build ODA capability in other government departments. ODA statisticians offer support and advice throughout the year across government on ODA eligibility and reporting in line with the OECD DAC rules. This support involves hosting an ODA reporting workshop for Other Government Departments prior to each biannual commission. As part of these events there are teach-ins on ODA eligibility and interactive data sessions that showcase common errors. Additional support is provided when new schemes are introduced, or a new department begins spending ODA.

3.26 Data from other government departments have several validation checks carried out by ODA statisticians to ensure information is captured in a consistent format – i.e., some fields (sector, aid flow channel, expenditure) are mandatory and have OECD DAC values/categories within specific given ranges. Project titles and descriptions are also subject to eligibility checks and used to quality assure some fields such as recipient country and type of aid.

3.27 Any errors found are fed back to the spending teams within OGDs for further investigation.

External validation of the data by OECD DAC

3.28 ODA statisticians submit a return to the DAC prior to the releases of the accredited official statistics, who then carry out further external quality assurance checks on UK ODA data and that of other OECD DAC statistics providers. For example, the DAC secretariat assesses the quality of the UK's ODA data by verifying its coverage (completeness) and its conformity of reporting with definitions (so as to ensure the comparability of data with other donors). Any discrepancies in the data are reported back to the ODA statisticians, who then do further investigations and make corrections as necessary.

Producing statistical outputs

3.29 Once the data are cleaned and checked, ODA statisticians compile ODA statistics, in line with OECD DAC rules. The main statistical tables in SID are produced using R code, which enables a complete audit of the processing steps from inputting data sources through to statistical outputs. Using R scripts avoids the risks of errors associated with carrying out calculations and processing using spreadsheets. The R code also enables clearer validation and audit of the statistical outputs internally than would be the case with spreadsheet processing.

Estimates of Gross National Income (ONS)

3.30 Estimates of GNI used in the calculation of the ODA/GNI ratio are supplied by the Office for National Statistics. The strength of the GNI measure is it is produced according to international standards for compiling National Accounts[12] and has been adopted by the OECD as the standard measure for comparing aid across countries. GNI estimates are subject to the ONS quality assurance and revision processes as described here.

An assessment of assurance of the administrative data used

3.31 The following section uses the approach in line with the UKSA's Standard for the Quality Assurance of Administrative Data to assure the quality of the administrative data and the processes used in deriving our Accredited Official Statistics. The approach considers the public interest in our Accredited Official Statistics (low, medium and high) and then the level of assurance and documentation needed to keep users informed about the quality assurance arrangements in place for the administrative data from which the statistics are sourced. There are four levels of assurance, where the need for investigation and documentation increases with each:

- A0: No assurance – the operational context and administrative data collection not investigated, managed or documented
- A1: Basic assurance – the statistical producer has reviewed and published a summary of the administrative data QA arrangements
- A2: Enhanced assurance – the statistical producer has evaluated the administrative data QA arrangements and published a fuller description of the assurance
- A3: Comprehensive assurance – the statistical producer has investigated the administrative data QA arrangements, identified the results of independent audit, and published detailed documentation about the assurance and audit

Level of data quality concerns

3.32 Our assessment of the level of assurance required for Hera data and data from OGDs is based on current arrangements for quality assurance carried out by the data collectors (the spending teams), the quality of the input data, the quality assurance arrangements and processes carried out centrally in the ODA statistics team and by the OECD DAC, and how investigation, management and communication of the data is handled between the stakeholders involved. Paragraphs 3.11-3.29 describe these arrangements.

3.33 The key strength of the ODA statistics is it is mainly sourced from FCDO's financial management systems. There is no sampling error involved as a 100% extract of the database is taken to produce the statistical outputs. All the relevant variables needed to produce the statistical outputs are contained in these systems which are

[12] See https://www.ons.gov.uk/economy/nationalaccounts for more information.

underpinned by well-established operational rules, understood by staff, for quality assuring financial transaction and project level data. The financial data is assured by spending teams through an internal audit process and is also used to produce FCDO's Resource Accounts which is independently audited by the National Audit Office.

3.34 The ODA statistics team has strong links to the teams who lead on any changes needed to Hera or it's Aid Management Platform (AMP) interface. The team will be approached to discuss the implications (if any) on ODA reporting. There are reminders in AMP that make sure that those who input programme data are aware which fields are used for ODA reporting and are reminded of the importance of good quality data.

3.35 The data are subject, however, to input error (particularly at a disaggregated sector and funding channel level), and ODA statisticians carry out a number of quality control activities to minimise the risk of errors entering the statistical outputs, described in paragraphs 3.17-3.27. This work has revealed the need to continually assess the quality of the data during processing and do more to help spending teams enter correct data first time, particularly in the context of the new system. It has also highlighted the need to document the checks used by the ODA statistics team and communicate these to spending teams.

3.36 An increasing share of UK ODA spend comes from OGDs, so FCDO provides support and guidance on technical ODA requirements. FCDO statisticians also work with spending teams in OGDs to discuss the ODA-eligibility of their spend and the quality of the data for compiling ODA statistics. The quality and assurance process and support for OGDs is set out in paragraphs 3.24-3.27.

3.37 Timeliness of Other Government Departments' data is key to successfully delivering the "Statistics on International Development" publications. Contributors are aware early of our deadlines from the OECD, we build in sufficient time to allow ourselves to quality assure the OGD data. Some Departments have streamlined the data entry by setting up a database query to output variables that match the DAC definitions.

3.38 We judge the level of risk of data quality concerns as low risk. Therefore, we have provided a basic/enhanced level of assurance in these annexes based on the current arrangements but will continue to assess the risk of quality issues.

Public interest profile

3.39 As mentioned in the introduction (paragraph 3.7), the UK introduced legislation in 2015 which commits the UK Government to investing 0.7 per cent of GNI on ODA in 2015, and years after 2015. The United Nations General Assembly agreed on an international target of 0.7 per cent for the ODA:GNI ratio in 1970. In 2013, the UK achieved the ODA/GNI ratio target of 0.7 per cent for the first time, following a commitment by the UK Government to increase ODA to 0.7 per cent of GNI by 2013 in the 2010 Spending Review. Following economic and fiscal circumstances caused by the Coronavirus (COVID-19) pandemic, the UK government announced a temporary reduction in ODA spend in 2021 to spend 0.5 per cent of GNI on ODA. In February 2025, the UK government took the decision to reduce ODA spending to the equivalent of 0.3 per cent of GNI by 2027 to fund an increase in defence spending and has stated its commitment to restoring ODA spending to the level of 0.7 per cent of GNI as soon as fiscal circumstances allow. Statistics on International Development reports on the annual ODA:GNI ratio.

3.40 We assess public interest profile of the statistics in the "Statistics on International Development" publications and the ODA:GNI ratio as medium/high. The basis for the assessment is driven by the link to ODA spending legislation which means the statistics are politically sensitive. However, as there is medium media coverage and the statistics are not economically important or market sensitive, the assessment medium/high profile is more appropriate than high profile. Furthermore, there is lower interest for the detailed disaggregated spending data - as much of this information is accessible through the open government website and the DevTracker portal.

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