

Review of DFID's National Statistics in 2013 and actions undertaken- as at December 2015.

Recommendation	Planned Action	Progress
<p>(a) Review whether CDC's equity investments fall within the official definition of ODA</p>	<p>It would be appropriate to carry out a short review to consider (i) how the existing guidance for ODA and for OOF apply to CDC's equity investments; (ii) how UK practice compares with international practice; and (iii) whether any statistical benefits from making an immediate change to the UK treatment are likely to outweigh the expected statistical benefits from maintaining continuity, until the DAC has completed its work on possible improvements to the ODA treatment of Development Finance Institutions (DFIs).</p> <p>The review should start in August and should aim to reach provisional conclusions by the end of September. Depending on the findings, it may be appropriate to consult users before taking any final decision. If the final decision is to change the UK approach, then it would still be appropriate to consult the DAC prior to implementation. Every effort should be made to complete this full process before the end of 2013. This would allow any changes to be incorporated in the National Statistics publication due in spring 2014, reporting a provisional estimate of UK ODA for 2013.</p>	<p>DFID conducted a short review considering the issues described in (i), (ii) and (iii). The findings of the review were published in December 2014 and the review recommended that from 2015 onwards DFID should report capital flows from the UK Government to CDC as ODA. It also requested that, prior to the release of the provisional ODA statistics for 2016 DFID publishes a short paper which sets out the impact of this change on the historic data series.</p>
<p>(b) Strengthen the arrangements for estimating ODA expenditure by other government departments; with particular reference to planned spend on (i) refugees (ii) peace and security (iii) research</p>	<p>The statistics team in FPID should review the current arrangements of other government departments for reporting their ODA spend to DFID for National Statistics purposes. This should consider any concerns about the ODA eligibility of the spending; the arrangements for quality assuring the estimates; and the systems that are in place for reporting the estimates. The review should be carried out on a proportionate basis. The greater the current and planned level of ODA reporting by a department, the more the review should seek to understand the underlying data systems and quality assurance arrangements.</p> <p>The review should start after summer 2013 and should scope out an expected timetable for completion.</p>	<p>FPID statisticians reviewed the current arrangements of other government departments for reporting their ODA spend to DFID for National Statistics purposes and took forward work to strengthen the arrangements for estimating ODA expenditure by other government departments; with particular reference to planned spending on (i) refugees</p> <p>The statistical review of the Home Office's (HO) ODA reporting in relation to refugees included an examination of the OECD DAC guidelines for reporting spending on refugees and HO activity for compatibility with ODA definitions.</p> <p>The review concluded that refugee support associated with the costs of asylum seekers for the first 12 months of stay in the UK was ODA eligible, irrespective of whether the asylum seeker is eventually granted refugee status. This was in line with OECD DAC directives and practice carried out by other DAC members. This spend is now included in the ODA statistics. The HO has also identified new areas of ODA from their better understanding of the ODA definition, such as the costs of identification of refugees overseas who are brought to the UK is ODA eligible.</p>

		<p>(ii) peace and security The review of ODA activities involved the HO and MOD. The MoD ODA reporting team have implemented a new system to report their ODA to DFID, which provides more detailed information and has improved the quality of their data.</p> <p>DFID is leading discussions about how Peace and Security should be considered in a modernised ODA definition through the International Network on Conflict and Fragility task team, managed by the OECD.</p> <p>(iii) research DFID statisticians worked with the Department of Business, Innovation and Skills (BIS) in different fora to help them ensure new planned ODA spend of £375m (over 5 years) is classified as ODA eligible. The activities undertaken included capacity building workshops with BIS and the Research Councils to ensure research activity is in line with ODA, and an 'in-day' at DFID where BIS staff presented their ODA activities. FPID statisticians continue to provide support BIS staff relating to ODA eligibility and reporting. In 2014, the Research council invested nearly £75 million in research projects in developing countries.</p>
<p>(c) Consider proposals to change the methods used to estimate (i) EC ODA attributable to the UK and (ii) Gift Aid</p>	<p>DFID officials have been working closely with Treasury officials to develop improved methods for estimating ODA in two areas. No formal process exists for signing off recommendations that come out of exercises of this nature.</p> <p>New governance arrangements should be put in place that will allow DFID's Chief Statistician to consider the findings from reviews of this type; and to initiate additional reviews from time to time, as considered necessary to maintain the quality of DFID's National Statistics.</p> <p>The governance arrangements should ensure that the views of data suppliers and key users (within DFID, in other government departments and externally), are taken into account before any changes to methods are approved. New governance arrangements should be in place as soon as possible.</p>	<p>Governance arrangements have been improved and the role of the Chief Statistician is now clearer amongst the production team in FPID. We have also agreed a clear role for the Chief Statistician in the ODA eligibility process. Since the quality review we have consulted users through formal consultations and through user engagement (seminar at the RSS) to ensure that the National Statistics publications and any changes in methodology are in line with the view of users of these statistics.</p> <p>(i) A revised Gift Aid methodology has been adopted following updated survey information from a sample of charities. The approach to Gift Aid in the ODA statistics is briefly described here</p> <p>(ii) The method for apportioning the UK's contribution to the EU budget for external assistance (EU Attribution) has been improved by the DFID Europe Department and HM Treasury. The new methodology gives a more representative share of the contribution to departments other than DFID. The method is described in Annex 2 to Statistics on International Development.</p>
<p>(d) Investigate the</p>	<p>There is a risk that the ARIES data entry arrangements may be</p>	

<p>ARIES data entry arrangements and whether these will produce estimates of ODA by sector that are of sufficient quality to meet users' needs</p>	<p>producing inaccurate estimates of ODA by sector.</p> <p>In the first instance, this should be addressed through an exercise to document the arrangements for entering data into ARIES. This should cover the training and guidance that is provided to those responsible for inputting data; and should look at existing arrangements for quality assuring the data to ensure that information on ODA by sector is being captured accurately.</p> <p>The documentation should be completed by no later than the end of 2013. This will provide a basis for judging the quality of the data entered into ARIES, and the implications this has for the accuracy of the National Statistics estimates of ODA by sector.</p>	<p>DFID statisticians have investigated ARIES coding in more detail and took forward a number of key pieces of work with support from the Business Innovation (BI) team.</p> <ul style="list-style-type: none"> • A new post leads on QA of live MI data from the ARIES system and related statistical information. Investigation of the live financial data has led to a cleaner dataset for compiling the National Statistics. • Specific analytical work is now part of the data processing before statistical outputs are produced. For example, validation of the multilateral/bilateral channel split now takes place by the statistician working in the multilateral effectiveness team. Their knowledge of the multilateral data has improved the quality of the funding channel information. • Specific analytical work is also being undertaken to improve sector information, involving quality assurance by policy departments to ensure sector statistics align with spending departments' expectations. • Separately the BI team are taking forward more detailed analysis to understand better the risks of input error; for example a sector code amnesty.
<p>e) Implement the plans that have been developed to improve the system that is used to extract from ARIES the data that are needed to produce ODA National Statistics</p>	<p>FPID has agreed to prioritise the implementation of this work (known as Project Datamart) and it is due to be completed by no later than December 2013.</p>	<p>A new system has been developed to extract ARIES data to produce the National Statistics. This project was undertaken with DFID IT Specialists and a consultant. DFID can now provide more accurate ODA data, and have brought the skills and expertise in-house, so we are more able to upkeep our systems. The FPID Statistics team can now extract these data themselves, which has increased efficiency considerably.</p> <p>FPID has bi-monthly meetings with DFID IT Specialists to ensure the smooth running of this system.</p>
<p>(f) strengthen the documentation of the processes used to produce, manage and disseminate ODA National Statistics</p>	<p>FPID has agreed that sufficient resources will be made available to update the desk instructions for producing the ODA statistics over a 12 month period. This will allow the documentation to be updated as part of each stage of the annual production process; to be completed by summer 2014.</p>	<p>The FPID Statistics team strengthened the documentation process used to produce, manage and disseminate ODA National Statistics. We have updated our desk notes and aligned them to the global standard of the Generic Statistical Business Process Model developed by UNECE, Eurostat and the OECD.</p>