

# Introduction

1.1. Statistics on International Development (SID) is an annual publication that provides an overview of official UK spend on international development. The publication is the official release of finalised 2012 estimates, updating the previous provisional estimates<sup>1</sup> published in March 2013. The publication covers:

- Total UK spend on international development for the latest 2012 calendar year;
- Trends over the past 5 years;
- Key breakdowns by destination country or organisation, type of assistance and purpose;
- International comparisons.

1.2. This year's publication focuses on the key international measure of aid spend, known as Official Development Assistance (ODA). Box 1 explains the definition of ODA.

## **Box 1: Official Development Assistance**

Official Development Assistance (ODA) is defined as resource flows to developing countries and multilateral organisations, which are provided by official agencies (e.g. the UK Government) or their executive agencies, and each transaction meets the following tests:

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

*A glossary explaining key terms used throughout this report is available in Annex 1.*

1.3. The UK government has made a commitment to invest 0.7 per cent of gross national income (GNI) on official development assistance by 2013. The ODA/GNI target of 0.7 per cent was first agreed internationally in 1970 by the United Nations General Assembly. In May 2005, EU member states pledged to meet the 0.7% target

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<sup>1</sup> DFID, [Statistical Release: Provisional UK Official Development Assistance as a proportion of Gross National Income, 2012](#) (March 2013)

by 2015, with a collective EU target milestone of 0.56 per cent by 2010. In the 2004 Spending Review<sup>2</sup> the UK government set an earlier target date, to increase total UK Overseas Development Assistance (ODA) to 0.7 per cent of GNI by 2013. This target for 2013 has been re-endorsed by successive administrations with the 2010 Spending Review including funding to increase ODA to 0.7 per cent from 2013. This publication reports the latest statistics for the 2012 calendar year and shows what progress is being made towards this target.

1.4. This publication provides users with detailed information on UK spend on official development assistance. To understand more about the impact of UK development support and the difference it is making to poor people in the countries that receive UK development assistance please see the references highlighted in Box 2.

## **Box 2: Impact of UK Development Assistance**

### **DFID results framework**

The DFID results framework (DRF) sets out the results the UK aims to achieve by 2015 as outlined in '[UK aid: Changing lives, delivering results](#)'. The DRF includes indicators which allow us to measure improvements in development outcomes that can be directly linked to DFID programmes and projects. To review progress on the latest results achieved for these indicators by sector and country, as well as progress towards the Millennium Development Goals in DFID's priority countries, please see the [DFID Annual Report](#).

### **Development Tracker**

You can explore details of the individual development projects that the UK is funding by using the [Development Tracker](#). This allows you to filter projects by country and sector, and view further details about the project as published in documents such as the business case and annual review. The tracker uses open data on development projects, compliant with the [International Aid Transparency Initiative](#) (IATI) standard, to show where funding by the UK Government and its partners is going and 'trace' it through the delivery chain.

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<sup>2</sup> HM Treasury, [2004 Spending Review](#) (July 2004)

## Changes to this publication

1.5. Previous publications of *SID* presented statistics about ODA and UK Gross Public Expenditure on Development (GPEX) which is a broader measure of development assistance. ODA is produced according to standardised definitions and methodologies to enable international comparisons. It is based on net flows and is produced on a calendar year basis whereas GPEX is based on gross flows and is produced on a financial year basis. Please refer to the glossary (Annex 1) for the technical definition of GPEX. *SID 2013* focuses on ODA to improve the clarity of the publication and to avoid confusion between the two separate series. This is in response to user consultation<sup>3</sup>. Tables for GPEX statistics will still be published on the [DFID Statistics](#) webpage on 26 November 2013. Box 3 provides further information on the reasons for focusing on ODA rather than GPEX in *SID 2013*.

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<sup>3</sup> DFID, [Statistics on International Development \(SID\) user consultation findings](#) (April 2013)

### Box 3: Summary of reasons for focusing on ODA in *SID 2013*

*Statistics on International Development (SID) 2013* now focuses on Official Development Assistance (ODA) rather than Gross Public Expenditure on Development (GPEX). The main reasons are as follows:

- ODA is the official international standard used to measure aid flows to developing countries.
- The [OECD Development Assistance Committee](#) (DAC) set standardised definitions and methodologies for measuring ODA enabling international comparisons.
- Responding to user feedback which requested we give greater priority to ODA statistics over GPEX.
- Removing the GPEX analysis and tables improves the coherence of the publication and avoids any confusion between ODA and GPEX.
- Analysis shows that the majority of GPEX is ODA. The table below reconciles ODA and GPEX, and adjusts ODA statistics to represent financial years, and shows that 96% of GPEX is ODA. Overall the proportion of UK aid spend that is non ODA is very small<sup>4</sup>.

£ millions	Total UK
<b>2012/13 GPEX</b>	<b>9,023</b>
<i>of which:</i>	
Bilateral non ODA	9
Multilateral non ODA	118
Adjustments for Net/Gross flows	198
<b>2012/13 ODA</b>	<b>8,698</b>

1.6. Other changes to this year's publication include improvements to the methodology for estimating ODA-eligible Gift Aid. Please see the Gift Aid methodology note<sup>5</sup> for more information about Gift Aid and the changes to the methodology. This improvement addresses one of the recommendations from the short quality review<sup>6</sup> of

<sup>4</sup> The £198m non ODA is accounted for by the adjustment for net/gross flows are from negative amounts of equity investments from the UK's development finance institution, CDC. The £9m Bilateral non ODA is from projects in countries which are not on the ODA eligible countries list. The £118m Multilateral non ODA is made up of the remainder of core contributions to multilaterals which are not 100 per cent ODA eligible.

<sup>5</sup> DFID, [Gift Aid Methodology Note](#) (October 2013)

<sup>6</sup> DFID, [Short quality review of DFID's National Statistics](#) (2013)

SID carried out by DFID's Chief Statistician during 2013. Other improvements made to this publication (based on the user consultation) include: providing a greater breakdown of other governments department's ODA, improving the presentation of analysis within the publication, improving the navigation of contents and moving some tables to additional tables. We plan to carry out a further consultation with users to gather information about their experience of this version of SID and to seek their views on further possible improvements for *SID 2014*.

## **Supporting information**

1.7. This publication includes the following supporting information to help users understand and use the statistics:

- Guide to understanding aid statistics – this describes the key definitions used such as bilateral/multilateral aid, aid types and sector expenditure (Section 2);
- Glossary of terms used throughout the publication (Annex 1);
- Summary of data sources used to produce SID (Annex 2);
- Information on data quality (Annex 3).

1.8. The data tables included in the publication are available to download in spreadsheet format from the [DFID Statistics](#) webpage.