

Annex 2 - Data sources

DFID

1. The majority of UK Official Development Assistance (ODA) is delivered through DFID's budget. The 2002 International Development Act makes reducing poverty the core purpose of UK aid. As such, the vast majority of DFID aid expenditure is included in ODA; only a small amount of expenditure on non-ODA eligible countries and multilateral institutions is excluded. Figures for the **DFID programme** are produced from a combination of data held on DFID's internal accounting and management information system (ARIES) and the UK attributions of EC budgetary spending.

2. DFID's Overseas Pensions Department is also responsible for the payment of **colonial pensions** made to ex-members of the UK Overseas Civil Service who were employed directly by developing countries. A small element of this is permitted to be classed as ODA. From 2010/11 this has been reported as non-DFID expenditure; this change being consistent with DFID's Departmental Expenditure Limit (DEL).

ODA managed jointly by DFID and other UK Government Departments

3. The **Conflict Pool** provides programme resources which are governed and jointly managed by DFID, the Foreign and Commonwealth Office (FCO) and the Ministry of Defence (MoD). It brings together the UK government's development, diplomatic and defence expertise in an integrated response to conflict prevention, stabilisation and discretionary peacekeeping. Part of the Conflict Pool's expenditure is ODA eligible. In these statistics all Conflict Pool funds disbursed through DFID are ODA-eligible and are included as part of DFID expenditure. The remaining ODA Figures comprise the aggregate of FCO and MOD funding. Data on the ODA eligible Conflict Pool funds disbursed by the FCO and MOD are collected by DFID in liaison with programme officers in the relevant departments.

4. Under the same joint conflict settlement, on behalf of the three departments, the FCO manages HMG's Peacekeeping Budget. This covers the UK's assessed peacekeeping costs – a legal obligation as a member of these organisations – for UN Peacekeeping (UNDPKO), the Organisation for Security and Cooperation in Europe

(OSCE) Field Missions, European Security and Defence Policy (ESDP) Military and Civilian Missions, NATO operations in the Balkans, and the International Criminal Courts and Tribunals. In line with DAC rules 6% of the funding to UNDPKO and 74% to the OSCE are allowed to score as ODA. Funding to ESDP Civilian Missions is also reported as ODA.

5. The **International Climate Fund** is a jointly managed fund, created in 2010 to reduce poverty while supporting developing countries tackle the challenges posed by climate change. Ministerial responsibility is joint between DFID, the **Department for Energy and Climate Change (DECC)**, **HM Treasury** and the **Department for Environment, Food and Rural Affairs (Defra - for forestry)**. This arrangement brings together expertise from across Government on international development, climate change adaptation and mitigation, and forestry.

6. The Environment Transformation Fund was established in 2008 to support development and poverty reduction through better environmental management and help developing countries respond to the realities of climate change. The fund is managed jointly - by **DFID** and **DECC** - who contribute equal amounts to the fund all of which are assessed as ODA-eligible.

Other ODA delivered by UK Government Departments

7. The **FCO** ODA includes spend through the British Council, strategic and bilateral programmes, aid related frontline diplomacy and contributions to multilateral organisations. About 25% goes to Low Income countries and 70% goes to Middle Income Countries, with the remainder non country specific. About 35% of FCO ODA goes to fragile states. The Independent Commission on Aid Impact reviewed FCO ODA last year and their report is [here](#). There is more information on FCO ODA on the FCO's ODA transparency pages [here](#).

8. In addition to contributing to the International Climate Fund and Environment Transformation Fund, **DECC** also makes annual contributions to the International Atomic Energy Agency. A proportion of this support is deemed ODA eligible.

9. In addition to contributing to the International Climate Fund, **DEFRA** is responsible for the Darwin Initiative, which is a programme aimed at assisting the progression of environmental goals in developing countries. Eligible expenditure is included in UK ODA statistics.

10. The **Scottish Government** runs its own bilateral aid programme which aims to directly support the achievement of the Millennium Development Goals (MDGs) and economic growth in a number of developing countries. The **Welsh Assembly's** 'Wales for Africa' programme also aims to help deliver the MDGs and provides small grants to organisation based in Wales.

11. The **Department for Culture Media and Sport** works closely with DFID to deliver a range of initiatives to help address wider social issues encompassed by the MDGs; including contributing towards addressing gender inequality and acting as an effective medium for conveying educational messages relating to health.

12. The estimates of the costs incurred by the **UK Border Agency (UKBA)** of supporting refugees from developing countries during their first 12 months in the UK are included in the ODA statistics. There is ongoing methodological work in this area which aims to ensure the UK is reporting these costs in line the OECD DAC guidance.

13. The **Home Office** reports ODA spend in-country to provide essential support (housing, sustenance, travel) to those granted refugee status within the UK, from the date support is applied for to the date that support ceases, for a maximum of twelve months. Home Office ODA spend also funds the identification of refugees overseas who are brought to the UK and supported for their first twelve months.

14. The **Department of Business, Innovation and Skills (BIS)** provides the Medical Research Council (MRC) with ring fenced support for overseas development. The MRC uses this funding to support peer reviewed global health research administered by UK institutions or in MRC Units and Institutes on research studies that are aimed at improving health in developing countries

15. Other government departments also make direct contributions to the UN system, a proportion of which is reported as ODA. The **Department for Work and Pensions** makes an annual contribution to the International Labour Organisation and the **Department for Health** makes an annual assessed contribution to the World Health Organisation.

Other sources of UK ODA

16. **CDC Group PLC** is wholly government owned and the conditions under which it operates means that its investments must have a clear development objective. The net amount (i.e. equity purchase less equity sales) of CDC investments in ODA-eligible countries is reported as ODA and the gross amount (i.e. equity purchase only) is reported in GPEX.

17. **Export Credit Guarantee Department (ECGD)** is an agency of BIS and provides insurance for exporters against the main risks in selling overseas. It also negotiates debt relief arrangements of commercial debt. The relevant amounts of any debt relief are included in UK ODA statistics in line with OECD DAC definitions.

18. The majority of the External Assistance Budget of the **European Commission** is deemed to be ODA eligible. The vast majority of the relevant UK contribution to this budget is attributed to DFID and reported as part of DFID's own ODA statistics. The estimate of the remaining UK share of overall EC ODA is reported separately in these statistics.

19. The **Gift Aid** scheme allows UK charities to reclaim tax from HM Revenue and Customs on donations made by UK taxpayers. The proportion of additional support provided to UK NGOs via this scheme to deliver developmental objectives is estimated by DFID as explained in the Gift Aid methodology note¹.

20. In addition to the aboves, ODA reporting requires data on export credits (both official and private) provided by **ECGD**; on direct investments, provided by the **Office for National Statistics**; and on bilateral securities and other claims, provided by the **Bank of England**.

21. Data for the international comparisons contained in Tables 2, 9 and 10 are from the DAC website <http://www.oecd.org/dac/stats>.

¹ DFID, [Gift Aid Methodology Note](#) (October 2013)