

2. Development Co-operation Directorate (DCD)

The work of the DAC is supported by the Development Co-operation Directorate (DCD), one of the twelve substantive directorates in the OECD. The role of the DCD is to assist Members with policy formulation, policy co-ordination and information systems for development. In so doing, it supports the work of both the DAC and of the OECD as a whole. However, so close is the relationship with the Committee it serves that DCD is generally identified with the DAC itself.

The Office of the Director oversees the work of approximately 40 professionals, plus support staff in the following areas:

- The **Peer Review and Policy Monitoring Division**, which monitors the aid programmes of individual Members, as well as non-DAC donors, and manages the aid review process.

- The **Resource Mobilisation and Private Sector Development Division**, which deals with the development finance agenda and monitors all resource flows to developing countries, including export credits, bank lending, and direct investment, also seeks to establish codes of practice in such areas as tied aid and the mixing of aid with commercial credits.

- The **Strategic Management of Development Co-operation Division**, which covers a wide range of policy issues and sectoral strategies, including population, education, environment, health, technical co-operation, participatory development and good governance, conflict prevention, gender, and measures (notably evaluation) to improve the effectiveness of development co-operation.

- The **Reporting Systems Division**, which compiles statistics on aggregate flows of aid and other resources, including their type, terms, sectoral breakdown, and geographical distribution among developing countries.

- The **Partnerships in Statistics for Development in the 21st Century (PARIS21)** Secretariat for the PARIS21 Consortium was established in 1999 to boost statistical capabilities, especially in poor countries. Its founding organisers are the UN, OECD, World Bank, IMF and the EC. PARIS21.

The Directorate maintains close working relations with other bodies in the OECD which also deal with development issues. These include:

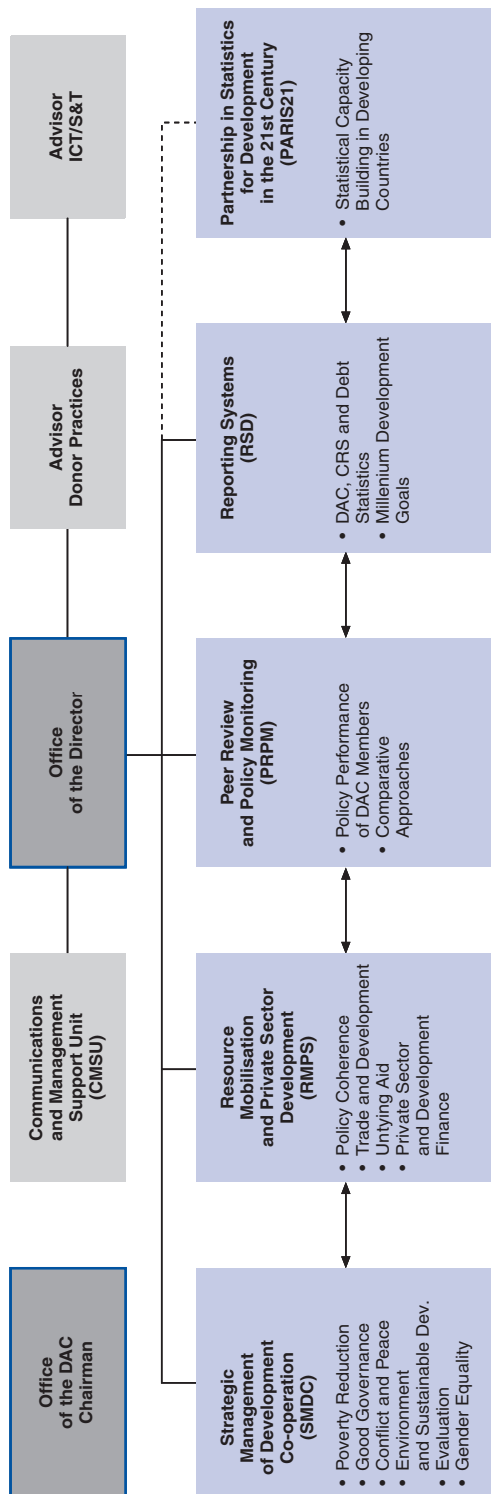
- The Development Centre, a focal point in the OECD for research on development.

- The Sahel and West Africa Club, a forum for facilitating links between North and South and between private and public sectors.

- The Centre for Co-operation with Non-Members, which fosters dialogue with transition and emerging market economies and some developing countries.

DCD also works closely with other OECD Directorates on issues of common interest, such as trade, the environment and corruption in international transactions. Linkages between OECD and developing countries and their implications for development is an ongoing, active pursuit of the Organisation as a whole.

Structure of the Development Co-operation Directorate



Staff of the Development Co-operation Directorate

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 Richard CAREY, Deputy Director
 Wendy STOKLE, Assistant to the Director
 Kerry BURNS, Assistant to the Deputy Director
 Co-ordinator, Development Co-operation Report

Advisors to the Director's Office

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 Ichiro TAMBO, Advisor, Science and Technology (seconded)
 Information & Communication Technologies, and Science & Technology
 Simon MIZRAHI, Administrator, Donor Practices
 Rebecca EDWARDS, Assistant, Donor Practices
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 Susana GARCIA-LORENZO, Assistant, Publications and Communications
 John NOONAN, Assistant, Meetings and Documents
 Claudine WASTL, Assistant, Documents
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Good Governance, Capacity Development and Conflict Prevention

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 Monique BERGERON, Administrator, Governance
 Francesca COOK, Administrator, Conflict Prevention
 Lisa WILLIAMS, Administrator, Conflict Prevention
 Marcia BYSTROM, Assistant

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 Monique BERGERON, Administrator
 Carola MIRAS, Assistant

Poverty and Social Development

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 Stéphanie BAILE, Principal Administrator
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 Julie SEIF, Assistant

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Policy Coherence/Untying Aid

Franciscus LAMMERSEN, Principal Administrator

Policy Coherence/Trade Capacity Building

Ebba DOHLMAN, Administrator

Statistical Analysis and OLIS Moderator

Ann GORDON, Principal Statistical Assistant

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Creditor Reporting System

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Julia BENN, Administrator
Valérie GAVEAU, Assistant, Applications/Publications
Virginia BRAUNSTEIN, Statistical Assistant
Cécile SANGARE, Assistant

External Debt Statistics

Deborah GUZ, Administrator CRS/Private Flows
Jean KERTUDO, Consultant
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Florence MAUCLERT, Statistical Assistant

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Glossary of Key Terms and Concepts

(Cross-references are given in CAPITALS)

AID: The words “aid” and “assistance” in this publication refer only to flows which qualify as OFFICIAL DEVELOPMENT ASSISTANCE (ODA) or OFFICIAL AID (OA).

AMORTIZATION: Repayments of principal on a loan. Does not include interest payments.

ASSOCIATED FINANCING: The combination of Official Development Assistance, whether grants or loans, with any other funding to form finance packages. Associated Financing packages are subject to the same criteria of concessionality, developmental relevance and recipient country eligibility as TIED AID CREDITS.

BILATERAL: See TOTAL RECEIPTS.

CLAIM: The entitlement of a creditor to repayment of a LOAN; by extension, the loan itself or the outstanding amount thereof.

COMMITMENT: A firm obligation, expressed in writing and backed by the necessary funds, undertaken by an official donor to provide specified assistance to a recipient country or a multilateral organisation. Bilateral commitments are recorded in the full amount of expected transfer, irrespective of the time required for the completion of disbursements. Commitments to multilateral organisations are reported as the sum of *i*) any disbursements in the year in question which have not previously been notified as commitments and *ii*) expected disbursements in the following year.

CONCESSIONALITY LEVEL: A measure of the “softness” of a credit reflecting the benefit to the borrower compared to a loan at market rate (*cf.* GRANT ELEMENT). Technically, it is calculated as the difference between the nominal value of a TIED AID CREDIT and the present value of the debt service as of the date of disbursement, calculated at a discount rate applicable to the currency of the transaction and expressed as a percentage of the nominal value.

DAC (DEVELOPMENT ASSISTANCE COMMITTEE): The Committee of the OECD which deals with development co-operation matters. A description of its aims and a list of its Members are given at the front of this volume.

DAC LIST: See RECIPIENT COUNTRIES AND TERRITORIES.

DEBT REORGANISATION (also: RESTRUCTURING): Any action officially agreed between creditor and debtor that alters the terms previously established for repayment. This may include **forgiveness** (extinction of the loan), or **rescheduling** which can be implemented either by revising the repayment schedule or extending a new **refinancing** loan. See also “Notes on Definitions and Measurement” below.

DISBURSEMENT: The release of funds to, or the purchase of goods or services for a recipient; by extension, the amount thus spent. Disbursements record the actual international transfer of financial resources, or of goods or services valued at the cost to the donor. In the case of

activities carried out in donor countries, such as training, administration or public awareness programmes, disbursement is taken to have occurred when the funds have been transferred to the service provider or the recipient. They may be recorded **gross** (the total amount disbursed over a given accounting period) or **net** (the gross amount less any repayments of loan principal or recoveries on grants received during the same period).

EXPORT CREDITS: Loans for the purpose of trade and which are not represented by a negotiable instrument. They may be extended by the official or the private sector. If extended by the private sector, they may be supported by official guarantees.

GRACE PERIOD: See GRANT ELEMENT.

GRANTS: Transfers made in cash, goods or services for which no repayment is required.

GRANT ELEMENT: Reflects the **financial terms** of a commitment: interest rate, MATURITY and grace period (interval to first repayment of capital). It measures the concessionality of a loan, expressed as the percentage by which the present value of the expected stream of repayments falls short of the repayments that would have been generated at a given reference rate of interest. The reference rate is 10% in DAC statistics. This rate was selected as a proxy for the marginal efficiency of domestic investment, *i.e.* an indication of the opportunity cost to the donor of making the funds available. Thus, the grant element is nil for a loan carrying an interest rate of 10%; it is 100% for a grant; and it lies between these two limits for a loan at less than 10% interest. If the face value of a loan is multiplied by its grant element, the result is referred to

as the **grant equivalent** of that loan (*cf.* CONCESSIONALITY LEVEL). (Note: the grant element concept is not applied to the non-concessional (“hard window”) operations of the multilateral development banks.)

GRANT-LIKE FLOW: A transaction in which the donor country retains formal title to repayment but has expressed its intention in the commitment to hold the proceeds of repayment in the borrowing country for the benefit of that country.

LOANS: Transfers for which repayment is required. Only loans with maturities of over one year are included in DAC statistics. Data on net loans include deductions for repayments of principal (but not payment of interest) on earlier loans. This means that when a loan has been fully repaid, its effect on total net flows over the life of the loan is zero.

LONG-TERM: Used of loans with an original or extended maturity of more than one year.

MATURITY: The date at which the final repayment of a loan is due; by extension, the duration of the loan.

MULTILATERAL AGENCIES: In DAC statistics, those international institutions with governmental membership which conduct all or a significant part of their activities in favour of development and aid recipient countries. They include multilateral development banks (*e.g.* World Bank, regional development banks), United Nations agencies, and regional groupings (*e.g.* certain European Community and Arab agencies). A contribution by a DAC Member to such an agency is deemed to be multilateral if it is pooled with other contributions and disbursed at the discretion of the agency. Unless otherwise indicated,

capital subscriptions to multilateral development banks are presented on a **deposit** basis, *i.e.* in the amount and as at the date of lodgement of the relevant letter of credit or other negotiable instrument. Limited data are available on an encashment basis, *i.e.* at the date and in the amount of each drawing made by the agency on letters or other instruments.

NET FLOW: The total amount disbursed over a given accounting period, less repayments of loan principal during the same period, no account being taken of interest.

NET TRANSFER: In DAC statistics, net flow minus payments of interest.

OFFICIAL AID: Flows which meet the conditions of eligibility for inclusion in OFFICIAL DEVELOPMENT ASSISTANCE, except that the recipients are on Part II of the DAC List of Aid Recipients (see RECIPIENT COUNTRIES AND TERRITORIES).

OFFICIAL DEVELOPMENT ASSISTANCE: Grants or loans to countries and territories on Part I of the DAC List of Aid Recipients (developing countries) which are:

- Undertaken by the official sector.
- With promotion of economic development and welfare as the main objective.
- At concessional financial terms (if a loan, having a GRANT ELEMENT of at least 25%).

In addition to financial flows, TECHNICAL CO-OPERATION is included in aid. Grants, loans and credits for military purposes are excluded. For the treatment of the forgiveness of loans originally extended for military purposes, see "Notes on Definitions and Measurement" below.

OFFICIAL DEVELOPMENT FINANCE (ODF): Used in measuring the inflow of resources to recipient countries: includes *a)* bilateral ODA, *b)* grants and concessional and non-concessional development lending by multilateral financial institutions, and *c)* those Other Official Flows which are considered developmental (including refinancing loans) but which have too low a GRANT ELEMENT to qualify as ODA.

OFFSHORE BANKING CENTRES: Countries or territories whose financial institutions deal primarily with non-residents.

OTHER OFFICIAL FLOWS (OOF): Transactions by the official sector with countries on the List of Aid Recipients which do not meet the conditions for eligibility as Official Development Assistance or Official Aid, either because they are not primarily aimed at development, or because they have a grant element of less than 25%.

PARTIALLY UNTIED AID: Official Development Assistance (or Official Aid) for which the associated goods and services must be procured in the donor country or among a restricted group of other countries, which must however include substantially all recipient countries. Partially untied aid is subject to the same disciplines as TIED AID CREDITS and ASSOCIATED FINANCING.

PRIVATE FLOWS: Consist of flows at market terms financed out of private sector resources (*i.e.* changes in holdings of private long-term assets held by residents of the reporting country) and private grants (*i.e.* grants by **non-governmental organisations**, net of subsidies received from the official sector). In presentations focusing on the receipts of recipient

countries, flows at market terms are shown as follows:

- **Direct investment:** Investment made to acquire or add to a lasting interest in an enterprise in a country on the DAC List of Aid Recipients (see RECIPIENT COUNTRIES AND TERRITORIES). “Lasting interest” implies a long-term relationship where the direct investor has a significant influence on the management of the enterprise, reflected by ownership of at least 10% of the shares, or equivalent voting power or other means of control. In practice it is recorded as the change in the net worth of a subsidiary in a recipient country to the parent company, as shown in the books of the latter.

- **International bank lending:** Net lending to countries on the List of Aid Recipients by commercial banks in the Bank of International Settlements reporting area, *i.e.* most OECD countries and most offshore financial centres (Bahamas, Bahrain, Cayman Islands, Hong Kong, Netherlands Antilles and Singapore), net of lending to banks in the same offshore financial centres. Loans from central monetary authorities are excluded. Guaranteed bank loans and bonds are included under OTHER PRIVATE or BOND LENDING (see below) in these presentations.

- **Bond lending:** Net completed international bonds issued by countries on the DAC List of Aid Recipients.

- **Other private:** Mainly reported holdings of equities issued by firms in aid recipient countries.

In data presentations which focus on the outflow of funds from donors, private flows other than direct investment are restricted to credits with a maturity of greater than one year and are usually divided into:

- **Private export credits:** See EXPORT CREDITS.

- **Securities of multilateral agencies:** This covers the transactions of the private non-bank and bank sector in bonds, debentures, etc., issued by multilateral institutions.

- **Bilateral portfolio investment and other:** Includes bank lending and the purchase of shares, bonds and real estate.

RECIPIENT COUNTRIES AND TERRITORIES: The DAC List of Aid Recipients used to compile the statistics in this volume is shown separately at the end of this publication. Some details about recent changes in the List are given in the “Notes on Definitions and Measurement” below. From 1 January 2000, Part I of the List is presented in the following categories (the word “countries” includes territories):

- **LLDCs:** Least Developed Countries. Group established by the United Nations. To be classified as an LLDC, countries must fall below thresholds established for income, economic diversification and social development. The DAC List is updated immediately to reflect any change in the LLDC group.

- **Other LICs:** Other Low-Income Countries. Includes all non-LLDC countries with per capita GNP \$760 or less in 1998 (World Bank Atlas basis).

- **LMICs:** Lower Middle-Income Countries, *i.e.* with GNP per capita (Atlas basis) between \$761 and \$3 030 in 1998. LLDCs which are also LMICs are only shown as LLDCs – not as LMICs.

- **UMICs:** Upper Middle-Income Countries, *i.e.* with GNP per capita (Atlas basis) between \$3 031 and \$9 360 in 1998.

• **HICs:** High-Income Countries, *i.e.* with GNP per capita (Atlas basis) more than \$9 360 in 1998.

Part II of the List comprises “Countries in Transition”. These comprise *i*) more advanced Central and Eastern European Countries and New Independent States of the former Soviet Union; and *ii*) more advanced developing countries. See also OFFICIAL AID.

SHORT-TERM: Used of loans with a maturity of one year or less.

TECHNICAL CO-OPERATION: Includes both *a*) grants to nationals of aid recipient countries receiving education or training at home or abroad, and *b*) payments to consultants, advisers and similar personnel as well as teachers and administrators serving in recipient countries (including the cost of associated equipment). Assistance of this kind provided specifically to facilitate the implementation of a capital project is included indistinguishably among bilateral project and programme expenditures, and is omitted from technical co-operation in statistics of aggregate flows.

TIED AID CREDITS: Official or officially supported LOANS, credits or ASSOCIATED FINANCING packages where procurement of the goods or services involved is limited to the donor country or to a group of countries which does not include substantially all aid recipient countries. Tied aid credits are subject to certain disciplines concerning their concessionality levels, the countries to which they may be directed, and their developmental relevance so as to avoid using aid funds on projects that would be commercially viable with market finance, and to ensure that recipient countries receive good value. Details are given in the Development Co-operation Reports for 1987 (pp. 177-181) and 1992 (pp. 10-11).

TOTAL RECEIPTS: The inflow of resources to aid recipient countries (see Table 1 of the Statistical Annex) includes, in addition to ODF, official and private EXPORT CREDITS, and long and short-term private transactions (see PRIVATE FLOWS). Total receipts are measured net of amortization payments and repatriation of capital by private investors. **Bilateral** flows are provided directly by a donor country to an aid recipient country. **Multilateral** flows are channelled *via* an international organisation active in development (*e.g.* World Bank, UNDP). In tables showing total receipts of recipient countries, the outflows of multilateral agencies to those countries is shown, not the contributions which the agencies received from donors.

UNDISBURSED: Describes amounts committed but not yet spent. See also COMMITMENT, DISBURSEMENT.

UNTIED AID: Official Development Assistance for which the associated goods and services may be fully and freely procured in substantially all countries.

VOLUME (real terms): The flow data in this publication are expressed in US dollars. To give a truer idea of the volume of flows over time, some data are presented in constant prices and exchange rates, with a reference year specified. This means that adjustment has been made to cover both inflation in the donors' currency between the year in question and the reference year, and changes in the exchange rate between that currency and the United States dollar over the same period. A table of combined conversion factors (deflators) is provided in the Statistical Annex (Table 36) which allows any figure in the Report in current United States dollars to be converted to dollars of the reference year (“constant prices”).

Notes on Definitions and Measurement

The coverage of the data presented in this Report has changed in recent years. The main points are:

Changes in the ODA concept and the coverage of GNP/GNI

While the definition of Official Development Assistance has not changed for over 25 years, some changes in interpretation have tended to broaden the scope of the concept. The main ones are the recording of administrative costs as ODA (from 1979), the imputation as ODA of the share of subsidies to educational systems representing the cost of educating students from aid recipient countries (first specifically identified in 1984), and the inclusion of assistance provided by donor countries in the first year after the arrival of a refugee from an aid recipient country (eligible to be reported from the early 1980s but widely used only since 1991).

Precise quantification of the effects of these changes is difficult because changes in data collection methodology and coverage are often not directly apparent from Members' statistical returns. The amounts involved can, however, be substantial. For example, reporting by Canada in 1993 included for the first time a figure for in-Canada refugee support. The amount involved (\$184m.) represented almost 8% of total Canadian ODA. Aid flows reported by Australia in the late 1980s, it has been estimated, were some 12% higher than had they

been calculated according to the rules and procedures applying fifteen years earlier.*

The coverage of the national income has also been expanding through the inclusion of new areas of economic activity and the improvement of collection methods. In particular, the new System of National Accounts (SNA) co-sponsored by the OECD and other major international organisations broadens the coverage of GNP, now renamed GNI – Gross National Income. This tends to depress donors' ODA/GNI ratios. Norway's and Denmark's ODA/GNI ratios declined by 6 to 8% as a result of moving to the new SNA in the mid-1990s. Finland and Australia later showed smaller falls of 2 to 4%. All DAC Members are now using the new SNA.

Recipient country coverage

Since 1990, the following entities have been added to the list of ODA recipients at the dates shown: the Black Communities of South Africa (1991 – now simply South Africa); Kazakhstan, the Kyrgyz Republic, Tajikistan, Turkmenistan and Uzbekistan (1992); Armenia, Georgia and Azerbaijan (1993); Palestinian Administered Areas (1994); Moldova (1997). Eritrea, formerly part of Ethiopia, has been treated as a separate country from 1993. The former United States Trust Territory of the Pacific Islands has been progressively replaced by its independent successor States, viz. Federated States of Micronesia and Marshall Islands (1992);

* S. Scott, "Some Aspects of the 1988/89 Aid Budget", in *Quarterly Aid Round-up*, No. 6, AIDAB, Canberra, 1989, pp. 11-18.

Northern Marianas and Palau Islands (1994).

Over the same period, the following countries and territories have been removed from the ODA recipient list: Portugal (1991); French Guyana, Guadeloupe, Martinique, Réunion and St Pierre and Miquelon (1992), Greece (1994).

From 1993, several CEEC/NIS countries in transition have been included on Part II of a new List of Aid Recipients (the List is given at the end of this volume). Aid to countries on Part II of the List is recorded as "Official Aid", not as ODA. To avoid overlap, Part II of the new List does not include those CEEC/NIS countries which have been classified as ODA recipients.

From 1996, the following High-Income Countries were transferred from Part I to Part II of the List: Bahamas, Brunei, Kuwait, Qatar, Singapore and United Arab Emirates. From 1997, seven further High-Income Countries were transferred to Part II: Bermuda, Cayman Islands, Chinese Taipei, Cyprus, Falkland Islands, Hong Kong (China), and Israel. From 1 January 2000, Aruba, the British Virgin Islands, French Polynesia, Gibraltar, Korea, Libya, Macao, Netherlands Antilles, New Caledonia and the Northern Marianas progressed to Part II. The List will be modified in 2001 to reflect the fact that Senegal transferred to the group of LLDCs, and will be reviewed again in 2002.

Data on total aid to Part I countries (ODA) and total aid to Part II countries (OA) follow the recipient list for the year in question. However, when a country is added to or removed from an income group in Part I, totals for the groups affected are adjusted retroactively to

maximise comparability over time with reference to the current list.

Donor country coverage

Spain and Portugal joined the DAC in 1991, Luxembourg joined in 1992 and Greece joined in 1999. Their assistance is now counted within the DAC total. ODA flows from these countries before they joined the DAC have been added to earlier years' data where available. The accession of new Members has added to total DAC ODA, but has usually reduced the overall ODA/GNP ratio, since their programmes are often smaller in relation to GNP than those of the longer-established donors.

Treatment of debt forgiveness

The treatment of the **forgiveness of loans not originally reported as ODA** varied in earlier years. Up to and including 1992, where forgiveness of non-ODA debt met the tests of ODA, it was reportable as ODA. From 1990 to 1992 inclusive it remained reportable as part of a country's ODA, but was excluded from the DAC total. From 1993, forgiveness of debt originally intended for **military** purposes has been reportable as "Other Official Flows", whereas forgiveness of other non-ODA loans (mainly **export credits**) recorded as ODA is included both in country data and in total DAC ODA in the same way as it was until 1989.

The effect of these decisions on ODA figures can be summarised as follows:

a) **Countries' ODA:** Forgiveness of all non-ODA debt reportable as ODA through 1992. From 1993, forgiveness of military debt may only be reported as OOF.

b) **DAC total ODA:** Equals the total of countries' reported ODA, except for the exclusion of the following:

- 1990: \$1.2 billion of forgiven United States military debt and \$334 million of various countries' forgiven claims in respect of export credit and structural adjustment lending.
- 1991: \$1.9 billion of forgiven United States military debt and \$28 million of various countries' forgiven export credit debt.
- 1992: \$894 million of forgiven United States military debt and \$975 million of

various countries' forgiven export credit debt.

The **forgiveness of outstanding loan principal originally reported as ODA** does not give rise to a new net disbursement of ODA. Statistically, the benefit is reflected in the fact that because the cancelled repayments will not take place, net ODA disbursements will not be reduced.

Reporting year

All data in this publication refer to calendar years, unless otherwise stated.

DAC List of Aid Recipients – As at 1 January 2000

Part I: Developing Countries and Territories (Official Development Assistance)					Part II: Countries and Territories in Transition (Official Aid)		
LLDCs	Other LICs (per capita GNP < \$760 in 1998)	LMICs (per capita GNP \$761-\$3 030 in 1998)	UMICs (per capita GNP \$3031-\$9 360 in 1998)	HICs (per capita GNP > \$9 360 in 1998) ¹	CEECs/NIS	More Advanced Developing Countries and Territories	
Afghanistan	* Armenia	* Albania	Palestinian	Botswana	Malta ¹	* Belarus	● Aruba
Angola	* Azerbaijan	Algeria	Administered	Brazil	Slovenia ¹	* Bulgaria	● Bahamas
Bangladesh	Cameroon	Belize	Areas	Chile		* Czech	● Bermuda
Benin	China	Bolivia	Papua New	Cook Islands		Republic	● Brunei
Bhutan	Congo, Rep.	Bosnia and	Guinea	Croatia		* Estonia	● Cayman
Burkina Faso	Côte d'Ivoire	Herzegovina	Paraguay	Gabon		* Hungary	Islands
Burundi	● East Timor	Colombia	Peru	Grenada		* Latvia	Chinese Taipei
Cambodia	Ghana	Costa Rica	Philippines	Lebanon		* Lithuania	Cyprus
Cape Verde	Honduras	Cuba	South Africa	Malaysia		* Poland	● Falkland
Central African	India	Dominica	Sri Lanka	Mauritius		* Romania	Islands
Republic	Indonesia	Dominican	St Vincent and	● Mayotte		* Russia	● French
Chad	Kenya	Republic	Grenadines	Mexico		* Slovak	Polynesia
Comoros	Korea,	Ecuador	Suriname	Nauru		Republic	● Gibraltar
Congo, Dem. Rep.	Democratic	Egypt	Swaziland	Palau Islands		* Ukraine	● Hong Kong,
Djibouti	Republic	El Salvador	Syria	Panama			China
Equatorial Guinea	* Kyrgyz Rep.	Fiji	Thailand	● St Helena			Israel
Eritrea	* Moldova	* Georgia	● Tokelau	St Lucia			Korea
Ethiopia	Mongolia	Guatemala	Tonga	Trinidad and			Kuwait
Gambia	Nicaragua	Guyana	Tunisia	Tobago			Libya
Guinea	Nigeria	Iran	* Uzbekistan	Turkey			● Macao
Guinea-Bissau	Pakistan	Iraq	● Wallis and	Uruguay			● Netherlands
Haiti	Senegal ²	Jamaica	Futuna	Venezuela			Antilles
Kiribati	* Tajikistan	Jordan	Yugoslavia,				● New
Laos	* Turkmenistan	Macedonia	Federal				Caledonia
Lesotho	Zimbabwe	(former	Republic				Northern
Liberia		Yugoslav					Marianas
Madagascar		Republic)					Qatar
Malawi		Marshall Islands					Singapore
Maldives		Micronesia,					United Arab
Mali		Federated					Emirates
Mauritania		States					● Virgin Islands
Mozambique		Morocco					(UK)
Myanmar		Namibia					
Nepal		Niue					
Niger							
Rwanda							
Samoa							
Sao Tome and							
Principe							
Sierra Leone							
Solomon Islands							
Somalia							
Sudan							
Tanzania							
Togo							
Tuvalu							
Uganda							
Vanuatu							
Yemen							
Zambia							

* Central and Eastern European Countries and New Independent States of the former Soviet Union (CEECs/NIS).

● Territory.

1. These countries and territories will transfer to Part II on 1 January 2003 unless an exception is agreed.

2. Senegal became an LLDC in 2001.

The Heavily Indebted Poor Countries (HIPC)s are: Angola, Benin, Bolivia, Burkina Faso, Burundi, Cameroon, Central African Republic, Chad, Comoros, Congo (Rep.), Congo (Dem. Rep.), Côte d'Ivoire, Ethiopia, Gambia, Ghana, Guinea, Guinea-Bissau, Guyana, Honduras, Kenya, Laos, Liberia, Madagascar, Malawi, Mali, Mauritania, Mozambique, Myanmar, Nicaragua, Niger, Rwanda, São Tomé and Príncipe, Senegal, Sierra Leone, Somalia, Sudan, Tanzania, Togo, Uganda, Viet Nam and Zambia.

List of acronyms¹

ACP	AFRICAN, CARIBBEAN AND PACIFIC COUNTRIES
ADR	AMERICAN DEPOSITORY RECEIPT
AERA	ACCELERATED ECONOMIC RECOVERY IN ASIA
AfDB	AFRICAN DEVELOPMENT BANK
AfDF	AFRICAN DEVELOPMENT FUND
AsDB	ASIAN DEVELOPMENT BANK
AsDF	ASIAN DEVELOPMENT FUND
ASEAN	ASSOCIATION OF SOUTH-EAST ASIAN NATIONS
BIS	BANK FOR INTERNATIONAL SETTLEMENTS
BHN	BASIC HUMAN NEEDS
BSS	BASIC SOCIAL SERVICES
CCA	COMMON COUNTRY ASSESSMENT
CDE	CAPACITY DEVELOPMENT IN ENVIRONMENT
CDF	COMPREHENSIVE DEVELOPMENT FRAMEWORK
CEC	COMMISSION OF THE EUROPEAN COMMUNITIES
CEDAW	CONVENTION ON THE ELIMINATION OF DISCRIMINATION AGAINST WOMEN
CEECs	CENTRAL AND EASTERN EUROPEAN COUNTRIES
CFA²	AFRICAN FINANCIAL COMMUNITY
CIS	COMMONWEALTH OF INDEPENDENT STATES
CMH	COMMISSION ON MACROECONOMICS AND HEALTH (WHO)
CPE	COUNTRY PROGRAMME EVALUATION
CPIA	COUNTRY POLICY AND INSTITUTIONAL ASSESSMENT
CRS	CREDITOR REPORTING SYSTEM (of the DAC)
CSO	CIVIL SOCIETY ORGANISATION
DAC	DEVELOPMENT ASSISTANCE COMMITTEE
DOI	DIGITAL OPPORTUNITY INITIATIVE (REPORT)
DOT Force	DIGITAL OPPORTUNITIES TASK FORCE
EBRD	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT
EC	EUROPEAN COMMUNITY
ECHO	EUROPEAN COMMUNITY HUMANITARIAN OFFICE
ECOSOC	THE UNITED NATIONS ECONOMIC AND SOCIAL COUNCIL
EDCPM	EUROPEAN CENTRE FOR DEVELOPMENT POLICY MANAGEMENT
EDF	EUROPEAN DEVELOPMENT FUND
EFA	EDUCATION FOR ALL
EU	EUROPEAN UNION
FDI	FOREIGN DIRECT INVESTMENT
FfD	FINANCING FOR DEVELOPMENT
FSAP	FINANCIAL SECTOR ASSESSMENT PROGRAMME (of the IMF/World Bank)
GSP	GENERALISED SYSTEM OF PREFERENCES
GNI	GROSS NATIONAL INCOME
HICs	HIGH-INCOME COUNTRIES
HIPCs	HEAVILY-INDEBTED POOR COUNTRIES (see DAC List of Aid Recipients in this annex)
HPI	HUMAN POVERTY INDEX

IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
ICB	INTERNATIONAL COMPETITIVE BIDDING
ICT	INFORMATION AND COMMUNICATION TECHNOLOGY
IDA	INTERNATIONAL DEVELOPMENT ASSOCIATION
IDAI	INTEGRATED DEVELOPMENT ACTIVITY INFORMATION
IDB	INTER-AMERICAN DEVELOPMENT BANK
IDGs	INTERNATIONAL DEVELOPMENT GOALS
IECDF	INTERNATIONAL ECONOMIC CO-OPERATION DEVELOPMENT FUND
IF	INTEGRATED FRAMEWORK FOR TRADE-RELATED TECHNICAL ASSISTANCE FOR LEAST DEVELOPED COUNTRIES
IFAD	INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
IFC	INTERNATIONAL FINANCE CORPORATION
ILO	INTERNATIONAL LABOUR ORGANISATION
IMF	INTERNATIONAL MONETARY FUND
IMSG	INFORMAL MULTILATERAL SECRETARIATS GROUP
ITC	INTERNATIONAL TRADE CENTRE
JBIC	JAPAN BANK FOR INTERNATIONAL CO-OPERATION
JITAP	JOINT INTEGRATED TECHNICAL ASSISTANCE PROGRAMME
KfW²	BANK FOR RECONSTRUCTION AND DEVELOPMENT (Germany)
LDCs	DEVELOPING COUNTRIES
LICs	LOW-INCOME COUNTRIES
LLDCs	LEAST DEVELOPED COUNTRIES
LMICs	LOWER MIDDLE-INCOME COUNTRIES
MDBs	MULTILATERAL DEVELOPMENT BANKS
MDGs	MILLENNIUM DEVELOPMENT GOALS
NEPAD	NEW PARTNERSHIP FOR AFRICA'S DEVELOPMENT
NGO	NON-GOVERNMENTAL ORGANISATION
NIS	NEW INDEPENDENT STATES (of the former Soviet Union)
NSSDs	NATIONAL STRATEGIES FOR SUSTAINABLE DEVELOPMENT
NTBs	NON-TARIFF BARRIERS
ODA	OFFICIAL DEVELOPMENT ASSISTANCE
ODF	OFFICIAL DEVELOPMENT FINANCE
OECD	ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT
OLICs	OTHER LOW-INCOME COUNTRIES
OOF	OTHER OFFICIAL FLOWS
PDGG	PARTICIPATORY DEVELOPMENT AND GOOD GOVERNANCE
PRGF	POVERTY REDUCTION AND GROWTH FACILITY
PRSPs	POVERTY REDUCTION STRATEGY PAPERS
RBM	RESULTS-BASED MANAGEMENT
S-21	21st CENTURY STRATEGY
SAF	STRUCTURAL ADJUSTMENT FACILITY
SDR	SPECIAL DRAWING RIGHT

SNA	SYSTEM OF NATIONAL ACCOUNTS
SPA	STRATEGIC PARTNERSHIP WITH AFRICA (formerly Special Programme of Assistance for Africa)
SPS	SECTOR PROGRAMME SUPPORT
SSA	SUB-SAHARAN AFRICA
SWAps	SECTOR-WIDE APPROACHES
TC	TECHNICAL CO-OPERATION
TRIMs	TRADE-RELATED INVESTMENT MEASURES
TRIPs	TRADE-RELATED INTELLECTUAL PROPERTY RIGHTS
UMICs	UPPER MIDDLE-INCOME COUNTRIES
UN	UNITED NATIONS
UNCED	UNITED NATIONS CONFERENCE ON ENVIRONMENT AND DEVELOPMENT (Rio de Janeiro, 1992)
UNCTAD	UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT
UNDAF	UNITED NATIONS DEVELOPMENT ASSISTANCE FRAMEWORK
UNDP	UNITED NATIONS DEVELOPMENT PROGRAMME
UNEP	UNITED NATIONS ENVIRONMENT PROGRAMME
UNESCO	UNITED NATIONS EDUCATIONAL, SCIENTIFIC AND CULTURAL ORGANISATION
UNFCCC	UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE
UNFPA	UNITED NATIONS FUND FOR POPULATION ACTIVITIES
UNHCR	UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES
UNICEF	UNITED NATIONS CHILDREN'S FUND
WFP	WORLD FOOD PROGRAMME
WHO	WORLD HEALTH ORGANISATION
WID	WOMEN IN DEVELOPMENT
WSSD	WORLD SUMMIT FOR SOCIAL DEVELOPMENT (Copenhagen, 1995)
WTO	WORLD TRADE ORGANISATION

1. This list is not exhaustive. It provides the most common development co-operation related acronyms, including those referred to in this report. Acronyms for country Ministries and Aid Agencies are provided in Chapter IV.
2. Denotes acronym in the original language.

DAC GUIDELINES

The OECD Development Assistance Committee (DAC) adopts policy guidance for Members in the conduct of their development co-operation programmes. These guidelines reflect the views and experience of the Members and benefit from input by multilateral institutions and individual experts, including experts from developing countries.

Shaping the 21st Century: The Contribution of Development Co-operation

Approved by the DAC High Level Meeting of 1996, *Shaping the 21st Century* sets forth strategic orientations for development co-operation into the 21st century. The report recalls the importance of development for people everywhere and the impressive record of human progress during the past 50 years. It suggests a set of basic goals based on UN Conference outcomes – for economic well-being, social development and environmental sustainability – as a vision for the future, and proposes strategies for attaining that vision through partnership in support of self-help efforts, improved co-ordination and consistent policies. These goals, and the partnership approach, have since been widely adopted in the international development system.

In this context, DAC Members have developed a series of guidelines for attaining the ambitious goals set out in *Shaping the 21st Century*.

The DAC Guidelines (2001):

- Poverty Reduction.
- Strategies for Sustainable Development.
- Strengthening Trade Capacity for Development.
- Helping Prevent Violent Conflict.

Previously Published DAC Guidelines

- DAC Guidelines for Gender Equality and Women's Empowerment in Development Co-operation.
- Support of Private Sector Development.
- Participatory Development and Good Governance.
- Donor Assistance to Capacity Development in Environment.
- Guidelines on Aid and Environment:
 - No. 1: Good Practices for Environmental Impact Assessment of Development Projects.
 - No. 2: Good Practices for Country Environmental Surveys and Strategies.
 - No. 3: Guidelines for Aid Agencies on Involuntary Displacement and Resettlement in Developing Countries.
 - No. 4: Guidelines for Aid Agencies on Global Environmental Problems.
 - No. 5: Guidelines for Aid Agencies on Chemicals Management.
 - No. 6: Guidelines for Aid Agencies on Pest and Pesticide Management.
 - No. 7: Guidelines for Aid Agencies on Disaster Mitigation.
 - No. 8: Guidelines for Aid Agencies on Global and Regional Aspects of the Development and Protection of the Marine and Coastal Environment.
 - No. 9: Guidelines for Aid Agencies for Improved Conservation and Sustainable Use of Tropical and Sub-Tropical Wetlands.

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