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Methodological notes on the profiles of Development Assistance Committee members

General point: unless otherwise stated, and with the exception of data on official development assistance (ODA) allocation by sector, and ODA supporting gender equality and environment objectives (whose figures refer to commitments), all figures in the profiles refer to gross bilateral disbursements. The term DAC country average refers to weighted averages of Development Assistance Committee (DAC) countries for the specific allocation. Allocations by the European Union institutions are excluded from this calculation. All of the data presented in the profiles are publicly available at: www.oecd.org/dac/stats and http://effectivecooperation.org.

The remainder of this annex describes the methodology and sources for: countries’ performance against commitments for effective development co-operation, in-donor refugee costs, country programmable aid, ODA to least developed countries, support to fragile contexts, ODA committed to domestic resource mobilisation and aid for trade, the Gender Equality Policy Marker, the Environment markers, and bilateral allocable aid.

Countries’ performance against commitments for effective development co-operation (Table 1. Results of the 2016 Global Partnership monitoring round, updated)

In the table for each profile, the “baseline” row for the data on “Funding recorded in countries’ national budgets”, “Funding through countries’ systems”, and “Annual predictability” refers to the 2010 monitoring round. The baseline for data on medium-term predictability and OECD Forward Spending Survey refers to 2013. The baseline for data on OECD Creditor Reporting System and publishing to IATI Initiative refer to the 2016 round. The baseline for data on Untied ODA refers to 2015. The “2016” row refers to data from the latest monitoring round except for:

- Untied ODA, which refers to the latest available data (2016) released by OECD statistics after completion of the 2016 monitoring round;
- OECD Creditor Reporting System, which refers to the latest available assessment on reporting in 2017;
- Publishing to IATI which refers to the scores extracted from IATI database in early March 2018.

The source and methodology for data on funding recorded in countries’ national budgets, funding channelled through partner countries’ systems, annual predictability and medium-term predictability, and the three transparency assessments can be consulted at OECD/UNDP (2016), “Annex B: Monitoring data: Development partners” in: Making Development Co-operation More Effective: 2016 Progress Report. Data for these indicators were reported in 2016, reflecting the behaviour of development co-operation flows during the previous fiscal year. Note that for the transparency assessment labelled as publishing to IATI, the 2016 value represents the baseline for the indicator.


**In-donor refugee costs**

Specific instructions on the reporting of in-donor refugee costs were first introduced in the DAC Statistical Reporting Directives in 1988 and have changed little since then.

In-donor refugee costs: extract from DAC Statistical Reporting Directives (www.oecd.org/dac/financing-sustainable-development/development-finance-standards/DCDDAC(2016)3FINAL.pdf): a refugee is a person who is outside his/her home country because of a well-founded fear of persecution on account of race, religion, nationality, social group or political opinion. Assistance to persons who have fled from their homes because of civil war or severe unrest may also be counted under this item. Official sector expenditures for the sustenance of refugees in donor countries can be counted as ODA during the first 12 months of their stay.1 This includes payments for refugees’ transport to the host country and temporary sustenance (food, shelter and training); these expenditures should not be allocated geographically. However, this item also includes expenditures for voluntary resettlement of refugees in a developing country; these are allocated geographically according to the country of resettlement. Expenditures on deportation or other forcible measures to repatriate refugees should not be counted as ODA. Amounts spent to promote the integration of refugees into the economy of the donor country, or resettle them elsewhere than in a developing country, are also excluded.

Clarifications to the Statistical Reporting Directives on in-donor refugee costs can be found at this link: http://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=DCD/DAC(2017)35/FINAL&docLanguage=En.

Because in-donor refugee costs are not allocated geographically, the reporting of these costs can increase the share of bilateral ODA that is not specified by country.

**Country programmable aid**

Country programmable aid (CPA) is a subset of gross bilateral ODA that tracks the proportion of ODA over which recipient countries have, or could have, a significant say. It reflects the amount of aid that involves a cross-border flow and is subject to multi-year planning at country/regional level.

CPA is defined through exclusions, by subtracting from total gross bilateral ODA activities that: 1) are inherently unpredictable (humanitarian aid and debt relief); 2) entail no cross-border flows (administrative costs, imputed student costs, promotion of development awareness, and costs related to research and refugees in donor countries); 3) do not form part of co-operation agreements between governments (food aid, aid from local governments, core funding to non-governmental organisations, ODA equity investments, aid through secondary agencies, and aid which is not allocable by country or region).

CPA is measured on a gross disbursement basis and does not net out loan repayments since these are not usually factored into country aid decisions. CPA is derived from the standard DAC and CRS databases.

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1. Contributions by one donor to another donor to cover such expenditures should be recorded as ODA by the contributing country. The receiving country should reduce the expenditure reported under this item by the same amount.

For further information, see: www.oecd.org/development/effectiveness/countryprogrammableaidcpafrequentlyaskedquestions.htm.

ODA to least developed countries

ODA to least developed countries (LDCs) is presented in different manners. Bilateral flows reflect the funds that are provided directly by a donor country to an aid-recipient country.

However, when calculating a donor's total ODA effort with regards to the UN target for LDCs, an estimate needs to be made to impute aid by multilateral organisations back to the funders of those bodies. For more information on imputed multilateral flows, see: www.oecd.org/dac/stats/oecdmetho...calcu...multilateraloda.htm.

Support to fragile contexts

Support to fragile contexts corresponds to gross bilateral ODA to fragile contexts that will be identified using the multidimensional model in OECD States of Fragility 2018 (to be released July 2018). For more information on the States of Fragility series see: www.oecd.org/dac/conflict-fragility-resilience/listoffragilityreports.htm.

Domestic resource mobilisation

The figures on the amount of ODA that supports the mobilisation of domestic resources in developing countries come from the DAC's CRS database. This database contains detailed information on individual aid activities, including the purpose of aid. In order to identify domestic resource mobilisation-related activities, a purpose code (CRS code 15114) is used. This code had previously been voluntary but was established as an official purpose code in 2016, and as a result the previous approach of complementing reporting under the voluntary code with a key-word search for tax-related activities has been abandoned.


Aid for trade

According to the World Trade Organization (WTO) Task Force on Aid for Trade, projects and programmes are part of aid for trade if these activities have been identified as trade-related development priorities in the partner country's national development strategies. Furthermore, the WTO Task Force concluded that to measure aid-for-trade flows, the following categories should be included: technical assistance for trade policy and regulations, trade-related infrastructure, productive capacity building (including trade development), trade-related adjustment, other trade-related needs.

The DAC's CRS database was recognised as the best available data source for tracking global aid-for-trade flows. It should be kept in mind that the CRS does not provide data that match exactly all of the above aid-for-trade categories. In fact, the CRS provides proxies under four headings: trade policy and regulations, economic infrastructure, building productive capacity, and trade-related adjustment. The CRS covers all ODA, but only those activities reported under the above four categories can be identified as aid for trade. It is not possible to distinguish activities in the context of “other trade-related needs”.

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To estimate the volume of such “other” activities, donors would need to examine aid projects in sectors other than those considered so far – for example in health and education – and indicate what share, if any, of these activities has an important trade component. A health programme, for instance, might permit increased trade from localities where the disease burden was previously a constraint on trade. Consequently, accurately monitoring aid for trade would require comparison of the CRS data with donor and partner countries’ self-assessments of their aid for trade.


Gender Equality Policy Marker

The DAC Gender Equality Policy Marker is a statistical instrument to measure aid that is focused on achieving gender equality and women’s empowerment. Activities are classified as “principal” when gender equality is a primary objective, “significant” when gender equality is an important but secondary objective, or “not targeted”. In the profiles of DAC members, the basis of calculation is bilateral allocable, screened aid.


Environment markers

The figure “Bilateral ODA in support of global and local environment objectives, 2010-16, commitments” presented in each DAC member profile nets out the overlaps between Rio and environment markers: it shows climate-related aid as a sub-category of total environmental aid; biodiversity and desertification are also included (either overlapping with climate-related aid or as additional – other – environmental aid) but not separately identified for the sake of readability of the figure. One activity can address several policy objectives at the same time. This reflects the fact that the three Rio conventions (targeting global environmental objectives) and local environmental objectives are mutually reinforcing. The same activity can, for example, be marked for climate change mitigation and biodiversity, or for biodiversity and desertification.

“Climate-related aid” covers both aid to climate mitigation and to adaptation from 2010 onwards, but only mitigation aid pre-2010. Reported figures for 2006-09 may appear lower than in practice, and may reflect a break in the series, given that pre-2010 adaptation spend is not marked. In the profiles of DAC members, the basis of calculation is bilateral allocable ODA. More details are available at: www.oecd.org/dac/stats/rioconventions.htm.


Bilateral allocable aid

Bilateral allocable aid is the basis of calculation used for all markers (gender equality and environmental markers). It covers bilateral ODA with types of aid A02 (sector budget support), B01 (core support to NGOs), B03 (specific funds managed by international organisation), B04 (pooled funding), C01 (projects), D01 (donor country personnel), D02 (other technical assistance) and E01 (scholarships).
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