

# WORKSHOP ON DEVELOPMENT FINANCE STATISTICS – DAY 2

Ankara, 12-13 July 2017

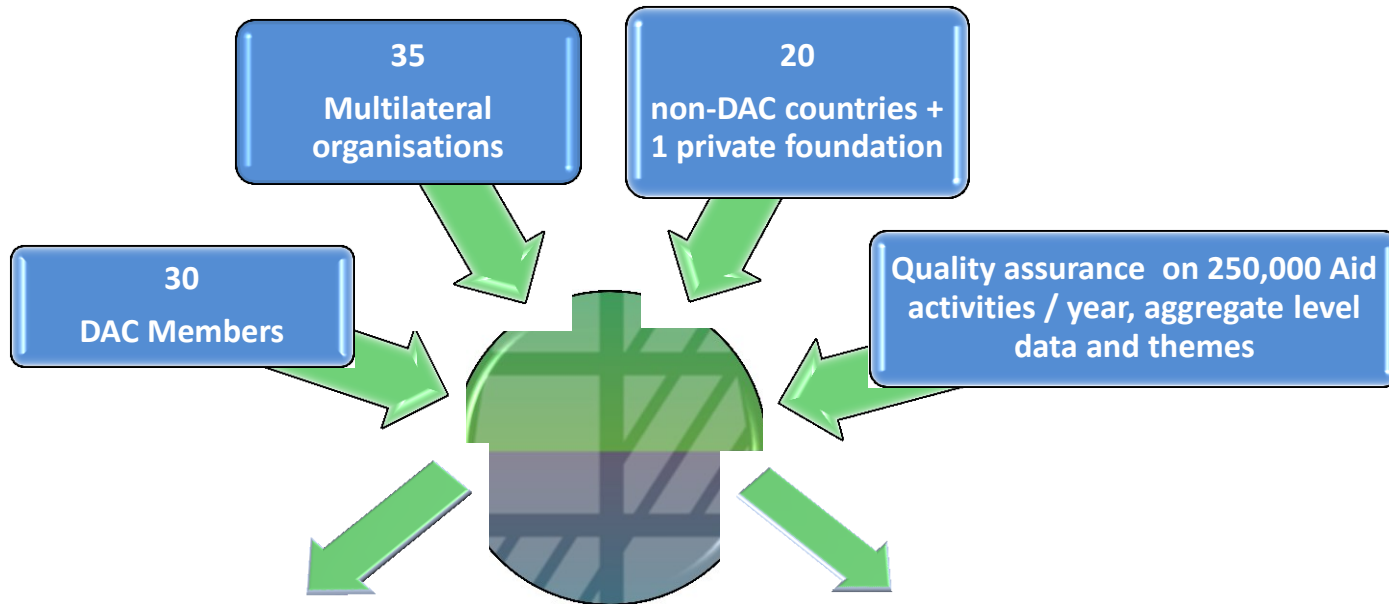
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# REPORTING AND DISSEMINATION OF DEVELOPMENT FINANCE STATISTICS

# 1

## Data collection



### Online databases



### Web – data, methodology, analysis

<http://www.oecd.org/dac/stats/>

- Who spends what, where, how and for what purpose?
- DAC statistics are the only source of reliable, comparable and complete data on development assistance

# 2

## Examples of reporting in practice

# 3

## Statistical classifications

- A. CRS purpose codes (sectors)
- B. Policy markers
- C. Channels of delivery
- D. Financial instruments
- E. Types of aid



# 3 A. Overview of the CRS purpose codes (sectors)

<b>Social Infrastructure &amp; Services</b>	<b>Economic Infrastructure &amp; Services</b>	<b>Multisector/Other</b>
<b>Education</b>	<b>Transport and Storage</b>	<b>General Environmental Protection</b>
Education, level unspecified	<b>Communication</b>	<b>Other Multisector</b>
Basic education	<b>Energy Generation and Supply</b>	<b>Commodity Aid and General Programme Assistance</b>
Secondary education	<b>Banking and Financial Services</b>	General Budget Support
Post-secondary education	<b>Business and Other Services</b>	Developmental Food Aid/Food Security Assistance
<b>Health</b>	<b>Productive Sectors</b>	Other Commodity Assistance
Health, general	<b>Agriculture</b>	<b>Action Relating to Debt</b>
Basic health	<b>Forestry</b>	<b>Humanitarian Aid</b>
<b>Population and Reproductive Health</b>	<b>Fishing</b>	Emergency Response
<b>Water Supply and Sanitation</b>	<b>Industry</b>	Reconstruction Relief and Rehabilitation
<b>Government and Civil Society</b>	<b>Mineral Resources and Mining</b>	Disaster Prevention and Preparedness
Government and Civil Society, General	<b>Construction</b>	<b>Administrative Costs of Donors</b>
Conflict Prevention and Resolution, Peace and Security	<b>Trade Policy and Regs &amp; Trade-Related Adjustment</b>	<b>Refugees In Donor Countries</b>
<b>Other Social Infrastructure and Services</b>	<b>Tourism</b>	

## 3

## A. Example of the CRS purpose codes (sectors)

DAC 5 CODE	CRS CODE	DESCRIPTION	Clarifications / Additional notes on coverage
110		<b>EDUCATION</b>	
111		<b>Education, level unspecified</b>	<i>The codes in this category are to be used only when level of education is unspecified or unknown (e.g. training of primary school teachers should be coded under 11220).</i>
	11110	Education policy and administrative management	Education sector policy, planning and programmes; aid to education ministries, administration and management systems; institution capacity building and advice; school management and governance; curriculum and materials development; unspecified education activities.
	11120	Education facilities and training	Educational buildings, equipment, materials; subsidiary services to education (boarding facilities, staff housing); language training; colloquia, seminars, lectures, etc.
	11130	Teacher training	Teacher education (where the level of education is unspecified); in-service and pre-service training; materials development.
	11182	Educational research	Research and studies on education effectiveness, relevance and quality; systematic evaluation and monitoring.
112		<b>Basic education</b>	
	11220	Primary education	Formal and non-formal primary education for children; all elementary and first cycle systematic instruction; provision of learning materials.
	11230	Basic life skills for youth and adults	Formal and non-formal education for basic life skills for young people and adults (adult education); literacy and numeracy training.
	11240	Early childhood education	Formal and non-formal pre-school education.
113		<b>Secondary education</b>	
	11320	Secondary education	Second cycle systematic instruction at both junior and senior levels.
	11330	Vocational training	Elementary vocational training and secondary level technical education; on-the job training; apprenticeships; including informal vocational training.
114		<b>Post-secondary education</b>	
	11420	Higher education	Degree and diploma programmes at universities, colleges and polytechnics; scholarships.
	11430	Advanced technical and managerial training	Professional-level vocational training programmes and in-service training.

# 3

## A. Selecting the right purpose code

- Selecting a sector → key question: “which specific area of the recipient’s economic or social structure **is the transfer intended to foster?**”.
- Some contributions are not susceptible to allocation by sector and are reported **as non-sector allocable aid**. E.g. general budget support.

### Some examples:

- Construction of housing for experts working on an agricultural development project: the appropriate code is “agricultural development” (31120) and not “housing policy and administrative management” (16030).

**Sector-specific education activities** are to be included in the respective sectors, either in a specific education code or in a general code.

### For example:

- Upgrading of an agricultural training centre: the appropriate code is “agricultural education” (31181).



- Gender equality
- Trade and development
- Participatory Development/Good Governance
- Reproductive, maternal, newborn, and child health (RMNCH)
- Environment
- Rio Markers:
  - Climate change – adaptation
  - Climate change – mitigation
  - Desertification
  - Biodiversity

**Values:** principal (1), significant (2), not targeted (0).

# 3

## C. Channels of delivery

<b>10000</b>	<b>PUBLIC SECTOR INSTITUTIONS</b>
<b>20000</b>	<b>NON-GOVERNMENTAL ORGANISATIONS (NGOs) AND CIVIL SOCIETY</b>
<b>30000</b>	<b>PUBLIC-PRIVATE PARTNERSHIPS (PPPs) and NETWORKS</b>
<b>40000</b>	<b>MULTILATERAL ORGANISATIONS</b>
<b>51000</b>	<b>UNIVERSITY, COLLEGE OR OTHER TEACHING INSTITUTION, RESEARCH INSTITUTE OR THINK-TANK</b>
<b>60000*</b>	<b>PRIVATE SECTOR INSTITUTION</b>

### Bilateral transactions:

- transactions undertaken by a donor country **directly** with a developing country (government to government);
- channeled **through** a multilateral organisation in the form of:
  - earmarked contributions to a developing country; or
  - contributions to specific-purpose programmes and funds managed by the organisation.
- transactions with **non-governmental organisations** (NGOs) active in development.
- **internal** development-related transactions:
  - in-donor refugee costs;
  - promotion of development awareness;
  - administrative costs;
  - debt reorganisation.

### Multilateral contributions – 2 criteria:

- Contributions to multilateral institutions listed on Annex 2 of the Directives [DAC List of ODA-eligible international organisations]
  - the recipient institution conducts all or part of its activities in favour of development and developing countries; and
  - the recipient institution is either an international organisation whose members are governments or a fund managed autonomously by a multilateral institution.
- Funds are pooled so that they lose their identity and become an integral part of the recipient institution's financial assets.

# 3

## D. Financial instruments

- Grants
- Debt instruments (standard loan, reimbursable grant, bond, asset backed security, including sukuk, other)
- Equity
- Mezzanine finance
- Guarantees

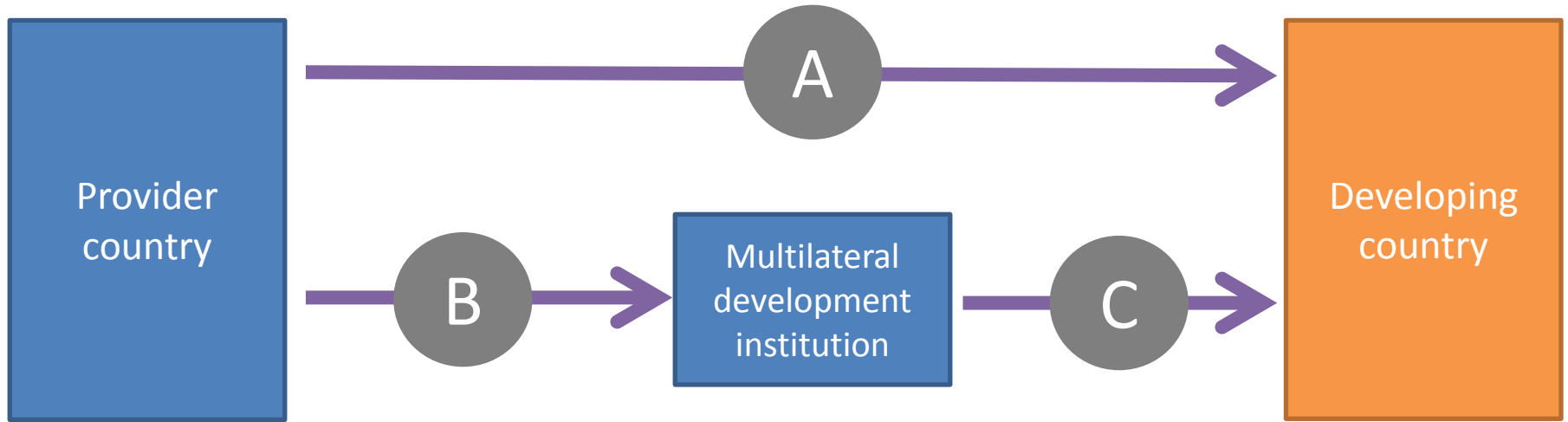
## 3

## E. Type of aid

Type	Sub-type	Description
<b>A</b>		<b>Budget support</b>
	A01	General budget support
	A02	Sector budget support
<b>B</b>		<b>Core contributions and pooled programmes and funds</b>
	B01	Core support to NGOs, other private bodies, PPPs and research institutes
	B02	Core contributions to multilateral institutions
	B03	Contributions to specific-purpose programmes and funds (multilateral, INGO)
	B04	Basket funds/pooled funding
<b>C</b>		<b>Project-type interventions</b>
	C01	Project-type interventions
<b>D</b>		<b>Experts and other technical assistance</b>
	D01	Donor country personnel
	D02	Other technical assistance
<b>E</b>		<b>Scholarships and student costs in donor countries</b>
	E01	Scholarships/training in donor country
	E02	Imputed student costs
<b>F</b>		<b>Debt relief</b>
	F01	Debt relief
<b>G</b>		<b>Administrative costs not included elsewhere</b>
	G01	Administrative costs not included elsewhere
<b>H</b>		<b>Other in-donor expenditures</b>
	H01	Development awareness
	H02	Refugees in donor countries

# 4

## Avoiding double counting



### Two measurement points:

1

Provider effort =  $A + B$

2

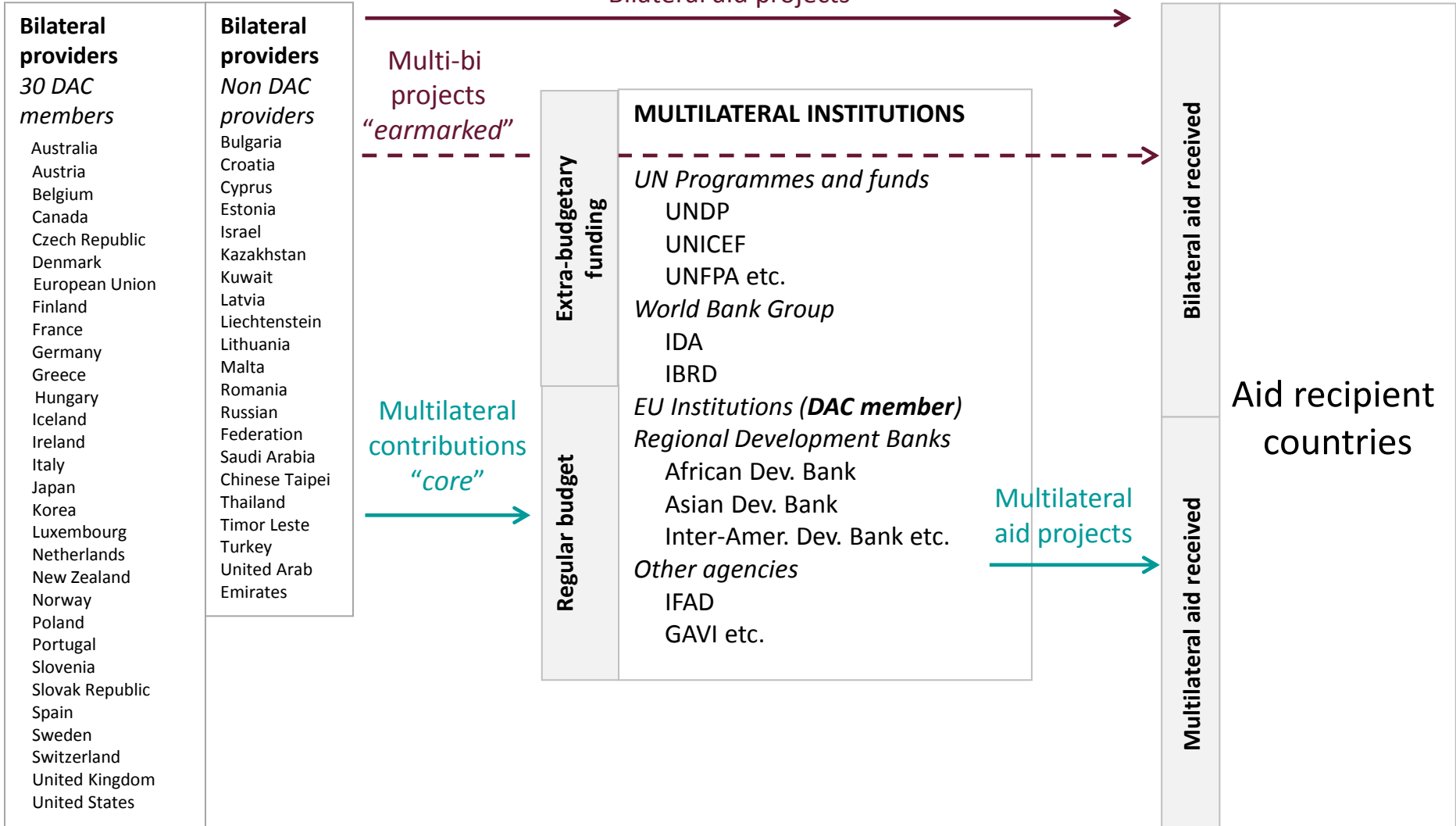
Recipient receipts =  $A + C$

# 4

## Avoiding double counting: *the Global Picture*

### PROVIDER PERSPECTIVE

### RECIPIENT PERSPECTIVE





Q.

Time for questions and clarifications





# 5

## Main items to be reported

### Main items:

- Recipient country
- Sector
- Providing agency
- Channel of delivery (especially if multilateral)
- Financial instrument
- Short description
- Extended/committed amount



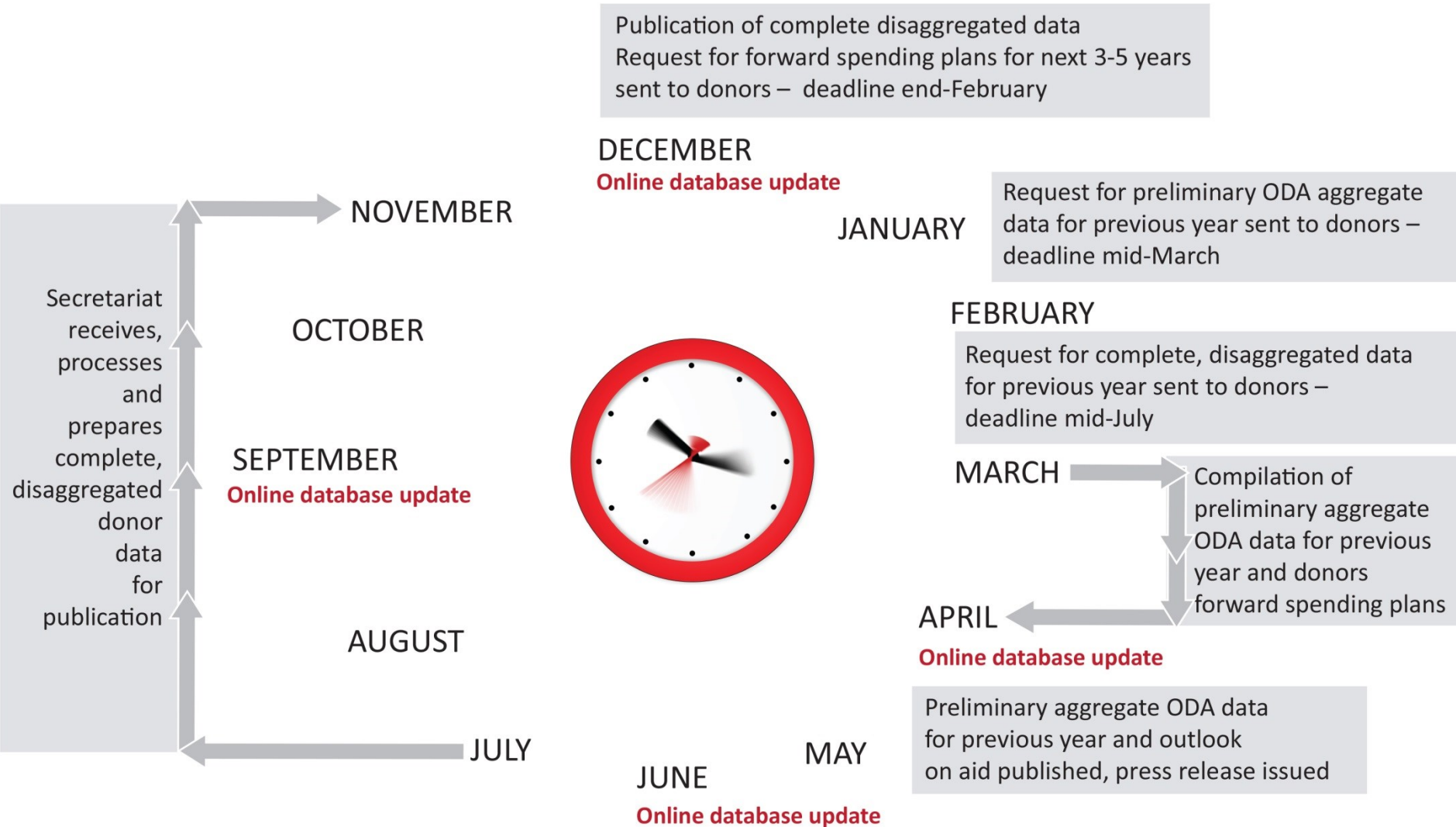
### SUSTAINABLE DEVELOPMENT GOALS



Other items: policy marker, type of aid, descriptive information and specific information for loans

# 5

## Data cycle



# 5

## Data collection timeline

### Advance Questionnaire (AQ):

- Data solicitation – Jan/Feb each year
- Reporting Deadline – Mid-March
- DAC Press Release – April (preliminary figures)



### Reporting of final data:

- Data solicitation – Feb/Mar each year
- Reporting deadline – July 15th
- Publishing data 2 months after reporting
- DAC Press Release – December



# 5

## Internal/national data collection

**Coordinating Institution:** Department of international development in the Ministry of Foreign affairs.

### Other actors that could be involved:

- Other Ministries
- Development finance institutions
- Regional or local governments
- In some countries, also:
  - Embassies or field offices
  - The Central Bank
  - Foundations and the private sector
  - Public universities



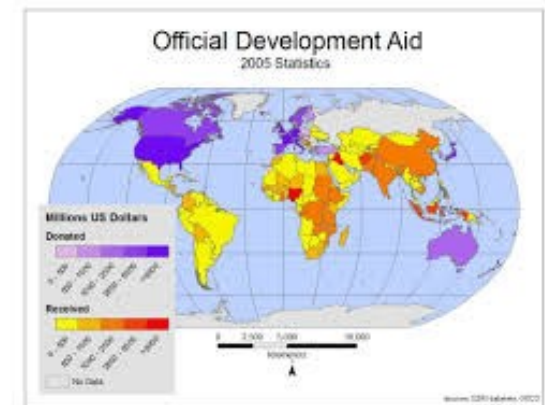


# 6 Why report data on development finance?

- Inform policy decision-making
- Monitor international commitments
- Transparency of the use of public resources
- Provide detailed, accurate and comparable data to the data-user

## Main benefits for non DAC providers:

- Better knowledge and recognition of global effort of development providers
- Improved management of co-operation
- Providers can benefit from statistical capacity building from the DAC



# 6

## Strengths of DAC Statistics

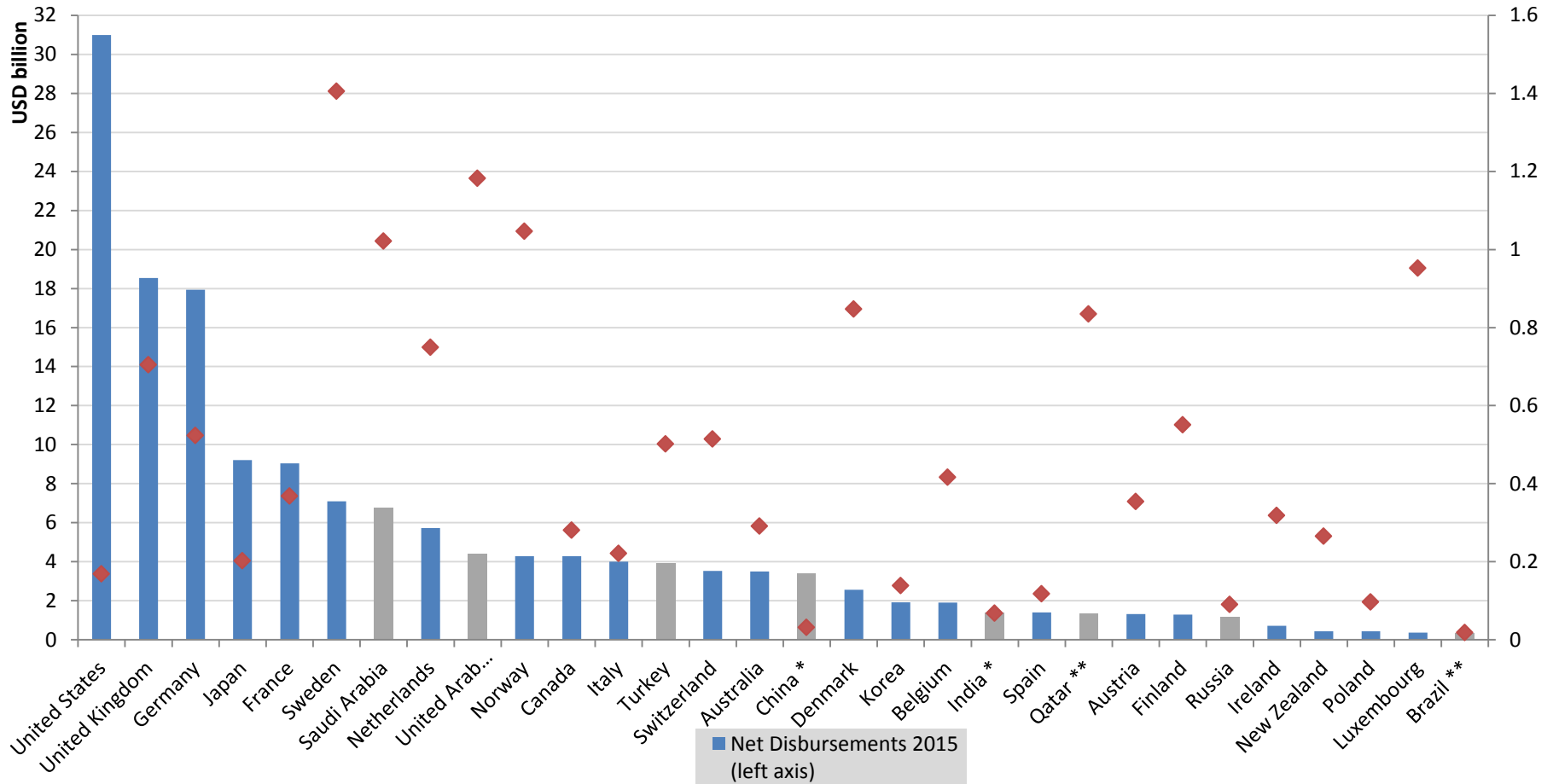
- **Global Picture** – DAC data collection covers **total resource flows**, not just aid.
- **Comparability and reliability** – Data are reported on the same basis by all providers. Wherever possible the statistics conform to balance-of-payments norms and definitions.
- **Accountability** – DAC statistics are used to measure providers' compliance with various international recommendations in the field of development co-operation (terms, volume), and monitor progress against specific policy objectives, such as the SDGs.
- **Transparency** – One central data collection repository. All data are available for free online in multiple formats at [www.oecd.org/dac/stats/idsonline](http://www.oecd.org/dac/stats/idsonline).
- **Aid Co-ordination** – The DAC is the principal OECD body discussing issues related to co-operation with developing countries and provides a platform for provider countries and agencies to dialogue and coordinate.





## 7

## The 30 main providers of development co-operation (2015)



## Useful links on development finance flows:

- <http://www.oecd.org/dac/>
- <http://www.oecd.org/dac/dac-global-relations/non-dac-reporting.htm>
- <http://www.oecd.org/dac/financing-sustainable-development/>
- <http://stats.oecd.org/qwids/>
- [www.aidflows.org](http://www.aidflows.org)



Q.

Time for questions and clarifications

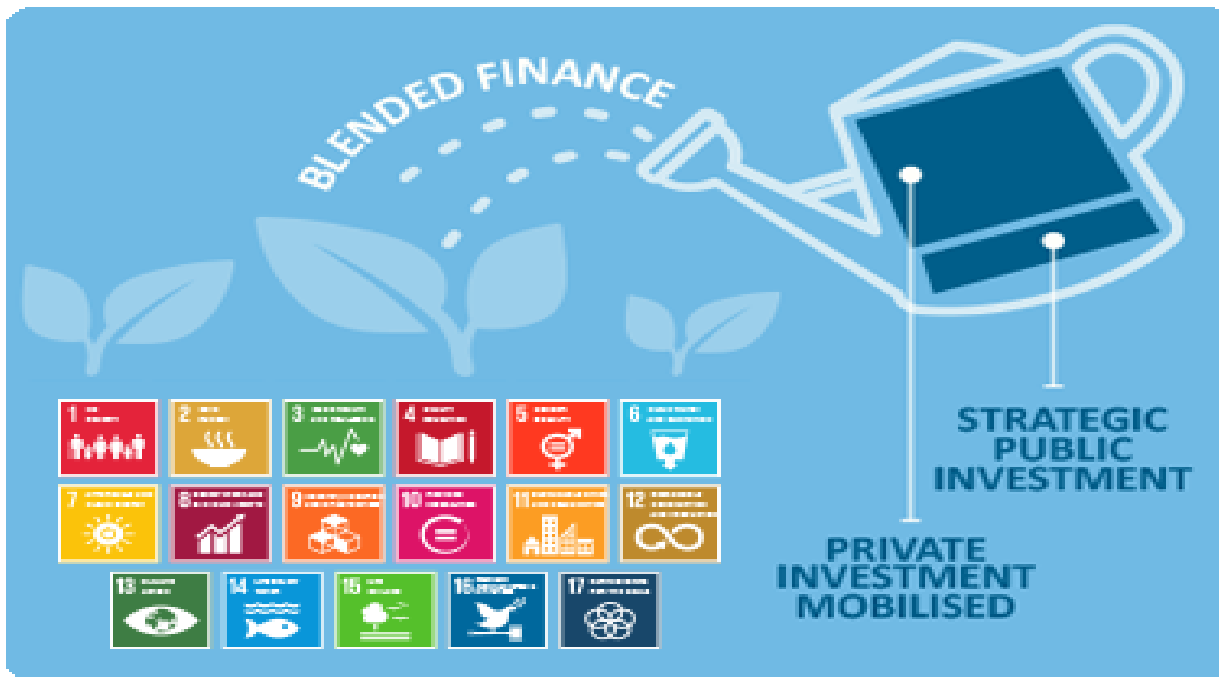


*Thank you!*



## Blended finance

**Objective:** To generate additional supply of commercial finance that would otherwise be unavailable for financing of SDG-aligned investments.



**Overall development policy:** Addressing challenges such as development finance and subsidies, enabling environment, development impact, allocation and targeting

**Crowding-in as a safeguard against crowding-out:** Blended finance is providing additionality through direct crowding-in of 'non-development' finance.

**Keeping public support to a minimum level:** Public or private investments that mobilise additional private capital can include concessional elements.



## Blended finance (cont.)

### Work programme in 2017

Delivering two **key products**:

Principles	Policy insights
<p>Goal: Support the effective use of blended finance, and provide a framework for donors to base their decisions on scaling-up and mainstreaming blended finance.</p>	<p>Goal: Major report on blended finance.</p> <ul style="list-style-type: none"><li>• Improved understanding of Blended Finance and a common perspective across the development policy community</li><li>• Best practice insights derived from Blended Finance case studies</li><li>• Evidence base of data that will further allow the tracking of blended finance, including trends and evolution.</li></ul>
<p><b>Provide a policy and best practice framework for DAC members to operate through</b></p>	<p><b>Provide guidance and policy learnings to DAC members.</b></p>