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**DEVELOPMENT CO-OPERATION DIRECTORATE  
DEVELOPMENT ASSISTANCE COMMITTEE**

## **Converged Statistical Reporting Directives for the Creditor Reporting System (CRS) and the Annual DAC Questionnaire**

**Chapters 1 - 6**

These Reporting Directives were approved by the Development Assistance Committee (DAC) on 30 August 2024. They are now issued as FINAL and UNCLASSIFIED.

Annexes are presented in three separate documents: DCD/DAC(2024)40/ADD1/FINAL, DCD/DAC(2024)40/ADD2/FINAL and DCD/DAC(2024)40/ADD3/FINAL.

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*Converged Statistical Reporting Directives for the Creditor Reporting System (CRS) and the Annual DAC Questionnaire*

## Introduction

1. The collection of the statistics covered by these Directives was initiated by the Development Assistance Group, which was set up in 1960 and transformed into the Development Assistance Committee (DAC) of the OECD in 1961 when the OECD replaced the earlier OEEC. DAC statistics aim to meet the needs of policy makers in the field of development co-operation, and to provide a means of assessing the comparative performance of aid donors.
2. DAC statistics are used extensively in the Peer Reviews conducted for each DAC member every four to five years, and have a wide range of other applications. They are used to measure donors' compliance with various international recommendations in the field of development co-operation (terms, volume), and are indispensable for analysis of virtually every aspect of development and development co-operation. Most of the statistics are available to the public in regular publications and, on-line on the internet.<sup>1</sup>
3. The resources channelled by individual donors to a recipient country or a group of countries should be seen in the context of the countries' total resource receipts, and also in terms of the overall geographical distribution of aid and resource flows from all sources combined. The data collection therefore covers non aid as well as aid resource flows from DAC countries, and resource flows from other sources. To the extent possible, the data from these other sources are compiled using the same definitions given in these Directives.
4. Comparability is of the essence: the data should be reported on the same basis by all donor countries. Where possible the statistics conform with balance of payments norms and definitions (see Chapter 3). There is regularly a need to capture new policy interests and changing forms of assistance and the directives have evolved over time to take account of new decisions on reporting techniques. Modifications must be approved by the DAC<sup>2</sup>.
5. These Converged Statistical Reporting Directives cover annual reporting on key aggregates in the DAC tables and item-level data through the expanded Creditor Reporting System (CRS++). They supersede the earlier versions of the Directives and related annexes (DCD/DAC/STAT(2023)9/FINAL; DCD/DAC/STAT(2023)9/ADD1/FINAL; DCD/DAC/STAT(2023)9/ADD2/FINAL; DCD/DAC/STAT(2023)9/ADD3/FINAL).
6. Starting with 2018 data, the standard for measuring ODA has been the grant equivalent. The measurement of private sector instruments (PSI) in ODA on a grant equivalent basis is implemented starting with 2023 data (with a possible transition period of one or two years).<sup>3</sup>

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<sup>1</sup> See <https://data-explorer.oecd.org/>.

<sup>2</sup> Between full revisions of these Directives, the List of organisations contributions to which may be reported as ODA (Annex 2) is updated by the DAC Working Party on Development Finance Statistics.

<sup>3</sup> During a transition period, if applicable, PSI remains counted on a cash-flow basis, using the methods and eligibility rules detailed in the provisional reporting methods [DCD/DAC/STAT(2023)9/ADD3]. The transition period counts maximum one year for loans to the private sector, subordinated loans, loan-type reimbursable grants and guarantees (implementation at the latest in 2025 reporting on 2024 ODA), and two years for equities, preferred equities and reflow-based reimbursable grants (implementation at the latest in 2026 reporting on 2025 ODA). See Addendum 3 for more details.

## Chapter 1. Coverage and Key Financial Definitions

7. This chapter outlines the DAC's collection of data on resource flows from donors to developing countries and provides definitions of main categories of flows.

### I. Scope of resource flows covered

8. The flow of resources covered in these Directives comprises the following transactions with countries and territories on the DAC List of ODA Recipients (see Annex 1) and the multilateral institutions on the List of ODA-eligible international organisations (see Annex 2):
- i. grants, long-term (i.e., over one-year maturity) capital transactions and specific development-related internal transactions made by governments or the official sector of DAC countries;
  - ii. private long-term capital transactions made by residents of DAC countries;
  - iii. grants by non-governmental organisations (NGOs) and other private sources based in DAC countries;
  - iv. amounts mobilised from the private sector by DAC countries' official development finance interventions.
9. Figure 1 below gives an overview of resource flows covered in DAC statistics. Data are collected on both official and private flows, both concessional and non-concessional. For official flows the major distinction is between official development assistance (ODA), private sector instruments (PSI) and other official flows (OOF), while private flows are broken down into flows at market terms and charitable grants. Flows include contributions to multilateral development agencies, which are themselves official bodies. The outflows from such multilateral agencies are the subject of a separate data collection aimed at providing a complete picture of developing countries' receipts. In parallel with flows from countries (and multilateral agencies), data on amounts mobilised from the private sector by official development finance interventions are also collected. These are presented separately because the funds do not necessarily originate from the provider country(ies) and may even be domestic i.e. originate from the recipient country.

Figure 1. Overview of resource flows covered in DAC statistics

FIGURE A. Flows from countries<sup>4</sup>

	Concessional	Non-concessional
Official	Official development assistance flows	Other official flows Private sector instruments <sup>5</sup> Officially supported export credits
Private	NGO, foundation and other charitable flows	Private flows at market terms

<sup>4</sup> As a full DAC member and a donor of Official Development Aid (ODA) in its own right, the European Union is considered as a DAC country for the purpose of this Directive.

<sup>5</sup> The Principles of ODA Modernisation on Private Sector Instruments (PSI) present PSI as “non-concessional in nature” [see Annex I of DCD/DAC(2016)11]. However, PSI can convey positive grant elements that are used to measure the donor effort included in the ODA grant equivalent measure under certain eligibility criteria (see paragraphs 61 and 62).

**FIGURE B. Flows from multilateral agencies**

<b>Multilateral agencies active in development</b>	Concessional	Non-concessional
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**FIGURE C. Amounts mobilised by official development finance interventions**

	<b>Flows</b>	<b>Amounts mobilised</b>
<b>Donor countries</b>	Official flows from countries (covered in Figure A)	Amounts mobilised from the private sector through official development finance interventions
<b>Multilateral agencies active in development</b>	Flows from multilateral agencies (Figure B)	

### *1. Main concepts used in defining flow categories*

#### *Bilateral and multilateral*

10. Bilateral transactions are those undertaken by a donor country directly with a developing country or channelled through a multilateral organisation either in the form of earmarked contributions to a developing country or contributions to specific purpose programmes and funds managed by the organisation (see paragraph 12). They also encompass transactions with non-governmental organisations active in development and other, internal development-related transactions such as interest subsidies, spending on promotion of development awareness, debt reorganisation and administrative costs.
11. The definition of a multilateral contribution is based on two criteria: the multilateral character of the recipient institution and the multilateral character of the contribution. Donors' contributions that satisfy both criteria by meeting the following tests should be recorded under the heading "multilateral":
  - a) the recipient institution conducts all or part of its activities in favour of development and developing countries; and
  - b) the recipient institution i) is an international agency, institution or organisation whose members are governments, who are represented at the highest decision-taking level by persons acting in an official capacity and not as individuals; or ii) is a fund managed autonomously by a multilateral agency as defined in i); and
  - c) funds are pooled so that they lose their identity and become an integral part of the recipient institution's financial assets.

Conditions a) and b) define the multilateral character of the agency. Condition c) is a test of the multilateral character of the contribution.

12. If it is not immediately clear whether funds provided to a multilateral organisation can be considered as pooled, determination is made on the basis of the degree of control over the disposal of the funds contributed. If, on scrutiny, it is found that the donor country has maintained control over its contributions to such an extent that the decisions regarding disposal of the funds are on balance taken at the donor's discretion, the flows concerned should be recorded as bilateral (these contributions are often referred to as "multi-bi" or

“earmarked” contributions). The relevant criteria are the extent to which the donor country rather than the recipient institution specifies some or all of the following:

- the recipient to which the funds will be granted or lent (particular emphasis is placed on this criterion);
- the project and purpose for which the funds are to be used;
- the amount provided and its terms;
- in the case of loans, the re-utilisation of amortisation and interest received.

#### *Concessional and non-concessional*

13. Grants are wholly concessional by definition. In DAC statistics, concessionality implies a grant element of at least:

- 45 per cent in the case of bilateral loans to the official sector of least developed countries (LDCs) and other low income countries (LICs) (calculated at a rate of discount of 9 per cent).
- 15 per cent in the case of bilateral loans to the official sector of lower middle income countries (LMICs) (calculated at a rate of discount of 7 per cent).
- 10 per cent in the case of bilateral loans to the official sector of upper middle income countries (UMICs) (calculated at a rate of discount of 6 per cent).
- 10 per cent in the case of loans to multilateral institutions (calculated at a rate of discount of 5 per cent for global institutions and multilateral development banks, and 6 per cent for other organisations, including sub-regional organisations).
- 10 per cent in the case of loans to INGOs (calculated at a rate of discount of 6 per cent).

14. Bilateral loans to the official sector and loans to multilateral institutions below these thresholds are referred to as “non-concessional” in DAC statistics. For more details on the concept of concessionality and calculation of the grant element, see Chapter 2, section I.3).

15. Concessionality is not considered an appropriate criterion for assessing the ODA characteristics of PSI. Additionality is used instead (see paragraph 16).

#### *Additional*

16. Additionality is a key characteristic of PSI to be in line with the “concessional in character” criterion of ODA. Accordingly, ODA can only include donor effort in PSI that are additional. The DAC statistics distinguish between three types of additionality: “financial additionality”, “value additionality” and “development additionality”. Financial and value additionality seek to avoid market distortions. For a PSI activity to be ODA-eligible, it must be additional financially or in value, together with its development additionality.

#### *Official and private*

17. Official transactions are those undertaken by central, state or local government agencies at their own risk and responsibility, regardless of whether these agencies have raised the funds through taxation or through borrowing from the private sector. This includes transactions by public corporations i.e. corporations over which the government secures control by owning more than half of the voting equity securities or otherwise controlling more than half of the equity holders’ voting power; or through special legislation empowering the government to determine corporate policy or to appoint directors. Private transactions are



those undertaken by firms and individuals resident<sup>6</sup> in the reporting country from their own private funds.

18. All grants are reported as flows from the sector providing the funds for development or relief purposes. Thus, official contributions to NGOs and other private bodies are recorded as official; private contributions to official appeals, etc., are recorded as private. In some associated financing transactions the official and private sectors supply funds jointly, each retaining responsibility for its portion. These portions should be reported separately under official and private flows. [“Responsibility” covers the choice of the purpose of expenditure, the decision as to the terms of a transaction, and the acceptance of the risk involved in undertaking the transaction (i.e. meeting the loss that occurs if the recipient fails to amortise or delays payment on a loan).]

## *2. Main categories of flows used in reporting (types of flows)*

19. See list of codes used for reporting on the main categories of flows in Annex 10a.

### *Official Development Assistance (ODA) flows*

20. Grants and loans to the official sector, INGOs and multilateral organisations entering the calculation of the grant equivalent ODA measure are referred to as ODA flows.

### *Private Sector Instruments (PSI)*

21. Private sector instruments (PSI) include loans to the private sector, guarantees, equity investments, mezzanine finance instruments and reimbursable grants. Donor effort in providing PSI can be included in the ODA grant equivalent measure, while the related flows to developing countries are referred to as PSI flows.

### *Other Official Flows (OOF)*

22. Other official flows (excluding officially supported export credits – see paragraph 23 and private sector instruments – see paragraph 21) are defined as transactions by the official sector which do not meet the conditions for eligibility as ODA, either because they are not primarily aimed at development, or because they are not sufficiently concessional, e.g.:
- i. Grants to developing countries for representational or essentially commercial purposes.
  - ii. Loans to the official sector intended to promote development which are not concessional.
  - iii. Official loans to private exporters in the donor country.
  - iv. The net acquisition by governments and central monetary institutions of securities issued by multilateral development banks at market terms.
  - v. Subsidies (grants) to the private sector to soften its credits to developing countries (see Chapter 3).

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<sup>6</sup> The concept of “**residence**” is not based on nationality or legal criteria, but on the transactor’s centre of economic interest: an institutional unit has a centre of economic interest and is a resident unit of a country when, from some location (dwelling, place of production, or other premises) within the economic territory of the country, the unit engages and intends to continue engaging (indefinitely or for a finite period) in economic activities and transactions on a significant scale. (One year or more may be used as a guideline but not as an inflexible rule.)

- vi. Funds in support of private investment (loans and grants by the official sector to a private company in the donor country to help finance a specified investment in a developing country). Support to a general investment programme of an enterprise is not reportable, even though it may indirectly encourage investment in developing countries.
- vii. Reorganisation of non-ODA debt undertaken by the official sector at non-concessional terms, and forgiveness of military debt.

#### *Officially supported export credits*

- 23. Officially supported export credits are extended by government-owned or controlled specialised export-financing agencies or institutions (ECAs) for commercial purposes to finance a specific purchase of goods or services from within the creditor country. They include both official direct export credits (i.e. loans extended by ECAs to facilitate exports to developing countries) and officially-guaranteed/insured export credits (i.e. loans extended and claims owned by the private sector but guaranteed/insured by ECAs to finance an export transaction).<sup>7</sup>
- 24. Premia paid to insure export credits, and indemnities paid under such insurance, do not constitute flows to developing countries and are not recorded in DAC statistics.

#### *Private Foreign Direct Investment*

- 25. Private foreign direct investment financial transactions (flows) comprise mainly three types of financing from the private sector: (i) acquisition or disposal of equity capital; (ii) reinvestment of earnings which are not distributed as dividends; and (iii) inter-company debt (payables and receivables, loans, debt securities). Direct investment comprises financing by an entity resident in a reporting country which has the objective of obtaining or retaining a lasting interest in an entity resident in a developing country. “Lasting interest” implies a long-term relationship where the direct investor has a significant influence on the management of the enterprise, reflected by ownership of at least ten per cent of the shares of the enterprise, or the equivalent in voting power or other means of control.

#### *Other private flows at market terms*

- 26. Other private long-term (i.e. over one-year maturity) capital transactions at market terms (excluding private credits under official guarantee or insurance, see paragraph 23) made by residents of the donor country, including portfolio investment.<sup>8</sup> Covers e.g. bonds, equities and private acquisition of multilateral securities.

#### *Private concessional flows*

- 27. Grants and other concessional flows extended by NGOs and other private bodies such as philanthropic foundations, resident in the donor country for development assistance and relief. The development and welfare expenditures of religious bodies or of private profit-

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<sup>7</sup> Consistent with the OECD Export Credit Group’s approach, both direct official export credits and officially guaranteed (private) export credits – including their non-guaranteed portions – are assimilated to official transactions in DAC statistics.

<sup>8</sup> Portfolio investment refers to investment in debt and securities (both usually traded) that is not made to acquire a lasting interest in an enterprise.

making entities may also be included, provided such expenditures do not have a primarily religious or commercial motive.

### *Other concepts*

#### Multilateral outflows

28. To provide a complete picture of developing countries' receipts from official sources, the DAC collects data from multilateral agencies on their outflows to developing countries. These are divided into concessional and non-concessional flows.<sup>9</sup>

#### Official development finance (ODF)

29. Official development finance is measured only in relation to the receipts of developing countries, not for individual donor countries. It is a broad measure of developing countries' official receipts for developmental purposes, and is defined as the sum of bilateral ODA flows, PSI flows, bilateral OOF except OOF grants and loans for commercial purposes [items i), iii) and v) in paragraph 22], and all grants and loans by multilateral development institutions, irrespective of the grant element of the loans.

#### Total Official Support for Sustainable Development (TOSSD)

30. TOSSD is a new international statistical framework for monitoring official resources and private finance mobilised by official interventions in support of sustainable development. It is designed to monitor both cross-border resources (Pillar I) and regional and global expenditures in support of sustainable development (Pillar II). TOSSD includes both concessional and non-concessional support, from multilateral and bilateral finance providers, including South-South and triangular co-operation providers.
31. Reporting instructions are available at [www.tossd.org](http://www.tossd.org).

### ***3. Amounts mobilised from the private sector by official development finance intervention***

32. In DAC statistics, mobilisation means the stimulation by specific financial mechanisms/interventions of additional resource flows for development. Amounts mobilised from the private sector are collected following an instrument-specific approach (see Annex 6). They cover all private finance mobilised by official development finance interventions regardless of the origin of the private funds (provider country, recipient country, third country).

## **II. Financial instruments (types of finance)**

33. Within the flow categories (see above) are numerous financial instruments. Financial instruments are categorised as grants, debt instruments, mezzanine finance instruments, and equity and shares in collective investment vehicles. The financial instrument classification also includes instruments that do not necessarily generate a flow (i.e. contingent liabilities) such as guarantees. It also includes specific items to report on debt relief in DAC statistics. The main instruments are presented below. See full list of financial instruments and codes for reporting in Annex 10b.

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<sup>9</sup> The rationale for the data collection from multilateral organisations is explained in guidance note DCD/DAC/STAT(2008)21/REV3. The reporting format has since been updated and combines CRS and TOSSD (Total Official Support for Sustainable Development) reporting requirements.

34. Securities do not constitute a separate category of financial instruments in DAC statistics. Securities issued by developing countries and multilateral agencies and PPPs active in development are negotiable financial instruments, and their acquisitions by the official or private sector of DAC countries are reportable as flows. Negotiability refers to the fact that the legal ownership of the claim is readily capable of being transferred from one owner to another by delivery or endorsement. Securities include debt securities (e.g. bonds), equity securities and investment fund shares or units. While debt securities accrue interest, equity securities pay dividends, and investment fund shares or units pay investment fund income.

### *1. Grants*

35. **Grants** are transfers in cash or in kind for which no legal debt is incurred by the recipient. For ODA reporting purposes, they also include forgiveness of non-military debt; support to non-governmental organisations; certain interest subsidies (see Chapter 3 – Official flows to the private sector), and certain costs incurred in the implementation of aid. Grants to multilateral agencies intended to soften the terms of the latter's lending are a direct resource outflow and should also be recorded as ODA grants. For OOF reporting purposes, grants for commercial purposes such as subsidies to national private investors, and grants to forgive military debt, are also included. Grant-like flows are assimilated to grants. They comprise a) loans for which the service payments are to be made into an account in the borrowing country and used in the borrowing country for its own benefit, and b) provision of commodities for sale in the recipient's currency the proceeds of which are used in the recipient country for its own benefit.
36. **Capital subscriptions** are payments to multilateral agencies in the form of notes and similar instruments, unconditionally encashable at sight by the recipient institutions. They are assimilated to grants in DAC statistics.

### *2. Debt instruments*

37. Debt instruments require the payment of principal and/or interest at some point(s) in the future. Debt instruments can take the form of loans, loan-type reimbursable grants and debt securities.

#### *Loans*

38. **Loans** are transfers in cash or in kind for which the recipient incurs legal debt (and the resulting claim is not intended to be traded). This includes loans repayable in the borrower's currency whether the lender intends to repatriate the repayments or to use them in the borrowing country. Loans with a maturity of one year or less are not reportable in DAC statistics.
39. Loans are classified as ODA, OOF or PSI. The classification as ODA or OOF of loans extended with the promotion of the economic development and welfare of the recipient country as their main objective is determined by their concessionality. For PSI loans to be ODA-eligible, they need to be additional.

#### *Reimbursable grants*

40. **Reimbursable grants** are considered as debt instruments in DAC statistics. They consist of contributions provided to a recipient institution for investment purposes with the expectation of long-term reflows at conditions specified in the financing agreement. DAC statistics distinguish between:

- a. **Loan-type reimbursable grants** for which the conditions - including a concrete repayment schedule – are specified in the financing agreement;
- b. **Reflow-based reimbursable grants**, for which the details on reflows are unknown at the time of investment as they depend on the performance of the underlying investments.

### *Debt securities*

41. **Bonds** are fixed-interest debt instruments, issued by governments, public utilities, banks or companies, tradable in financial markets. The issuer of a coupon bond pledges to pay the par value of the bond to the bondholder on a fixed date (maturity date) as well as specified interest over the life of the bond. Alternatively, bonds can be issued at a price lower than their par value in lieu of the periodic interest, with the full par value being paid to the bondholder on maturity (discount bonds). **Asset-Backed Securities** are securities whose value and income payments are derived from and backed by a specific pool of underlying assets.

### *3. Mezzanine finance instruments*

42. **Mezzanine finance**, also called hybrid finance, refers to instruments relating to the layer of financing between an entity's senior debt and equity, with features of both debt and equity. Providers of mezzanine finance have claims that are subordinated to senior lenders and possess priority over equity investors. Consequently, mezzanine investors normally expect returns that are higher than traditional bank lending rates and lower than the returns required by most equity investors.
- a. **A subordinated (or junior) loan**, in the event of default, will only be repaid after all senior obligations have been satisfied.
  - b. **Preferred equity**, in the event of default, will be repaid after all senior obligations and subordinated loans have been satisfied; and will be paid before other equity holders.

### *4. Equity and shares in collective investment vehicles*

43. **Common equity** is a share in the ownership of a corporation that gives the owner claims on the residual value of the corporation after creditors' claims have been met.
44. **Shares in collective investment** vehicles refer to collective undertakings through which investors pool funds for investment in financial or nonfinancial assets or both. These vehicles issue shares (if a corporate structure is used) or units (if a trust structure is used).

### *5. Guarantees and other unfunded contingent liabilities*

45. Guarantees refer to risk-sharing agreements under which the guarantor agrees to pay part or the entire amount due on a loan, equity or other instrument to the lender/investor in the event of non-payment by the borrower or loss of value in case of investment. Other unfunded contingent liabilities, including insurances, refer to other instruments that do not constitute a flow and that are, as guarantees, categorised as non-flow operations, see Annex 10b for a detailed classification of guarantees and other contingent liabilities.

### *6. Debt relief*

46. Debt relief corresponds to any form of debt reorganisation which relieves the overall burden of debt by altering the amount or repayment terms of outstanding debt. It includes

rescheduling, refinancing, debt forgiveness, conversion and buybacks – within or outside the framework of the Paris Club. Any debt may be reorganised. The debt may be from a single loan or a set of loans, or represent only part of a loan or set of loans. For example, the arrears on a set of loans may be rescheduled in the form of a new loan, with the old loans to run in parallel. Full reporting of debt reorganisation in the DAC reporting system requires the following detailed information about the transactions undertaken:

- Type of reorganisation;
- The DAC flow category of the debt prior to reorganisation - ODA, OOF, officially supported export credits or private;
- The breakdown of the amount into principal and interest;
- The details on the repayment schedule of the original loan and of the loan post treatment.

#### *Type of reorganisation*

47. **Debt cancellation** occurs when there is an agreement between the debtor and the creditor that an outstanding debt no longer needs to be repaid.<sup>10</sup> In DAC statistics **debt forgiveness** covers both debt cancelled by agreement between debtor and creditor and a reduction in the net present value of non-ODA debt achieved by concessional rescheduling or refinancing. Examples of the latter are Paris Club Debt Service Reduction and Capitalisation of Moratorium Interest options. However, cancellation or reduction in net present value of military debt is reportable in DAC statistics only as an OOF grant.
48. **Debt conversion** is an exchange of debt – typically at a substantial discount – for equity, or counterpart domestic currency funds to be used to finance a particular project or policy. Debt for equity and debt for development swaps are all examples of debt conversion.
49. The narrow technical definition of **rescheduling** is the postponement of all or part of one or more maturities of one or more loans, the creditor and the debtor remaining unchanged. In legal terms a rescheduling agreement is the equivalent of a new loan agreement. A wider definition also encompasses the techniques of **refinancing** (the extension of a new loan to enable the repayment of all or part of the amounts outstanding on earlier borrowing, possibly including amounts not yet due) - for any action which results in a new schedule of maturities of either principal or interest, or both, for outstanding debt. There may be a change of creditor, for example in the case of official rescheduling of private debt. In DAC terms rescheduling is the equivalent of the extension of a loan, with a corresponding repayment of the amount of principal rescheduled.
50. A **debt buyback** is the repurchase, usually at a discount, by a debtor country (or on its behalf) of all or part of its external debt. It typically involves private sector debt, which may be purchased on the secondary market, or through negotiations with the creditors.

#### *DAC flow category of debt prior to reorganisation*

51. The reporting of debt reorganisation depends on the flow category concerned: ODA, OOF, officially supported export credits, and private. See Chapter 2, section II.2 and Chapter 3,

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<sup>10</sup> Development agencies and Development Finance Institutions may have authority to unilaterally “write-off” credit instruments that are non-performing (i.e., in default with no prospect of further repayment of principal and interest). In the absence of a bilateral agreement between the debtor and the creditor, unilateral write-offs do not impart a development motive and should be recorded as OOF grants. (See Box 4, principle i.)

section VII for the reporting instructions on debt relief. Once export credit or private debt is rescheduled by the official sector it is reclassified as OOF (flow basis).

### III. Blended finance (including associated financing)

52. Blended finance is defined as the strategic use of development finance for the mobilisation of additional finance towards sustainable development in developing countries.<sup>11</sup> “Additional finance” refers to commercial finance<sup>12</sup>, directly mobilised by development finance interventions in a blended finance structure, which would not be directed towards development-related investments otherwise.
53. The main blended finance modalities used for development purposes are the following:
- a. **Concessional blended finance.** This category includes financing packages mixing official concessional finance – e.g. ODA – and other official flows at, or near, market terms. It also includes associated financing packages (see definition below) which are monitored separately in the context of the Tied Aid Disciplines.<sup>13</sup>
  - b. **Blended finance through leveraging instruments at project level.** This category includes all activities mobilising, in a tangible and measurable manner, private co-financing which would not have been invested for development otherwise, i.e. through guarantees, syndications, credit lines, shares in collective investment vehicles (CIVs), direct investment in companies (DICs), project finance, simple co-financing arrangements and through some forms of technical assistance. This category also includes blended finance activities mobilising commercial investments from the public sector (see footnote 12).
  - c. **Blended finance through funds and facilities.** This category captures activities consisting in capitalising financial vehicles – funds or facilities – established to mobilise additional private finance.
54. Associated financing associates in law or in fact two or more of the following, at least one of which is in effect tied or partially untied:
- a. official development assistance flows;
  - b. other concessional or non-concessional official flows;
  - c. officially supported export credits.
55. In an associated financing package, the availability of concessional funds is conditional upon acceptance of the linked non-concessional component, due consideration being given to any informal understandings between the recipient and the donor authority, and to a donor’s intention to use ODA to facilitate the acceptability of a financing package.

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<sup>11</sup> See the OECD DAC Blended Finance Principles for Unlocking Commercial Finance for the Sustainable Development Goals at <https://www.oecd.org/en/topics/sub-issues/leveraging-private-finance-for-development.html>.

<sup>12</sup> I.e. finance by investors who operate following a commercial and for-profit, i.e. non-developmental, logic. These investors can be private or public (e.g. publicly-owned enterprises managed autonomously and subject to the same profit-making logic as private companies). Note that the scope of the OECD DAC measure of the amounts mobilised is limited to private finance as defined in the Reporting Directives and therefore excludes commercial public finance.

<sup>13</sup> See DAC Guiding Principles for Associated Financing and Tied and Partially Untied Official Development Assistance, Development Co-operation Report, OECD/DAC, 1987, pp. 177-181.

56. The grant element of any officially supported export credit in an associated financing package is taken as zero by convention. It is noted for information that in reporting an offer (as distinct from a commitment) of tied aid financing as defined in the OECD Arrangement on Officially Supported Export Credits (hereafter referred to as “the Arrangement”)<sup>14</sup>, participants use the Berne Union starting point, rather than the commitment date, to calculate the offer’s grant element.

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<sup>14</sup> The Arrangement sets “concessionality level” as one of the criteria for tied aid eligibility. “Concessionality level” is very similar in concept to the “grant element”. The method of calculation is the same, except that the discount rate varies annually according to the commercial interest reference rates (CIRR) and that the base date for the calculation of the concessionality level is the starting point of credit as set out in the Arrangement, rather than the commitment date. [Cf. TAD/PG(2020)1]



## Chapter 2. Official Development Assistance (ODA)

57. This chapter provides the definition of ODA and rules for assessing the ODA-eligibility of certain expenditures.

### I. Definition of Official Development Assistance (ODA)

58. The **ODA grant equivalent** is a measure of donor effort. Grants and ODA loans entering the calculation of the ODA grant equivalent measure are referred to as **ODA flows**. The donor effort in providing ODA-eligible private sector instruments (PSI) is included in the ODA grant equivalent measure too.

#### *ODA flows*

59. Official development assistance flows are defined as grants and loans to the official sector of countries and territories on the DAC List of ODA Recipients, INGOs and multilateral development institutions which are:

- a) provided by official agencies, including state and local governments, or by their executive agencies; and
- b) each transaction of which:
  - i. is administered with the promotion of the economic development and welfare of developing countries as its main objective; and
  - ii. is concessional in character. In DAC statistics, this implies a grant element of at least:
    - 45 per cent in the case of bilateral loans to the official sector of LDCs and other LICs (calculated at a rate of discount of 9 per cent).
    - 15 per cent in the case of bilateral loans to the official sector of LMICs (calculated at a rate of discount of 7 per cent).
    - 10 per cent in the case of bilateral loans to the official sector of UMICs (calculated at a rate of discount of 6 per cent).
    - 10 per cent in the case of loans to multilateral institutions<sup>15</sup> (calculated at a rate of discount of 5 per cent for global institutions and multilateral development banks, and 6 per cent for other organisations, including sub-regional organisations – see Table 2 below).
    - 10 per cent in the case of loans to INGOs (calculated at a rate of discount of 6 per cent).<sup>16</sup>

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<sup>15</sup> This includes both loans in the form of core contributions to multilateral institutions (classified as multilateral ODA), loans channelled through multilateral institutions (classified as bilateral ODA), and loans to trust funds administered by these institutions.

<sup>16</sup> Discount rates for ODA loans consist of a base factor of 5%, which is consistent with the discount rate that IMF used in 2014 for calculating IMF grant element, and an adjustment factor of 1% for

60. Loans whose terms are not consistent with the IMF Debt Limits Policy and/or the World Bank's Non-Concessional Borrowing Policy/Sustainable Development Finance Policy are not reportable as ODA. See Box 1 for the procedural steps to ensure an ODA loan is compliant with these debt policies.<sup>17</sup>

### Box 1. Steps to follow to ensure compliance of ODA loans with the IMF/WB debt policies<sup>(1)</sup>

When deciding to provide ODA loans to public obligors or publicly-guaranteed obligors<sup>(2)</sup>, members should:

- a) **take into account** the most recent IMF/WB country-specific debt sustainability analyses (DSAs) conducted within the joint Debt Sustainability Framework. See the list of DSAs<sup>(3)</sup>.
- b) **take into account** the prevailing limits on public sector concessional or non-concessional borrowing for a specific country, for countries that are subject to debt limits conditionality for concessional or non-concessional borrowing under the IMF's Debt Limits Policy (DLP) or the World Bank's Non-Concessional Borrowing Policy/Sustainable Development Finance Policy (NCBP/SDFP)<sup>(4)</sup>. See list of countries concerned in Annex 22. **To that effect, members should:**
  - i. **not provide** ODA loans with a grant element lower than 35% (calculated using a 5% discount rate)<sup>(5)</sup> in countries that are subject to a zero limit on non-concessional borrowing under the DLP or the NCBP/SDFP;<sup>(6)</sup>
  - ii. for ODA loans in countries that are subject to a non-zero limit on concessional borrowing (grant element equal to or above 35% calculated using a 5% discount rate)<sup>(7)</sup> or nominal limits on non-concessional external borrowing (grant element lower than 35% calculated using a 5% discount rate) or present value (PV) limits on total external borrowing (calculated using a 5% discount rate)<sup>(8)</sup> under the DLP or the NCBP/SDFP, make best effort to **seek assurance** from the appropriate government authorities<sup>(9)</sup> in the debtor country that the project/expenditure is in accordance with the DLP or the NCBP/SDFP for that country. In this regard, participation of the Ministry of Finance or central bank in the transaction as the obligor or guarantor would be sufficient evidence of this obligation having been met.

They should also **inform** the IMF and WB, via the "Lending to LICs" mailbox<sup>(10)</sup>, as soon as possible and in any event before the decision to provide an ODA loan of more than SDR 5 million to a country subject to debt limits conditionality under the DLP or NCBP/SDFP is finalised, of the intention, providing the level of detail necessary in order for the project to be identified and for the basic financial terms and conditions to be known (see Annex 22 for a list of items recommended to share). This will allow the IMF and WB to be aware of

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UMICs, 2% for LMICs and 4% for LDCs and other LICs. There is no adjustment factor for loans to global institutions and multilateral development banks, and an adjustment factor of 1 per cent for loans to INGOs and other multilateral organisations, including sub-regional organisations. The DAC will regularly assess the need for adjusting discount rates, in particular following any change to the IMF rate.

<sup>17</sup> The DAC will regularly assess the need for adjusting the procedural steps, in particular following any change to the IMF's and the WB's own procedures.

all potential public external debt obligations related to projects in countries that are subject to debt limits conditionality for concessional or non-concessional borrowing under the DLP or NCBP/SDFP.

Notes:

1) These steps are consistent with the approach of OECD Council Recommendation on sustainable lending practices and officially supported export credits [TAD/ECG(2018)4].

They also apply to any debt rescheduling conducted outside the framework of the Paris Club (the terms of Paris Club reschedulings are in principle consistent with the DSA).

Loans for which the procedures described in steps (a) and (b) have been completed and for which positive assurance from the appropriate government authorities in the debtor country regarding the compliance of the respective project/loan with the DLP and/or NCBP/SDFP has been granted are eligible to be reported as ODA (provided that all other ODA eligibility criteria are met).

2) “Public obligors” or “publicly-guaranteed obligors” refer to any obligor whose repayment obligation is guaranteed by a public entity. In this context, a public entity refers to the central, regional and local governments and public enterprises whose debt obligations would be assumed by the government in the case of a default. In order to determine the status of an entity in a country that is subject to a limit on public debt under a programme supported by the IMF, it may be necessary to refer to the Technical Memorandum of Understanding (TMU) for an IMF programme, where the list of public institutions is defined, or to consult with the IMF and the World Bank via the Lending to LICs mailboxes.

3) DSAs for LICs: <https://www.imf.org/external/pubs/ft/dsa/lic.aspx> and DSAs for MAC: <https://www.imf.org/external/pubs/ft/dsa/mac.htm>. In cases where the DSA for a LIC has not been posted or where its posting on IMF website has been delayed, i.e. if the latest DSA on the IMF website is more than twelve months old, it is suggested that members reach out to their respective Executive Director at the IMF to enquire as to whether a new DSA has been issued to the Executive Board but has not yet been made publicly available.

4) Members calculate the grant element of the planned ODA loan using the IMF/WB definition (5% discount rate) to determine whether it is subject to concessional (equal or above 35% grant element threshold) or non-concessional (below 35%) debt limits. The template for calculating the grant element according to the IMF/WB joint definition is available online at: <http://www.imf.org/external/np/pdr/conc/calculator/default.aspx>. Note that in the case of blended loans, the calculation of the grant element through this template is not solely based on the terms of the loan but also takes into account the potential grant component of the financing package. However, for the purpose of DAC statistics, to calculate the ODA grant equivalent of the loan, the differentiated discount rate agreed by the DAC is used.

5) Some IMF programmes require a higher concessionality threshold than the standard 35 percent.

6) This also precludes the possibility of extending OOF loans to these countries. Note that there may, under certain circumstances described in the Debt Limits Policy, be case-by-case exceptions to the zero limit on non-concessional borrowing under the DLP [or the NCBP/SDFP]. This is limited to macro-critical projects and/or debt management operations, and would be described in the TMU. The debt limit, together with any adjustors or exemption, if any, are set by the IMF Executive Board in the context of a request for a new IMF arrangement, or during the reviews of the said arrangement.

7) The limit on concessional borrowing under an IMF arrangement can be either in the form of a performance criterion (PC) or an indicative target (IT). The latter, while not a PC, is still a commitment of the authorities and it is expected to be fully observed.

8) The tool for calculating the PV value is available online at: <https://www.imf.org/external/np/spr/2015/conc/index.htm>. The Lending to LICs mailbox can also be used to request assistance with measuring the PV of a loan.

9) “Appropriate government authorities” refers to those authorities that, according to the specific national legislation of the debtor country, are responsible for the country’s development and borrowing plans, generally the office in the Ministry of Finance or the central bank responsible for debt management.

10) [lendingtoLICS@imf.org](mailto:lendingtoLICS@imf.org) and [lendingtoLICS@worldbank.org](mailto:lendingtoLICS@worldbank.org)

***ODA-eligible private sector instruments (PSI)***

61. Private sector instruments (PSI) include loans to the private sector, guarantees, equity investments, mezzanine finance instruments and reimbursable grants. The donor effort in providing PSI can be included in ODA if they are:
- allocated to countries and territories on the DAC List of ODA Recipients;<sup>18</sup>
  - administered with the promotion of economic development and welfare of developing countries as their main objective,
  - additional financially and/or in value, together with their development additionality.

See section II.10 for a clarification on the ODA-eligibility of PSI.

***ODA grant equivalent measure***

62. The indicator of donor effort in DAC statistics is the ODA grant equivalent measure. The ODA grant equivalent measure is calculated for ODA flows, as defined in paragraph 59, and for ODA-eligible private sector instruments (see paragraph 61).
- For loans to the official sector, INGOs and multilateral organisations which pass the tests for ODA scoring [conditions i) and ii) in paragraph 59], the grant equivalent recorded as ODA is obtained by multiplying the annual disbursements on the loan by the loan's grant element as calculated at the time of the commitment.
  - For PSI, the ODA grant equivalent measure includes either capital increases of PSI vehicles adjusted with their ODA coefficients (institutional approach) or grant equivalents of individual PSI activities (instrument approach).<sup>19</sup> See Addendum 3 for details on PSI.

***1. List of ODA Recipients***

63. The DAC List of ODA Recipients (see Annex 1) shows developing countries and territories eligible to receive official development assistance. The List is designed for statistical purposes, not as guidance for conferring aid or other preferential treatment. In particular, geographical aid allocations are national policy decisions and responsibilities. Data on outflows to countries not on the List are not collected.
64. ODA recipients are classified by income group which is a key determinant in the calculation of ODA: the discount rates used in the calculation of the ODA grant equivalent of loans are differentiated by DAC income groups and the ODA eligibility thresholds are also specific to each group (LDCs and other LICs, LMICs and UMICs).

***2. List of ODA-eligible international organisations***

65. The List of ODA-eligible international organisations (see Annex 2) identifies the multilateral development institutions, core contributions to which may be reported, in full or in part, as multilateral ODA.

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<sup>18</sup> In specific cases, this may also include activities extended through intermediaries in donor or third countries, provided the main objective of the financing is the promotion of economic development and welfare of ODA Recipients, and relevant due diligence has been carried out by the PSI vehicle.

<sup>19</sup> Moreover, under both approaches, decapitalisations of PSI vehicles and dividends paid to the government constitute reverse (negative) donor effort and enter in the ODA grant equivalent calculation, provided the concerned PSI vehicles benefitted from at least one capital increase counted in ODA.

66. In the case of agencies whose core-funded activities are development-related only in part, an ODA coefficient may be determined to assess the share which corresponds to their development activities; only that share of the grant equivalent of an official multilateral contribution to them is reportable as ODA (the remaining share is not reportable in DAC statistics).
67. No multilateral ODA contributions should be recorded unless the recipient agency is included in the List. However, multilateral organisations not listed can still serve as channels of delivery for bilateral ODA-eligible contributions. The List is revised annually by the DAC Working Party on Development Finance Statistics.

### 3. *Grant element, concessionality and grant equivalent*

68. For their grant equivalents to be counted as ODA, ODA loans must be concessional i.e. bear a grant element of at least:
- 45 per cent in the case of bilateral loans to the official sector of LDCs and other LICs.
  - 15 per cent in the case of bilateral loans to the official sector of LMICs.
  - 10 per cent in the case of bilateral loans to the official sector of UMICs, loans to multilateral institutions and loans to INGOs.
69. Loans whose terms are not consistent with the IMF Debt Limits Policy and/or the World Bank's Non-Concessional Borrowing Policy/Sustainable Development Finance Policy are not reportable as ODA.
70. Bilateral loans to the official sector as well as loans to INGOs or multilateral institutions below the thresholds are reportable on a cash-flow basis (commitments, gross and net disbursements) and classified as OOF. Their grant equivalents are not reportable (neither counted in ODA nor in OOF).
71. The technical grant element threshold for loans to the private sector is 0 per cent.

#### *Calculation of the grant element of a loan*

72. The grant element in the ODA definition is a mathematical assessment of the financial terms of a transaction or set of transactions (see Annex 15 for the formula, background and examples). It is the difference between the face value of a loan and the present value of the service payments the borrower will make over the lifetime of the loan, expressed as a percentage of the face value. Four factors determine the grant element:
- i. interest rate (per cent per annum);
  - ii. grace period, i.e. the interval from commitment date to the date of the first payment of amortisation;
  - iii. maturity, i.e. the interval from commitment date to the date of the last payment of amortisation; and
  - iv. discount rate used to determine the present value of future payments. The discount rates used in the ODA grant element calculation are differentiated by DAC income group. The rates consist of
    - A base factor of 5%, which is consistent with the discount rate that IMF used in 2014 for calculating IMF grant element.

- An adjustment factor reflecting default risk of 1 per cent for UMICs, 2 per cent for LMICs and 4 per cent for LDCs and other LICs, noting there is no adjustment factor for loans to global institutions and multilateral development banks, and an adjustment factor of 1 per cent for loans to other multilateral organisations, including sub-regional organisations (see Table 1) as well as for loans to INGOs.<sup>20</sup>
- A surcharge for loans *to the private sector* equal to 0.1 per cent for UMICs, 0.5 per cent for LMICs and 1 per cent for LDCs and other LICs.

73. See Annex 25 for the grant element calculation for PSI other than loans and Table 1 below for an overview of discount rates used in DAC statistics.

74. The grant element is used for two purposes in DAC statistics:

- i. Assess the ODA eligibility of loans to the official sector, INGOs and multilateral institutions, as only loans meeting certain grant element thresholds will have their grant equivalents recorded as ODA; and
- ii. Determine the amount of ODA recorded as only the grant element portion of ODA loans and private sector instruments (instrument approach) is included in ODA (see paragraph 75 below on the calculation of the grant equivalent).

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<sup>20</sup> The DAC will regularly assess the need for adjusting discount rates, in particular following any change to the IMF rate. The DAC has also agreed that multilateral institutions have their own governance mechanisms and that the DAC discount rate does not affect or set precedents for discussions on fund-raising and burden-sharing calculations in multilateral institutions.

**Table 1. Parameters for calculating the grant element and assessing concessionality in DAC statistics****Discount rates and thresholds for ODA loans**

	LDCs and other LICs	LMICs	UMICs, INGOs and multilateral organisations other than global institutions or multilateral development banks	Global institutions and multilateral development banks
Base rate (IMF flat rate used in 2014)	5%	5%	5%	5%
Risk adjustment factor	4%	2%	1%	0%
Discount rate used in the calculation of the grant element	<b>9%</b>	<b>7%</b>	<b>6%</b>	<b>5%</b>
Threshold (minimum grant element for qualifying as ODA)	<b>45%</b>	<b>15%</b>	<b>10%</b>	<b>10%</b>

**B. List of international institutions and applicable discount rate<sup>21</sup>**

<b>Multilateral development banks (MDBs)</b>	<b>Regional and sub-regional institutions, other than MDBs</b>
African Development Bank (AfDB) Asian Development Bank (AsDB) European Bank for Reconstruction and Development (EBRD) Inter-American Development Bank (IDB) Islamic Development Bank (IsDB) World Bank Group: IDA, IBRD, IFC	African Export-Import Bank (Afreximbank) Development Bank of Latin America (CAF) Black Sea Trade and Development Bank (BSTDB) Caribbean Development Bank (CDB) Central African States Development Bank (BDEAC) Central American Bank for Economic Integration (CABEI) East African Development Bank <sup>0</sup> Eastern and Southern African Trade and Development Bank (TDB) Economic Community of West African States (ECOWAS) Financial Fund for the Development of the River Plate Basin (Fonplata) North American Development Bank <sup>1</sup> Shelter Afrique <sup>1</sup> West African Development Bank (BOAD)
<b>Global institutions and funds</b>	<b>Other institutions</b>
Clean Technology Fund Green Climate Fund International Fund for Agricultural Development (IFAD) International Monetary Fund (IMF)	Private Infrastructure Development Group (PIDG)  INGO/multilateral-like PPPs on the DAC List of ODA-eligible international organisations

1. Not included on the DAC List of ODA-eligible international organisations.

<sup>21</sup> The list of organisations in the table may be expanded as and when the need arises. See the DAC statistics website for the most recent updated list.

### C. Discount rates for private sector instruments

	LDCs and other LICs	LMICs	UMICs
Loans to the private sector	10%	7.5%	6.1%
Loan-type reimbursable grants <sup>22</sup>			
Equities and shares in collective investment vehicles	13%	10.5%	9.1%
Reflow-based reimbursable grants <sup>23</sup>			
Mezzanine finance instruments (subordinated loans and preferred equities)	11.5%	9%	7.6%
Guarantees on equity investments	9%	6.5%	5.1%
Guarantees on mezzanine finance instruments	7.5%	5%	3.6%
Guarantees on credit to private debtors	6%	3.5%	2.1%
Guarantees on credit to official debtors	5%	3%	2%

#### *Calculation of the grant equivalent*

75. The grant equivalent of loans recorded in the ODA grant equivalent measure is obtained by multiplying the annual disbursements on the loan by its grant element. The grant element is calculated at the time of loan commitment as described in Annex 15, and is then applied to the subsequent annual disbursements of the loan. Under the grant equivalent system, ODA loans are measured on a disbursement basis: the grant equivalent recorded for loans to the official sector, INGOs and multilateral organisations in the ODA grant equivalent measure represents the concessional portion of each loan disbursement<sup>24</sup>. The more concessional a loan is, the higher the grant element and the greater ODA grant equivalent recorded.
76. When a donor extends a loan in local currency, by hedging through a cross-currency swap<sup>25</sup>, the grant element is calculated using the terms of the loan in donor currency, and not the terms in local currency.
77. See Section II.2 for the calculation of the ODA grant equivalent of debt relief operations and Annex 25 for the calculation of grant equivalents of guarantees, equities and other PSI.

<sup>22</sup> Discount rates used for loan-type reimbursable grants to the official sector are the same as for ODA loans to the official sector (see paragraph 72).

<sup>23</sup> Discount rates used for reflow-based reimbursable grants to multilateral organisations are 8% in the case of global institutions and multilateral development banks and 9% in the case of other multilateral organisations, including sub-regional organisations (see Table I.B).

<sup>24</sup> The grant equivalent of commitments can be calculated, but is not reported, nor recorded under any ODA measurement.

<sup>25</sup> Lending in donor currency to a bank on concessional terms, borrowing an equivalent amount from the bank in local currency on terms which are concessional for that currency, and on-lending the funds in local currency to a recipient country.



*Loans with variable interest rates*

78. For loans with variable interest rates<sup>26</sup>, the grant element is calculated at the time of the commitment. The mechanism for loans with variable interest rates takes account of the following definitions:

- variable rate = interbank rate or other market reference rate, e.g. EURIBOR, SOFR or ICAPEURO, +/- margin.
- reference fixed rate = fixed rate that the borrower would obtain (a) in accordance with the loan commitment and (b) given market conditions applying at time of commitment for the term of the loan.
- fixed rate applied if the borrower chooses to convert the variable rate into a fixed rate.

79. The borrower's decision whether to convert the variable rate into a fixed rate will depend on the trend of the variable rate, and is not known at the time the commitment is reported. The grant equivalent of the loan will be recorded as ODA only if the grant element calculated on the basis of the reference fixed rate is above the agreed thresholds for concessionality. The grant equivalent is calculated using the reference fixed rate.

## II. Rules on the ODA-eligibility of certain items

80. The DAC has agreed specific instructions regarding the ODA-eligibility of various items.

### *1. Administrative costs*

81. Total donor administrative costs are not captured in DAC statistics. The statistical category for administrative costs covers only those administrative expenditures related to development assistance programmes that are *not already included* under other ODA items as an integral part of the costs of delivering or implementing the aid provided. Situation analyses as well as evaluation, monitoring and auditing activities of projects and programmes are reported as part of the projects and programmes, and not as administrative costs. Other types of evaluations (e.g. process evaluations, meta-evaluations, strategic evaluations) are included as part of donor administrative costs when they are financed outside the operating budget of the extending agency. Box 2 describes the types of ODA-eligible and non-ODA-eligible administrative costs.

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<sup>26</sup> A loan is considered to have a variable interest rate when its interest rate consists of a market reference rate plus/minus a margin. The margin is fixed at the time of the commitment while the market reference rate is subject to change after the commitment of the loan.

## Box 2. Types of ODA-eligible and non-ODA-eligible administrative costs (non-exhaustive lists)

**ODA-eligible administrative costs, that can be reported if related to development co-operation programmes and if not already counted under other ODA items, include:**

- salaries and pensions of employees involved in delivering aid
- IT equipment and infrastructure (computers and word-processing equipment, phones, printers)
- motor vehicles
- costs of premises, rents, maintenance and upkeep of buildings currently used for development activities in donor countries and developing countries
- outsourcing and consultancies
- travel and mission costs
- office supplies
- insurance and security costs
- logistics
- project implementation costs
- membership fees in development co-operation networks
- costs of transfers, commissions, and foreign exchange differences
- donors' capacity-building activities (e.g., training, workshops, seminars)
- cost of dialogue with partner countries
- other operational expenses

**Non-ODA-eligible administrative costs, that should be excluded from DAC statistics, include:**

- all construction costs unless the building concerned is to be donated to a developing country for development purposes
- costs of receiving developing country dignitaries for diplomatic or courtesy purposes
- salaries of high-level politically appointed officials whose responsibilities are not limited to aid delivery activities (Minister, Secretary of State and, if applicable, Director General)
- costs for the promotion of the donor country, its culture and/or language

82. Administrative costs should be calculated using the “institutional” approach, i.e. the total current budget outlays of institutions responsible for the formulation and implementation of members’ aid programmes, or a pro rata allocation in the case of ODA activities financed out of other budgets. Report a separate line in the CRS for the administrative costs of each institution involved in aid delivery.

83. The coverage of administrative costs eligible to be reported as ODA comprises:

- i. the administrative budget of the central aid agency or agencies, and of executing agencies wholly concerned with ODA delivery;
- ii. that portion of the administrative costs of multi-purpose executing agencies (see Box 3. for methods to estimate such portion);
- iii. administrative costs related to the aid programme borne by overseas representatives and diplomatic missions.

Allowance should be made, where possible, for offsetting receipts.

### Box 3. Method to estimate ODA-eligible administrative costs of multi-purpose institutions

ODA-eligible administrative costs of multi-purpose agencies can be estimated based on:

- The share of ODA disbursements in the agency's total expenditures.
- The share of salaries of staff assigned to ODA delivery activities in total staff salaries (e.g., Development Co-operation Department staff's salaries as a share of salaries of total Ministry of Foreign Affairs staff).
- The share of ODA-related programmes in the agency's budget.
- The proportion of time/working hours spent on development-related duties relative to other working tasks (the estimated working hours may be based on timesheets or survey data).
- The proportion of effort that each part of the organisation directs at ODA-eligible strategic objectives relative to the organisation's overall objectives.

Whenever possible, the estimates should be made at the level of organisational units, which are then added up to obtain total estimated ODA-eligible administrative costs for the institution. The calculation should be regularly updated (e.g., every 3 to 5 years).

84. The costs of diplomatic staff assigned to wholly aid-related duties in developing countries should be included in full. Where individual officers perform aid-related duties part-time, a ceiling applies of 50 per cent of the total costs incurred in respect of them, unless the actual costs can be ascertained in the form of a charge to the aid budget. The representation costs of delegations to international organisations may be included, as a maximum, in proportion to the ODA coefficient for core contributions to that organisation. The cost of receiving developing country dignitaries should be omitted.
85. The salaries component of administrative costs includes *either* i) pension payments made to retired staff whose salaries, had they remained at work, would have counted as administrative costs, *or* ii) the current cost (including estimated unfunded costs) of the future pensions to be paid to serving staff.
86. The costs of premises, computer and word-processing equipment and motor vehicles are measured either i) as provided for in the budget of the ministry or agency concerned as a direct cost, or ii) as an actual or imputed write-off for amortisation, but not as a combination of the two. In respect of premises in the donor country, only the costs of maintenance and upkeep of buildings currently used for development activities may be reported as ODA. All construction costs are excluded, unless the building concerned is to be donated to a developing country for development purposes.

## 2. Debt relief and ODA

87. The following principles govern the reporting of debt reorganisation. Detailed instructions for reporting these operations are provided below and in Chapter 5.

### Box 4. Principles to govern the reporting of debt reorganisation

- i. Cancellation of debt qualifies as ODA debt forgiveness if it has a development motive. Unilateral write off for the purposes of book keeping does not have this motive and is not included in DAC reporting.
- ii. The commitment to reschedule/refinance debt is recorded in full in the year the bilateral agreement to restructure legally comes into force. The “disbursement” of any future maturities rescheduled is recorded at the time of the actual implementation<sup>(1)</sup> of their rescheduling (applies to flows).
- iii. Concessional rescheduling of non-ODA debt in the framework of the Paris Club Debt Service Reduction agreements should be reported as two operations (applies to flows):
  1. a debt forgiveness grant under ODA equal to the reduction in the net present value of the debt<sup>(2)</sup>; and
  2. a rescheduling of the remaining debt under OOF.
- iv. Rescheduling should be reported in exactly the same way as refinancing.
- v. Any action taken to restructure an ODA loan qualifies as ODA.
- vi. Private debt restructured by the official sector is deemed to become official debt as of the date the agreement legally comes into force.
- vii. When rescheduling/refinancing occurs wholly within a DAC category (ODA, OOF) only the amounts of capitalised interest should be reported (applies to flows).
- viii. When OOF debt is rescheduled/refinanced on ODA terms by the official sector outside the framework of the Paris Club, both the principal and interest restructured should be reported under ODA flows as an amount rescheduled/refinanced.
- ix. When private debt is rescheduled/refinanced by the official sector, both the principal and interest restructured should be reported, under ODA flows or OOF, as an amount rescheduled/refinanced.
- x. Where short-term debt is cancelled or rescheduled/refinanced over more than one year by the official sector, this should be reported under ODA flows or OOF, as an amount rescheduled/refinanced.
- xi. The rescheduling/refinancing of non-ODA debt on market terms of interest does not qualify as ODA, even when because of long maturities the grant element is above agreed thresholds.
- xii. Where official debt is exchanged for equity or counterpart funds to be used for development purposes, this should be reported as an ODA grant for debt conversion, not as debt forgiveness. When official debt is exchanged at a discount, the value of the counterpart fund or equity should be reported as debt conversion and the difference between that and the amount of debt cancelled as debt forgiveness. When the official sector sells debt at a discount to a private sector entity which is then exchanged for equity or counterpart funds to be used for the benefit of the private sector entity for development

purposes, the official sector's loss should be reported as debt forgiveness. (Applies to flows.)

Notes:

1. In year 1 when the old set of future principal and interest maturities are simply replaced with a new set; year-by-year when future maturities are rescheduled only as they are reached.
2. As for debt cancellation the ODA entry should be calculated with reference to the nominal value of the debt. If the value of all outstanding principal plus interest arrears is \$100 and a 67% NPV reduction is applied, the amount to report as debt forgiveness is \$67. No consideration should be taken of the foregone future interest originally due on the debt, with the exception of guaranteed interest, which is always treated as principal.

88. The following additional rules have also been agreed in respect of the ODA reporting of certain debt operations.

*Cancellation of military debt*

89. Cancellation or reduction in net present value of military debt is never reportable in DAC statistics as debt forgiveness, but should be reported as an OOF grant.

*Debt buybacks*

90. Exclude from ODA any discount involved in standalone buybacks in the framework of the Paris Club that do not form part of a comprehensive debt treatment for the country concerned. Where a buyback is a complementary element of a package of debt measures covered by a single Paris Club agreement, consider if the main objective of the agreement is the development and welfare of the debtor country. Factors to consider in such cases include: a) whether the agreement explicitly recognises development and welfare, for example poverty reduction, as its main objective; b) whether the buyback is less than half of the face value of the debt treated by the single agreement; c) in cases where the agreement includes specific measures in support of development outcomes, for example monitoring debt sustainability and increased public expenditure by the debtor to reduce poverty, whether those measures also cover the buyback element.

*Reporting of debt relief in the grant equivalent system*

91. The rules for reporting are described for non-ODA claims (section a), for ODA claims committed and disbursed as from 2018 (section b) and for ODA claims committed and disbursed before 2018 (section c).<sup>27</sup>

92. Examples that illustrate the methodology for non-ODA and ODA claims are presented in Annex 7. The examples illustrate the ODA calculation both for loans committed and disbursed before 2018 and loans committed and disbursed as from 2018.

**a) Non-ODA claims (OOF, export credits and private flows at market terms)**

93. The donor effort involved in concessional debt relief (forgiveness and concessional rescheduling) of non-ODA claims gives rise to ODA grant equivalents.

- In the case of **forgiveness** of non-ODA claims, the full amount forgiven (principal and interest forgiven) counts as new ODA.

<sup>27</sup> The narrative that explains the rationale for the rules is available in DCD/DAC(2020)39/REV1.

- For **concessional rescheduling** of non-ODA claims, the rescheduling operation results in a new ODA loan, measured on a grant equivalent basis. The classification of the operation as ODA or non-ODA depends on the concessionality of the rescheduled loan. If the grant element of the rescheduled loan is equal to or above the agreed thresholds, the rescheduling operation (principal and capitalised interest) qualifies as ODA and the grant equivalent of the rescheduled loan is recorded as ODA.<sup>28</sup>
94. For non-concessional rescheduling of non-ODA claims, i.e. if the grant element of the rescheduled loan is below the agreed thresholds, the rescheduling operation is classified as OOF and no ODA grant equivalent is recorded.

**Table 2. Treatment of debt relief for non-ODA claims (OOF, export credits and private flows at market terms)**

	<b>Non-ODA claims</b>
<b>Debt cancellation</b>	Amount of debt forgiveness (principal and interest forgiven) recorded as ODA
<b>Concessional debt rescheduling/refinancing</b>	Grant equivalent of the rescheduled loan (principal and capitalised interest) recorded as ODA
<b>Non-concessional debt rescheduling/refinancing</b>	Recorded as OOF. No grant equivalent recorded as ODA

**b) ODA claims committed and disbursed as from 2018<sup>29</sup> 30**

95. The method for calculating ODA **in the case of debt relief (forgiveness or rescheduling) of an ODA claim** takes into account the fact that the grant equivalent of the original loan has already been reported as ODA.
- Debt forgiveness and debt rescheduling of ODA loans are eligible provided they comply with agreed principles for reporting debt reorganisation (see Box 4).
  - The ODA calculation is based on a comparison of the grant equivalent of the rescheduled loan (i.e. post-treatment, be it forgiveness or rescheduling) and the grant equivalent of the original loan (i.e. pre-treatment). ODA thus records the additional concessionality conveyed by the debt relief operation.<sup>31</sup>

<sup>28</sup> However, as indicated in principle xi) of the principles governing the reporting on debt reorganisation in DAC statistics (see Box 4), the rescheduling/refinancing of non-ODA debt on market terms of interest does not qualify as ODA, even when because of long maturities the grant element is above agreed thresholds.

<sup>29</sup> ODA claims cover bilateral loans to the official sector (sovereign and sub-sovereign) and loans to multilateral institutions. For private sector instruments (PSI), the method for calculating ODA grant equivalents has not been approved yet and PSI are still recorded in ODA on a flow basis for the time being. Therefore, the rules for reporting on debt relief of ODA PSI are not changed either.

<sup>30</sup> The rules pertain to forgiveness or rescheduling of bilateral ODA claims owed to the creditor. Contributions to cover debt owed to third parties, such as multilateral financial institutions (e.g. contributions to IDA-MDRI or HIPC Trust Fund), are reported as grants.

<sup>31</sup> Sum of present value of future payments initially due for debt forgiveness (see Case 1 in Annex 7a) or the difference between the present value of initial and new loan repayments for debt rescheduling (see Case 2 in Annex 7a).

- The calculations are made using the date of treatment as time reference for the net present value computations and the discount rate associated to the income group (9%/7%/6%) of the country at the date of treatment.
- If relevant, the grant equivalent of late interests forgiven/consolidated interests is also included.
- A ceiling applies so that the method does not generate more ODA for a loan and subsequent debt relief than a standard grant would generate. The ceiling applies to the whole perimeter of the treated debt (including interests and late interests) under nominal terms.
- Members are required to report the full details of these operations, including their post-treatment schedules, to enable the verification of the calculation of the grant equivalent by the Secretariat.

**Table 3. Treatment of debt relief for ODA claims committed and disbursed as from 2018**

	ODA claims
<b>Debt cancellation or debt rescheduling / refinancing</b>	<p>The amount recorded as ODA at the time of debt treatment is calculated as follows:</p> <p>1) calculate the difference between the new grant equivalent and the grant equivalent of the original loan, using the date of treatment as time reference and the discount rate associated to the income group (9%/7%/6%) applicable to the country at the date of treatment; add, if relevant, the grant equivalent of late interests forgiven/consolidated interests; and</p> <p>2) record as ODA the amount over and above the amounts previously recorded as ODA for the loan concerned, up to the ceiling that corresponds to the face value of the loan in nominal terms and that applies to the whole perimeter of the treated debt.</p> <p>In other words:</p> <p>'ODA originally recorded in DAC statistics (in nominal terms)' <i>plus</i> 'new ODA for debt relief (including for possible interests)' <i>is lower or equal to</i> 'nominal ceiling' i.e. face value of the loan in nominal terms.</p>

**c) ODA claims committed and disbursed prior to 2018**

96. The same rules apply to loans committed prior to 2018 as for loans committed as from 2018.

**Table 4. Treatment of debt relief for ODA claims committed and disbursed prior to 2018**

	ODA claims
<b>Debt cancellation or debt rescheduling / refinancing</b>	<p>The amount recorded as ODA at the time of debt treatment is calculated as follows:</p> <p>1) calculate the difference between the new grant equivalent and the grant equivalent of the original loan<sup>32</sup>, using the date of treatment as time reference and the discount rate associated to the income group (9%/7%/6%) applicable to the country at the date of treatment; add, if relevant, the grant equivalent of late interests forgiven/consolidated interests; and</p>

<sup>32</sup> Note that this grant equivalent is notional in the sense that it has not been registered in ODA under the cash-flow system.

	<p>2) record as ODA the amount over and above the amounts previously recorded as ODA for the loan concerned, up to the ceiling that corresponds to the face value of the loan in nominal terms and that applies to the whole perimeter of the treated debt.</p> <p>In other words:</p> <p>'ODA originally recorded in DAC statistics (nominal, including positive and negative amounts recorded under the cash-flow system up to 2017<sup>33</sup>) plus 'new ODA for debt relief (including for possible interests)' is lower or equal to 'nominal ceiling' i.e. face value of the loan in nominal terms.</p>
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### 3. *Development awareness*

97. Funding of activities designed to increase public support, i.e. awareness in the donor country of development co-operation efforts, needs and issues. Includes the funding of special lectures or curricula and provision of information about the national aid programme. Excludes country-specific or product-specific announcements and publicity or informational expenditures for which enhanced public support for development is an incidental consequence, rather than a principal objective. Reporting should be net of income from sales of publications or other payments for services rendered.

### 4. *Promotion of culture and cultural diversity*

98. Programmes that strengthen the cultural sector of developing countries as well as measures that promote or protect the diversity of cultural expressions in developing countries provided that participation in such activities is voluntary are ODA-eligible. (Support to individuals such as artists is eligible as long as a sound developmental narrative geared to capacity building can be demonstrated.)

99. This also includes activities supporting the production or the dissemination of artistic works of developing country nationals (e.g. artistic or musical events), where their main objective is to contribute to the development of the cultural sector in developing countries through e.g. emergence of a cultural market or transfer of know-how/training to artists concerned. ODA reporting for events taking place in the donor country is eligible only if they directly contribute to the capacity development of artists involved. E.g., activities primarily intended to expand the entertainment offer of donor countries are excluded.

100. Restoring or preserving cultural sites located in developing countries, including when registered on the UNESCO's List of World Heritage, as well as support to developing countries' intangible cultural heritage (arts, social practices, knowledge and skills) qualifies as ODA if it pursues a main development objective (contributing to capacity building/transfer of knowledge, creating economic benefits, promoting welfare and social development).

101. Expenditures incurred in connection with cultural exchange schemes can be included if they primarily focus on promoting developing country artists' acquisition of new skills (solely promoting their mobility and the internationalisation of their works is not a sufficient condition for qualifying as ODA).

102. Other development-oriented social and cultural programmes that contribute to promote inclusion and empowerment of nationals of developing countries are ODA-eligible. This includes the provision of materials (e.g. books), educational services (e.g. language courses), recreational facilities and equipment, as well as the organisation of tournaments and sporting events taking place in developing countries with participation of

<sup>33</sup> Note that repayments as from 2018 are not recorded as negative ODA in the grant equivalent system and thus not deducted here either.



their nationals and with a clear developmental purpose (these events qualify in ODA only if they directly and primarily benefit developing countries and their populations; large events taking place in developing countries but with worldwide financial repercussions benefitting the donor country as much as the developing country are excluded from ODA).

103. The following activities are explicitly excluded from ODA:

- Cultural activity used to forcibly normalise minorities into the dominant culture, oppressing and suppressing cultural diversity.
- Activities pursuing a commercial/promotional/for-profit purpose for the benefit of the donor country.
- Expenditures essentially intended to improve the image of a donor country in the country in which they are made.
- Expenditures incurred in connection with friendly exchange schemes and expenditures benefiting professional sportspersons, e.g. financing their attendance in sporting events.
- Restoration of religious buildings, even if inscribed on the UNESCO List of World Heritage, when they are still used as places of religious worship. Potential developmental components of such restorations (e.g. linked to tourism) can be counted in ODA if separately identifiable.

##### 5. *Imputed student costs*

104. Indirect (“imputed”) costs of tuition in donor countries are eligible for inclusion in ODA in non-fee charging educational systems, or where fees do not cover the cost of tuition, and if the presence of students reflects the implementation of a conscious policy of development co-operation by the host country, that is, if as a minimum these costs are specifically recognised in official budgets, and there is an appropriate degree of involvement by the authorities responsible for ODA programmes in the formulation of policy on the intake and tuition of students, bearing special national factors in mind.

105. The demonstration of involvement should relate to such aspects as the role of the ODA authorities (whether central, state or local) in the specification of sectors and levels of education; the needs of the developing countries concerned for particular qualifications; the numbers and selection of the categories of students or trainees to be brought into the host country; the extent to which tuition can be tailored to the needs of developing country students; the conduct of discussions with developing countries on the co-ordination of the supply of places in the donor’s educational system with each country’s requirements; special measures against brain drain; and support for the reintegration of students into their home country.

106. The following specific principles apply as regards statistical quality and the technique for measuring imputed students’ costs:

- The imputed costs to be reported are those borne by the official sector, including expenditures by central and state governments, net of fees paid by the students.
- The costs are calculated as the percentage of official expenditure on education that corresponds to the percentage of the student body that is accounted for by students from developing countries. The calculation should in principle cover both secondary and tertiary students.
- A separate computation should if possible be made for each faculty, since education in some disciplines is more costly to provide than in others. Faculties not directly

related to development concerns and expenditures connected with research facilities should be excluded from the calculation.

- Capital costs should be excluded. However, expenditures for maintenance and short-life capital assets may be included.

## 6. *Refugees*

107. A refugee is a person who is outside his/her home country because of a well-founded fear of persecution on account of his 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.

108. Official sector expenditures for the sustenance of refugees in donor countries can be counted as ODA during the first twelve months of their stay<sup>34</sup>. 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.

109. Five clarifications of the directives in paragraphs 107-108 are provided below. Additional information is provided in the Explanatory Notes (see Annex 18).

### **Clarification 1. Rationale for counting in-donor refugee costs as ODA**

**Refugee protection is a legal obligation for OECD member states, all of whom are States party to the 1951 Geneva Convention Relating to the Status of Refugees and its 1967 Protocol. Assistance to refugees may be considered as humanitarian in nature and is provided with the aim of ensuring the dignity and human rights of beneficiary populations.** Assistance to provide reception/protection to refugees originating from ODA-eligible countries, in the donor country (temporary sustenance for up to 12 months) is included in ODA to reflect the financial effort of hosting refugees and the sharing of responsibility with developing countries that host the vast majority of the world's refugees.

### **Clarification 2. Meaning of the term "refugees"**

**The term "refugees" covers asylum-seekers (or asylum applicants) and refugees with recognised status (including "quota" refugees or refugees under a resettlement programme).**

**For the purposes of calculating in-donor refugee costs in ODA, an asylum-seeker can be considered to fit within the definition of a refugee during the period while he/she is awaiting a decision on status until it is determined that he/she does not fulfil the refugee criteria, that is, the asylum claim is rejected.**

**For asylum-seekers who are ultimately rejected:**

<sup>34</sup> 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.

- costs incurred after the final rejection are not reportable as ODA, as the individual no longer fits within the definition of a refugee;
- any costs incurred up to the final rejection of an asylum claim or up to 12 months if the final decision is still pending (whichever comes first) may be reported as ODA<sup>(1)</sup>. People in-transit, irregular and regular migrants who have not declared their intent to seek asylum, are not refugees and related costs are not eligible as ODA.

1. To allow for comparisons of ODA data across the membership, members who exclude these costs may make explicit reference to their exclusion in their reporting data.

110. **The following categories are considered to be covered under the term "refugees" for the purposes of DAC reporting and are not intended to have any legal implications for States party to this reporting exercise:**

111. A “refugee” is a person who is outside his home country because of a well-founded fear of persecution on account of his race, religion, nationality, membership of a particular social group or political opinion. Under the expanded definition, a refugee may also be a person who is seeking asylum having fled a situation of armed conflict, civil war or events seriously disturbing public order.

112. A “recognized refugee” or a “beneficiary of international protection” is a person granted refugee status under the terms of the 1951 Refugee Convention/1967 Protocol or relevant regional or domestic legislation. Some countries support solutions for refugees through organised resettlement programmes (or “quota” refugees). These humanitarian programmes entail the transfer of refugees from developing countries to donor countries with the assistance of UNHCR. Upon arrival, the refugees are entitled to temporary sustenance pending longer-term integration efforts. In the event of a mass influx, which may result in transit or secondary movements, members may also formally recognise new arrivals as refugees on a prima facie basis (or as a group) on the basis of readily apparent, objective circumstances in the country of origin, in accordance with relevant national or regional legislation. Individuals recognised on a prima facie or group basis are also considered eligible for reporting under these Reporting Directives.

113. A person granted “temporary protection” or “subsidiary protection” is someone who has sought asylum from a region experiencing civil war or severe unrest and who has been accorded a temporary residence permit or temporary humanitarian permit.

114. An “asylum-seeker” or “asylum applicant” is a person who has applied for asylum and is awaiting a decision on status. Considering the declarative nature of refugee status<sup>35</sup>, asylum-seekers or asylum applicants are considered to fit within the definition provided by the Reporting Directives during the period while they are awaiting a decision on status. If individuals have previously been registered in another country by the relevant state

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<sup>35</sup> Refugee status is declarative. A person is a refugee within the meaning of the 1951 Convention as soon as he fulfils the criteria contained in the definition. This would necessarily occur prior to the time at which his refugee status is formally determined. Recognition of his refugee status does not therefore make him a refugee but declares him to be one. He does not become a refugee because of recognition, but is recognized because he is a refugee (Source: Handbook on Procedures and Criteria for Determining Refugee Status under the 1951 Convention and the 1967 Protocol relating to the Status of Refugees, Chapter 1, Para. 28, HCR/IP/4/Eng/REV.1 Reedited, Geneva, January 1992, UNHCR 1979). The recognition of refugee status is a declaratory act (Source: Para. 21, Directive 2011/95/EU of the European Parliament and of the Council on Standards for the Qualification of Third-Country Nationals or Stateless Persons as Beneficiaries of International Protection, for a Uniform Status for Refugees or for Persons Eligible for Subsidiary Protection, and for the Content of the Protection Granted).

authorities or by UNHCR as asylum seekers/applicants or refugees, or have declared their intent to seek asylum, then they are considered to fall within this definition for the purposes of these Reporting Directives. The specific **categories of unaccompanied minors and separated children (UASC)** seeking asylum and individual applicants for **family reunification** are considered to fit within the definition of a refugee. The latter are considered to fit the definition based on their derivative status i.e. they are assumed to be vulnerable to acts of persecution due to their relation to the refugee.

115. **The following categories are not considered to be covered under the term "refugees" for the purposes of DAC reporting:**

116. A **"rejected asylum-seeker"** is a person determined not to meet the Refugee Convention definition or extended definition of a refugee once the asylum procedure has been concluded.

117. "In-transit refugees" is not an internationally or regionally-recognised legal category.<sup>36</sup> The term is a popular reference that has been used in various contexts to refer to both regular and irregular migrants, whose movements may be voluntary or forced. Often it is applied to secondary movers who are deemed to be "in-transit" because they travel through multiple countries until they have reached their country of destination, where they may or may not apply for legal status (for example as an economic migrant or a refugee). See also paragraph 112.

#### **Clarification 3. Twelve-month rule**

**Costs incurred in the donor country for basic assistance to asylum seekers and refugees from developing countries are reportable as ODA up to 12 months. Beyond 12 months, financial contributions are made to individuals considered resident in the country and are excluded from the scope of statistics on international flows.**

**The 12-month rule applies from the date of the application for asylum, or, alternatively, the date of entry into a country through a resettlement programme, or the date of entry into a country upon the acceptance of an application for family reunification.**

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<sup>36</sup> For example, the EU Directive on Common Standards and Procedures in Member States for Returning Illegally Staying Third-Country Nationals (2008/115/EC) makes reference to illegal third country nationals.

#### **Clarification 4. Eligibility of specific cost items**

Members are reminded that although provisions to refugees are a legal obligation, only some of these provisions can be counted towards ODA based on the Reporting Directives and their Clarifications. **Comprehensive list of ODA-eligible expenditures for refugees (as defined in paragraphs 110-114), up to twelve months:**

*i) All direct expenses for temporary sustenance (food, shelter, and training) prior and post recognition of refugee status. Post-recognition, care should be taken to only include expenses for sustenance that can still be qualified as temporary, and to exclude those of a more permanent nature that promote the integration of refugees into the economy of the donor country.*

- **Food** and other essential temporary sustenance provisions such as clothing.
- **Shelter** i.e. temporary accommodation facilities (e.g. reception centres, containers, tent camps). In respect of buildings, only the costs of maintenance and upkeep may be reported as ODA. The cost of renting temporary accommodation facilities is eligible. (All construction costs are excluded, see list of non-eligible items below).
- **Training**
  - o Early childhood education, primary and secondary education for children (this includes school costs but excludes vocational training), as part of temporary sustenance.
  - o Language training and other ad-hoc basic training for refugees e.g. basic life skills for youth and adults (literacy and numeracy training).
- **Other:**
  - o Basic health care and psycho-social support for persons with specific needs e.g. unaccompanied minors, persons with disabilities, survivors of violence and torture.
  - o Cash “pocket money” to cover subsistence costs.
  - o Assistance in the asylum procedure: translation of documents, legal and administrative counselling, interpretation services.

*Government subsidies to municipalities for covering the eligible costs listed above may be reported as ODA. Contributions by one donor to another donor to cover the eligible costs listed above should be recorded as ODA by the contributing country. The receiving country should not include this amount in its ODA figure.*

*ii) Voluntary repatriation of refugees to a developing country during first twelve months.*

*iii) Transport to the host country in the case of resettlement programmes and transport within the host country.*

*iv) Rescue of refugees at sea when it is the main purpose of the operation. Only the additional costs<sup>(1)</sup> related to the operation may be counted.*

*v) Administrative costs: Only overhead costs attached to the direct provision of temporary sustenance to refugees are eligible. This includes costs of personnel assigned to provide the above listed services to refugees, but does not include costs of personnel who are not involved in the direct execution of these services, e.g. management, human resources, information technology.*

1. For clarification on the concept of additional costs, see paragraph 121.

**Non-ODA eligible costs include:**

- Promotion of the integration of refugees into the economy of the donor country: tertiary education, vocational/professional training, skills development, job programmes, wage subsidies, municipalities' costs for integrating and settling refugees (including through government subsidies for covering such costs).
- Construction costs (costs of building accommodation centres for refugees).
- Processing of asylum applications.
- Policing and border patrol at entry points, transit routes or accommodation centres.
- Security screening.
- Costs for border, air and coast guard patrols whose main purpose is the control and protection of borders, when rescue of refugees is not the primary intention of this activity.
- Counter-trafficking operations and costs for detention.
- Costs incurred for asylum-seekers undergoing “short”, “accelerated” or “fast-track” procedures in detention centres, airport holding facilities or any facility in which the right to freedom of movement is denied.
- Voluntary repatriation of refugees to a developing country after first twelve months.
- Costs for return of rejected asylum-seekers.
- Resettlement of refugees to another donor country.
- Forcible measures to repatriate refugees.

**Clarification 5. Methodology for assessing costs.**

**It is recognised that costs included in ODA will generally reflect an estimate, and not real costs attached to individual asylum-seekers or refugees. The approach followed should be conservative, and determined in collaboration with the authorities responsible for ODA programmes (see paragraph 8 in Annex 18).**

**Principles to follow:**

- The model used for assessing costs should be shared with the Secretariat for validation.
- Direct costs attributable to ODA-eligible services to refugees are reportable. Members should refrain from using imputations (see paragraph 39 in Annex 18).
- Ideally, reporting should be based on costs for individual asylum-seekers or refugees. If domestic monitoring systems do not allow for this, the reporting can be based on a methodology that estimates the ODA-eligible share of annual expenditures. If annual expenditures are used:
  - The calculation period for asylum-seeker/refugee stay is considered starting 1st January and ending at 31st of December.
  - Caution should be exercised to avoid over-estimating the costs e.g. not counting the costs for the same person for 12 months as an asylum-seeker and another 12 months as a refugee granted status.
  - Estimates needed for the calculation (e.g. number of asylum-seekers originating from ODA recipient countries, average time on support) may be based on either past observed data or on well-founded expectations based on recent developments. To proceed with calculating costs related to rejected asylum seekers, their share can be calculated based on:

- real data (when the procedure on asylum decision takes less than a year, the actual share is known at the time for reporting on ODA) or
- an estimate based on statistics from previous years (e.g. past 3 years) on refugees intake (when the procedure takes more than a year, the ultimate decision on status is still not known at the time of reporting ODA) or
- well-founded expectations based on recent development.
- Members may base their reporting on the first instance rejection, where a final decision on status is anticipated to occur after a 12-month period, and this facilitates the establishment of a conservative estimate.

Estimates need to be updated regularly on an annual basis.

- To encourage consistency and future alignment of members' reporting practices, members will strive to provide disaggregated statistics of expenditures reported as in-donor refugee costs broken down by:
  - Type of expenditures: i) temporary sustenance, ii) voluntary repatriation, iii) transport, iv) rescue at sea and v) overhead costs attached to the direct provision of temporary sustenance . Reported expenditures should conform to the comprehensive list of ODA-eligible expenditures for refugees (as outlined in Clarification 4) up to twelve months.
  - Category of refugees: i) asylum-seekers – ultimately accepted (costs prior to recognition), ii) asylum-seekers – ultimately rejected (costs prior to rejection), and iii) recognised refugees (costs after recognition or after date of entry into a country through a resettlement programme). Reported expenditures should conform to the meaning of the term "refugee" and eligible costs (as outlined in Clarification 2) up to twelve months.

For transparency purposes, the Secretariat will present these data to the DAC in an annual report which will subsequently be published on the DAC statistics website.

## 7. *Research*

118. Research includes financing by the official sector, whether in the donor country or elsewhere, of research into the problems of developing countries. This may be either (i) undertaken by an agency or institution whose main purpose is to promote the economic growth or welfare of developing countries, or (ii) commissioned or approved, and financed or part-financed, by an official body from a general purpose institution with the specific aim of promoting the economic growth or welfare of developing countries. Research undertaken purely to elaborate an aid project or programme may be considered either as an integral part of the relevant activity, or as an administrative cost.

## 8. *Peace and security-related activities*

119. In order to facilitate the assessment of ODA eligibility of activities in the field of peace and security, specific rules and principles are defined below. See also the Casebook on Conflict, Peace and Security Activities [DCD/DAC(2017)22/FINAL] for an illustration

of the application of the rules, and the online ODA-eligibility database at <https://www.oecd.org/en/topics/sub-issues/oda-eligibility-and-conditions.html>.

### **Box 5. Overarching principles to guide ODA reporting on peace and security-related activities**

As for all ODA, the reporting of peace and security-related activities is guided by the general statement that the main objective of ODA is the promotion of the economic development and welfare of developing countries. When assessing the ODA eligibility of activities in the field of peace and security, the primary purpose must therefore be considered.

Financing of military equipment or services is generally excluded from ODA reporting. This blanket exclusion is to avoid channelling ODA funds to the partner country military, thus strengthening partner countries' military capabilities.

Development co-operation should not be used as a vehicle to promote the provider's security interests. Hence, when assessing the ODA eligibility of activities involving engagement with the partner country military, specific rules and exclusions apply, and are detailed below. Specific reporting rules and exclusions also apply to the exceptional cases where the military are used as delivery agents of development services or humanitarian aid.

The supply of equipment intended to convey a threat of, or deliver, lethal force, is not reportable as ODA

#### *Rules governing ODA reporting in relation to the military*

120. For the purpose of these Directives, the term military refers to all armed forces (land, navy and air forces) reporting to government departments charged with national defence or the projection of armed force (normally "the Ministry of Defence"). The term "military" also covers the Ministry of Defence itself, and state funded and controlled armed bodies not falling within the category of "police" (see paragraph 123).<sup>37</sup>

121. ODA excludes the provision of aid to the military in partner countries. However, there are circumstances, outlined below, where engagement with military institutions, in addition to other actors, is necessary to provide effective support to security sector reform and is recognised as ODA. Also, the use of (usually donor) military personnel and equipment to deliver development services and humanitarian aid is included in ODA (additional costs only, see below). To assess the eligibility of an activity involving the military, it is necessary to distinguish between provider and partner country military.

#### **1. ODA eligibility of activities involving provider country military:**

- The additional costs incurred with the use of military personnel or existing equipment provided by the donor, when used exclusively to a) deliver humanitarian aid in accordance with the humanitarian principles of humanity, neutrality, impartiality and independence or b) perform development services, are included in

<sup>37</sup> Non-state armed factions are covered in paragraphs 130 and 137.



ODA if and only if a specific capability or asset requirement that cannot timely and effectively be met with available civilian assets has been identified.<sup>38</sup>

- The rationale for not counting the regular costs is to acknowledge that the primary objective of the provider armed forces is the provider’s own defence, and their role in delivering humanitarian aid or other development services for developing countries can only be a secondary objective. In this context, only additional or “extra” costs associated with the ODA-eligible task are reportable as ODA.
- Additional costs are not part of the regular (military) budget and are in excess over what the personnel or equipment would have cost to maintain had they not been assigned to the development activity concerned. Therefore, regular salaries and expenses are not eligible, nor the regular equipment costs (e.g. maintenance costs). Additional costs are reportable as ODA, when it is feasible to clearly isolate these costs from the regular costs.

## **2. ODA eligibility of activities involving partner country military:**

- The provision of aid to the partner country military is not reportable as ODA. This exclusion covers the direct participation in military expenditures, assistance directly benefitting counterpart military structure and other contributions linked to a specific defence effort e.g. assistance that contributes to the strengthening of the military or fighting capacity of the armed forces (including the provision and use of equipment and/or services that contribute to developing the kinetic, offensive and/or lethal capabilities of partner countries).
- Generally, provider engagement with the partner country’s military forces is not eligible, except for support for civilian oversight and democratic control of the military system.
- In exceptional circumstances, the operating environment renders necessary the delivery of humanitarian aid or development services through the military of the partner country. In these cases, the activity design needs to clearly describe the expected role of the military as a delivery agent.<sup>39</sup> The regular costs of the military forces involved cannot be counted as ODA. Only the additional costs associated with the use of military personnel or existing equipment of the partner country’s military forces, when used exclusively to a) deliver humanitarian aid in accordance with the humanitarian principles of humanity, neutrality, impartiality and independence or b) perform development services, are reportable as ODA (and not for example the donation of military equipment) provided a specific capability or asset requirement that cannot timely and effectively be met with available civilian assets has been identified.<sup>40</sup>
- Training of partner country military personnel, including in non-military matters, is generally not eligible, except for training, under civilian oversight and with a clear developmental purpose for the benefit of civilians, in the limited areas below.

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<sup>38</sup> It is the obligation of members to undertake and make available, on request by the Secretariat, evidence that demonstrates that such an assessment was made on an objective basis.

<sup>39</sup> Upon request, members need to demonstrate that the design met the criteria prior to the intervention.

<sup>40</sup> It is the obligation of members to undertake and make available, on request by the Secretariat, evidence that demonstrates that such an assessment was made on an objective basis.

Training should be preferably by civilian actors, jointly by civilian and military actors or, by way of last resort, by military actors<sup>41</sup>, in:

- human rights and rule of law;
  - protection of women in conflict and prevention of sexual and gender-based violence;
  - international humanitarian law;
  - humanitarian response and disaster relief preparedness;
  - prevention and treatment of communicable diseases;
  - anti-corruption, including prevention of predatory behaviour against civilians; and
  - transparency, respect of civilian oversight and democratic control.
- Training in the use of equipment intended to convey a threat of, or deliver, lethal force, is not eligible.
  - Training that contributes to the fighting capacity of the armed forces is excluded.

#### Additional safeguards

122. In addition, the following activities involving the military are explicitly excluded from ODA:

- The use of military personnel to control civil disobedience, even in emergency situations.
- Activities to protect the security of persons or property through the use or display of force, including in the context of humanitarian aid.

#### *Rules governing ODA reporting in relation to the police*<sup>42</sup>

123. For the purpose of these Directives, the term police refers to all civilian (non-Defence Ministry) law enforcement agencies that exercise police powers, especially the power of arrest and detention within a broader rule-of-law system (such bodies may include immigration/border, customs and other specialist civilian law enforcement agencies). The term also covers actors such as the gendarmerie, the guardia civil and the coast guard in their civilian police law enforcement functions even if they are administratively under the Ministry of Defence.

124. As with the military, to assess the eligibility of an activity involving the police, it is necessary to distinguish between provider and partner country police.

#### **1. ODA eligibility of activities involving provider country police:**

- The use of police personnel or equipment provided by the donor to perform development services is included in ODA although only the costs in relation to the mission concerned and in addition to the regular budget can be reported (e.g.

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<sup>41</sup> It is the obligation of members to provide an explanation of the programme design process on request by the Secretariat.

<sup>42</sup> Support to police is not exclusively provided in relation to security, and ODA eligibility rules in this section apply to the police as a whole. Such support may be primarily aimed at security system reform [report under purpose codes 152xx] or legal and judicial development [purpose code 15130].

premia for expatriation, travel costs). In practice, when policemen are assigned to a developmental task in a developing country, their regular pay is not reportable as ODA unless the policemen were specifically recruited to carry out these activities or replaced at home. (The costs of substituting the policemen in the provider country are not reportable as ODA.)

## 2. ODA eligibility of activities involving partner country police:

- Financing for routine civil policing functions (i.e. pursuant to preventing and addressing criminal activities and the promotion of public safety – see exclusions in paragraph 125) and the provision of related non-lethal equipment, or training, is reportable as ODA. Training in the governance and management of police equipment is eligible including the safety, security and storage of equipment intended to convey a threat of, or deliver, lethal force.

### Additional safeguards

125. In addition, the following activities involving the police are explicitly excluded from ODA:

- Training in counter-subversion methods, suppression of political dissidence, or intelligence gathering<sup>43</sup> on political activities.
- The supply of the donor's police services to control civil disobedience.

### *List of ODA-eligible items in a context of peace and security*

126. Keeping the above principles and rules of eligibility in mind, this section defines the eligibility of items in the peace and security sector.

## **A. Provider engagement in partner country's security sector**

### *Security system management and reform [CRS purpose code 15210]*

#### 1. Management of security expenditure

127. Technical co-operation provided to government to improve transparency, accountability, civilian oversight and democratic control of budgeting, financial management and auditing of security expenditure, including military budgets, as part of a public expenditure management programme is reportable.

#### 2. Enhancing civil society's role in the security system

128. Assistance to civil society to enhance its competence and capacity to scrutinise the security system so that it is managed in accordance with democratic norms and principles of accountability, transparency and democratic governance is reportable. This includes support to NGOs and other civil society organisations, the media, universities, and research institutions.

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<sup>43</sup> Intelligence gathering does not refer to data collection for development purposes nor to preventative or investigatory activities by law enforcement agencies in the context of routine policing to uphold the rule of law, including countering transnational organised crime

### 3. Security system reform

129. Technical co-operation provided to parliament, government ministries, law enforcement agencies and the judiciary to assist review and reform of the security system to improve good governance and civilian oversight. Eligible assistance is limited to civilian competence/capacity building and strategic planning/advice activities that promote political, institutional and financial transparency, accountability, civilian oversight, as well as respect for human rights and inclusive, gender-sensitive security institutions. Furthermore, any such support to defence ministries must be part of a national security system reform strategy and be approved by the partner country ministry with overall responsibility for co-ordination of external assistance. Any other assistance to the Ministry of Defence or armed forces is excluded.

*Reintegration and small arms and light weapons (SALW) control; mine clearance for civilian purposes; child soldiers*

#### 1. Reintegration and SALW control [CRS purpose code 15240]

130. Reintegration of demobilised military personnel into the economy; conversion of production facilities from military to civilian outputs; repatriation and demobilisation of armed factions, and disposal of their weapons; technical co-operation to control, prevent and/or reduce the proliferation of small arms and light weapons (SALW). SALW activities under this directive are defined as:

- i. development of laws, regulations and administrative procedures for the control and reduction of weapons proliferation;
- ii. development of institutional structures for policy guidance, research and monitoring;
- iii. public awareness campaigns on SALW;
- iv. promotion of regional co-operation and information exchange on SALW programmes;
- v. weapons collection and destruction. (Funding of action to seize arms by force is excluded.) The provision of these activities by military actors is reportable as ODA (additional costs only).

#### 2. Removal of land mines and explosive remnants of war [CRS purpose code 15250]

131. All activities related to land mines and explosive remnants of war which have benefits to developing countries as their main objective, including removal of land mines and explosive remnants of war, and stockpile destruction for developmental purposes; risk education and awareness raising; rehabilitation, reintegration and assistance to victims, and research and development on demining and clearance. Only activities for civilian purposes are ODA-eligible; the provision of these activities by military actors is reportable as ODA (additional costs only).

#### 3. Child soldiers [CRS purpose code 15261]

132. Technical co-operation provided to government – and assistance to civil society organisations – to support and apply legislation designed to prevent the recruitment of child soldiers. This excludes the costs of military operations against groups that may have recruited child soldiers. Assistance to improve educational or employment opportunities

for children so as to discourage their recruitment as soldiers and build capacity (including advocacy) within civilian government and civil society to prevent children from becoming soldiers is eligible. Efforts to demobilise, disarm, release, reintegrate, repatriate and resettle (DDRRR) child soldiers are eligible. On the other hand, support to the armed forces themselves is not eligible. Assistance that contributes to the strengthening of the military or fighting capacity of the armed forces is excluded.

## **B. Provider engagement in peacebuilding and peacekeeping**

### **1. Civilian peacebuilding, conflict prevention and resolution [CRS purpose code 15220]**

133. Support for civilian activities related to peacebuilding, conflict prevention and resolution, including capacity building, monitoring, dialogue and information exchange. This excludes engagement in military strategy and defence co-operation.
134. This category includes bilateral participation in international civilian peace missions such as those conducted by the UN Department of Political Affairs (UNDPA) or the European Union (European Common Security and Defence Policy), and contributions to civilian peace funds or commissions (e.g. Peacebuilding Commission, Peacebuilding thematic window of the MDG achievement fund etc.). The contributions can be financial or in kind, taking the form of provision of equipment or civilian or military personnel (e.g. for training civilians).
135. In the event that civilian peacebuilding activities supported include disclosure of military strategy, such assistance is eligible except where military staff or ministry of defence officials benefit from such funding. Direct assistance to the defence ministry or the armed forces is excluded. However, assistance can indirectly be used by civilian organisations/authorities, excluding the ministry of defence, for participation by defence ministry or armed forces staff in the above activities.

### **2. Participation in international peacekeeping operations**

#### **Bilateral participation**

136. This item covers bilateral ODA-eligible peacekeeping expenditures within a UN context. It includes the cost of a donor's bilateral participation in ODA-eligible activities (see examples below), net of any compensation received from the UN, when they are part of an international peace operation mandated or authorised by the United Nations through a Security Council resolution and conducted by international organisations (the cost of bilateral activities is calculated as the excess over what the personnel and equipment would have cost to maintain had they not been assigned to take part in a peace operation).<sup>44</sup>
137. Typical ODA-eligible activities carried out in a peacekeeping context include: human rights and election monitoring; rehabilitation of basic national infrastructure; monitoring or retraining of civil administrators, penal/corrections personnel and police forces; security sector reform and other rule of law-related activities; training in customs and border control procedures; advice or training in fiscal or macroeconomic stabilisation policy; reintegration of demobilised soldiers; repatriation and demobilisation of armed factions, and disposal of their weapons; explosive mine removal; humanitarian-type activities.

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<sup>44</sup> ODA-eligible costs for military contingents participating in UN peacekeeping operations are counted as multilateral ODA, through the ODA coefficient agreed for these operations.

### Multilateral contributions

138. The List of ODA-eligible international organisations (see Annex 2 of the Reporting Directives) sets out the ODA eligibility of core contributions to international organisations active in the field of conflict, peace and security. In particular, an ODA coefficient is applied to members' assessed contributions to the UN peacekeeping budget. Note that, as indicated on Annex 2, not all UN peacekeeping operations are ODA-eligible and that multilateral contributions to UN peacekeeping operations should be reported operation by operation in the DAC activity database (CRS++). Financing of international engagement in post-conflict peacekeeping by non-UN international forces, e.g. African Union or others is, for the time being, not reportable.

### C. Preventing violent extremism<sup>45</sup>

139. Preventing violent extremism through non-coercive, intentional and targeted use of development assistance approaches aims at providing positive alternatives to those most at risk of violent extremism in partner countries and countering the narrative of violent extremism that incites support for violence.

140. Financing activities combating terrorism is generally excluded from ODA. For example, activities to combat terrorism through kinetic activities and the use of force, and support for armed response or combat operations, whether by military or civilian police are excluded. In the spirit of the recommendations of the 2016 UNSG Plan of Action to prevent violent extremism, activities preventing violent extremism in developing countries are reportable as ODA, as long as they are led by partner countries and their primary purpose is developmental. Activities targeting perceived threats to the donor country, as much as to recipient countries, rather than focusing on the economic and social development of the partner country, are excluded (e.g. protection of developed countries' nationals not engaged in humanitarian or development activities).

141. ODA-eligible activities for preventing violent extremism must be undertaken in accordance with respect for the peaceful exercise of political, social and economic rights, including the right to non-violent forms of political expression. Intelligence gathering is excluded from ODA<sup>46</sup>. In addition, training in counter-subversion method or suppression of political dissidence is excluded from ODA.

142. Eligible activities include:

- Education.
- Activities that support the rule of law.
- Working with civil society groups specifically to prevent radicalisation, support reintegration and deradicalisation, and promote community engagement.
- Building the capacity of security and justice systems in specific skills required for the prevention of extremist or terrorist threats, such as in the collection and correct use of evidence or fair trial conduct, to ensure more effective and human rights-compliant behaviours.

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<sup>45</sup> For the purposes of these Directives, violent extremism is defined as promoting views which foment and incite violence in furtherance of particular beliefs, and foster hatred which might lead to inter-community violence

<sup>46</sup> Intelligence gathering does not refer to data collection for development purposes nor to preventative or investigatory activities by law enforcement agencies in the context of routine policing to uphold the rule of law, including countering transnational organised crime.

- Research into positive alternatives to address causes of violent extremism in developing countries.

## 9. Migration

143. In order to facilitate the assessment of ODA eligibility of activities in the field of migration, specific principles and criteria are defined below.

### *Overarching principles to guide ODA reporting on migration-related activities<sup>47</sup>*

**Preamble:** Migration is a global phenomenon connecting different regions and/or countries. From an ODA-eligibility perspective, the challenge in the field of migration is that it is not always clear whether a programme primarily aims to promote development or address domestic concerns in provider countries. Indeed, while many development co-operation activities related to migration focus on development objectives, others appear to pursue development and provider countries' domestic objectives at the same time. Furthermore, it is important to note that compatibility with international agreements or norms is not, in itself, sufficient to make a programme ODA-eligible. Nor does the fact that a programme may not be ODA-eligible imply that it is illegitimate. The principles below aim to guide ODA reporting in these situations with the goal of preserving the integrity of ODA.

**Principle 1.** As for all ODA, the reporting of migration-related activities is guided by the general rule that the main objective of ODA is the promotion of the economic development and welfare of developing countries. When assessing the ODA eligibility of activities in the field of migration, the primary purpose must therefore be considered.

**Principle 2.** There should be no diversion of ODA towards providers' immediate interests on migration at the expense of long-term sustainable development. When different ministries (e.g. migration and development) are involved in the programming of migration-related activities, in order to avoid the diversion of ODA resources, the authorities responsible for reporting ODA figures need to verify the primary objective of the programmes concerned.

**Principle 3.** While benefits to provider countries do not preclude ODA eligibility, development co-operation should not be used as a vehicle to promote the provider's domestic migration agenda. The promotion of economic development and welfare of a developing country must come before any other goals.<sup>48</sup> It is members' responsibility to present a clear rationale for ODA eligibility.

**Principle 4.** Migration-related activities included in ODA should comply with development, humanitarian and human rights objectives and principles, including the Sustainable Development Goals of the 2030 Agenda. They should generally be aligned

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<sup>47</sup> Also refer to the ODA eligibility rules on in-donor refugee costs and peace and security (sections 6 and 8 above). Some aspects of the ODA-eligibility of migration-related activities were defined in the context of elaborating the purpose code "Facilitation of orderly, safe, regular and responsible migration and mobility". See DCD/DAC/STAT(2018)23/REV3.

<sup>48</sup> A primary goal can be identified as being fundamental in the design and expected impact of the activity and which is an explicit goal of the activity. It may be selected by answering the question: "Would the activity have been undertaken without this goal?" In case of doubt on the primary goal (domestic migration interest vs developmental goal) of a given activity, members are advised to consult the Secretariat or they should not report it as ODA.

with partner countries' own priorities and their overall development strategy. Activities that neglect the rights of forcibly displaced persons and migrants do not qualify as ODA.

**Principle 5.** Activities with the main benefit to ODA-eligible countries or ODA-eligible organisations that either promote safe and regular pathways for migration or that address irregular and unsafe migration, not promoting a provider country's domestic migration agenda, and that protect people's lives and human rights, qualify as ODA.<sup>49</sup>

**Principle 6.** Activities that intercept and return migrants with the main objective to restrict migration to provider countries are excluded from ODA.

*Criteria for assessing the ODA eligibility of activities in the field of migration*

144. When reporting to the Creditor Reporting System, migration-related activities should be clearly described with the necessary details, as the project descriptions are essential for verifying the ODA eligibility of migration-related expenditures. Special care has to be taken to describe the expected outcomes of migration-related activities that involve co-operation with the police or the military. As for all ODA reporting, the Secretariat has a role in verifying the ODA eligibility and, in case of doubt, can ask providers concerned for more information.

**Criterion 1.** Projects which are not in line with applicable international law and applicable international frameworks for migrants and refugees, such as the Global Compact for Migration and Global Compact on Refugees (as relevant), as well as the SDGs, are not eligible.

**Criterion 2.** Development co-operation programmes can be part of a broader policy dialogue with the beneficiary country, including in the field of migration. Development funds might e.g. make the developing country more willing to co-operate in the return and readmission of rejected asylum seekers and irregular migrants. However, if the delivery of funds within an activity is subject to specific conditions on migration outcomes, the funds are not reportable as ODA unless it can be demonstrated that the conditions imposed primarily contribute to the promotion of the economic development and welfare of developing countries, and not primarily to the donor's domestic migration concerns.<sup>50</sup><sup>51</sup>

**Criterion 3.** To help identify the main objective – and hence facilitate the ODA-eligibility assessment – of projects with mutual benefits to the provider and recipient countries, the expected development-enhancing results of the interventions as well as the projects' objectives and respective results indicators should be considered. They can inform of the extent to which the projects pursue domestic migration interests. The overall framework and narrative at programme level that underpins the project also needs to be verified and possibly checked in light of specific questions to confirm eligibility. Examples of questions<sup>52</sup>:

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<sup>49</sup> The rules on in-donor refugee costs mention relevant exclusions in this context.

<sup>50</sup> It is the obligation of members to describe the characteristics of their aid for these activities in their CRS reporting, including the conditions imposed, and share an ODA-eligibility assessment upon request by the Secretariat.

<sup>51</sup> In relation to criterion 2 on conditionality, members commit to include in the Casebook examples – ODA and non-ODA – which illustrate the treatment of activities subject to conditions relative to the future fulfilment of readmission agreements or other specific migration or border measures.

<sup>52</sup> A positive reply to one of these questions should prompt further scrutiny of the activity's main objective, to confirm its ODA eligibility.



- Does the narrative make specific reference to the provider country’s domestic migration interests, “migratory pressures” or the “refugee crisis”? (To what extent? *e.g.* principally, exclusively?)
- Does the intervention aim to restrict migration? (Any form of migration? Through coercive measures?)
- Does the intervention provide only a short-term response to temporary migration patterns and temporary interests with no ambition to contribute to sustainable development?

**Criterion 4. Addressing irregular migration** entails co-operation on border management between provider countries and developing countries for a mutual benefit. However, the primary motivation of this co-operation can be unclear. The boundary between ODA and non-ODA eligible activities in the field of border management is determined based on their primary objective (see also Principle 3).<sup>53</sup>

- Types of ODA-eligible activities:
  - Civilian activities that build the capacity of developing countries to improve the administration of measures related to the movement of persons and goods (strategy and policy development as well as legal and judicial development, including the organisation of border management systems) when the main objective is the promotion of economic development and welfare of developing countries, in particular:
    - Activities to adopt global best practices for good governance (*e.g.* identity management, document verification, fight against corruption).
    - Activities to protect migrants’ human rights.
    - Activities that promote the establishment and implementation of procedures and processes for safe, orderly and regular migration in the best interest of migrants and their well-being (activities with a focus on making mobility safer, human security, awareness campaigns, social and medical services, provision of safety and/or humanitarian or medical assistance to migrants).
  - Capacity building activities that deter, prevent and fight migrant smuggling or trafficking in human beings when aimed at protecting migrants against abuses.
  - Collaboration/capacity-building between provider and developing country in the areas listed above.
  - Rescue of migrants when it is the main purpose of the operation. Only additional costs related to the operation may be counted.<sup>54</sup>

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<sup>53</sup> Specific exclusions apply to training of partner country military personnel. It is generally not eligible, including in non-military matters, except for training, under civilian oversight and with a clear developmental purpose for the benefit of civilians, in a limited number of areas, see paragraph 121 of the Reporting Directives.

<sup>54</sup> To determine the eligibility of rescue-at-sea, the main purpose of the maritime activity involved needs to be considered. If the main purpose for official vessels to patrol the waters is protecting borders, expenses incurred for rescue-at-sea should not be counted as ODA, as this is only a secondary activity (which is in any case a duty to coastal states). If the main purpose of the patrol is to identify potential needs for rescuing refugees at sea, additional costs may be counted as ODA. See the Reporting Directives, Annex 18, paragraph 31. The concept of “additional costs” is explained in the Directives, paragraph 121. The rationale for not counting the regular costs of the activity in ODA is to acknowledge that the *raison d’être* and thus the primary objective of coast guards is not rescue-at-sea. In this context, only additional or “extra” costs associated with the ODA-eligible task are reportable as ODA.

- Specific exclusions from ODA:
  - Activities that support developing or developed countries' border authorities with the main objective to restrict migration to the provider country.
  - Border control projects i.e. border checks and border surveillance activities for the purpose of constraining migration (e.g. construction of a wall, installation of barbed wire, other border control projects where the main objective is to intercept and return migrants) or that are directly related to army or lethal action of security forces, or that entail military type border and territorial surveillance such as armed drones or kinetic patrolling.
  - Training for border guards and building the capacity of border patrols administration, except in support of ODA-eligible types of activities listed above.

**Criterion 5.** Assistance to forced returns is excluded from ODA. For other returns, the eligibility depends on the country of departure (see Figure 2):

- Assistance to migrants for their safe, dignified, informed and voluntary return to their country of origin is eligible in the case of returns from another developing country.
- For costs of return from provider countries, as well as expenditures for return and reintegration incurred in provider countries (pre-departure assistance), the rules on in-donor refugee costs apply (Reporting Directives, paragraph 107 onwards).

**Criterion 6.** Sustainable reintegration programmes<sup>55</sup> qualify as ODA if they primarily focus on the economic development and welfare of developing countries. Reintegration activities undertaken in countries of origin are in principle ODA-eligible irrespective of the status of returnees (forced or voluntary). Reintegration support that exclusively targets returnees from the provider country may be considered eligible only if it is demonstrated that it enables sustainable reintegration and does not primarily aim to address the donor's domestic migration concerns.<sup>56</sup> (See Figure 2.)

**Criterion 7.** Activities that focus on giving access to decent labour opportunities (Decent Work Agenda), protecting the rights of migrants, preventing abuse and exploitation or aiming to improve migrants' overall labour situation in ODA-eligible countries are ODA-eligible.

Activities fostering labour mobility from ODA-eligible countries to non-ODA eligible countries can also be eligible, where the primary purpose is to benefit developing countries (migrants' countries of origin)<sup>57 58</sup>. This can be demonstrated through, for example, a focus on skills transfers to the developing country of origin, or on upskilling of migrants in line with clearly identified skill gaps in the developing country's labour market. Activities intended to primarily fill labour market gaps in the non-ODA eligible country are not eligible.

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<sup>55</sup> See the IOM overarching, programming and measurement standards for integrated, multidimensional and sustainable reintegration programmes.

<sup>56</sup> In relation to criterion 6 on reintegration, members commit to include in the Casebook examples – ODA and non-ODA – which illustrate the treatment of payments or access to programmes specifically offered to individual migrants, forced returnees, rejected asylum seekers or refugees after the first twelve months as an incentive to leave the donor country.

<sup>57</sup> Programmes educating and protecting migrants about their rights are eligible too.

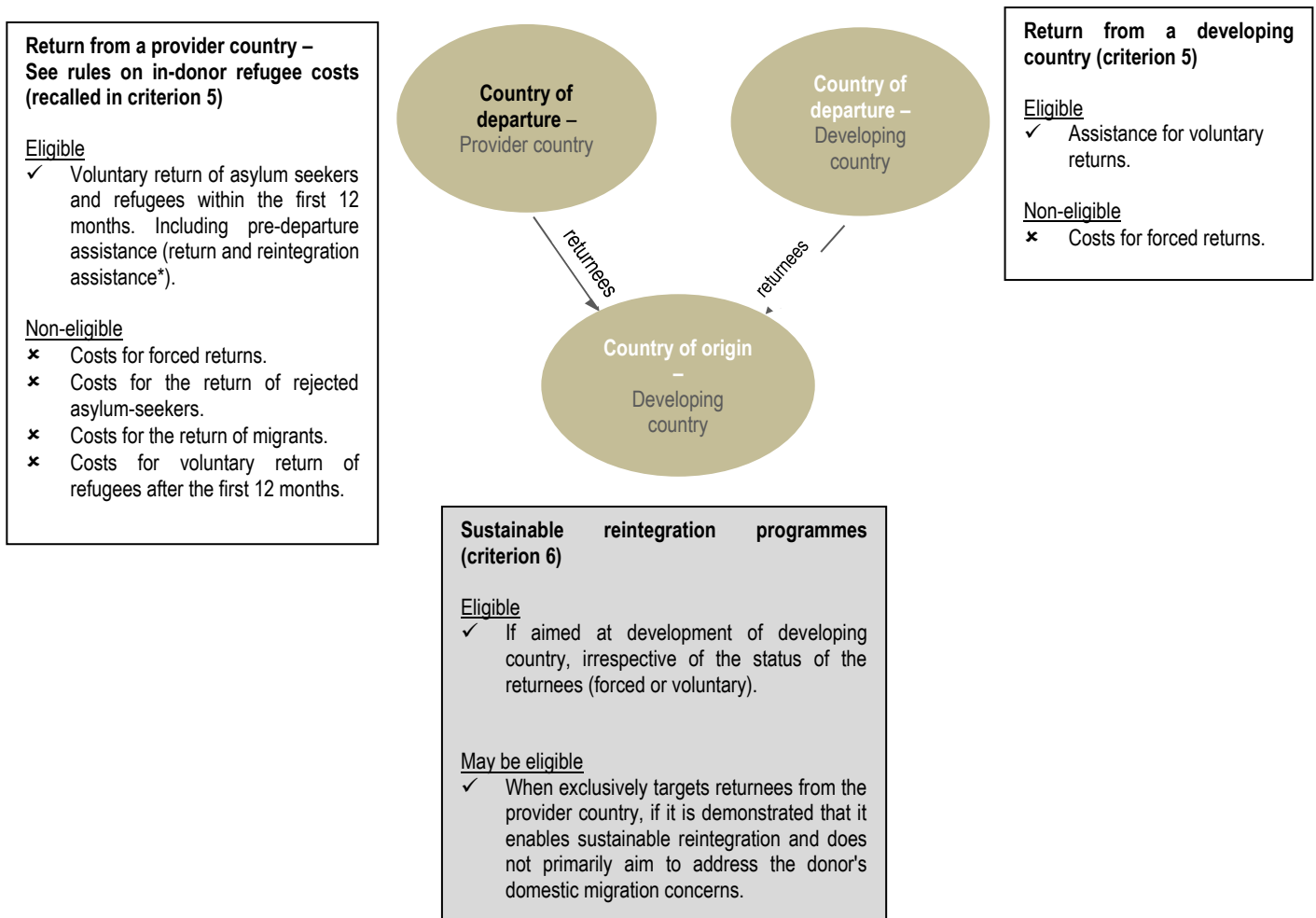
<sup>58</sup> Given the variety of existing contexts, a case-by-case assessment is needed to determine eligibility of activities concerned. While benefits to provider countries do not preclude ODA eligibility, the promotion of economic development and welfare of a developing country must come before any other goals (see Principle 3).

Costs incurred in the provider country for these labour mobility programmes beyond 12 months of stay of migrants should be excluded. In the case of programmes of a longer duration and for a maximum term of 48 months, costs may be considered ODA-eligible if and only if the programme responds to a recipient country's request and includes a clear return cycle of migrants.

Labour mobility activities that promote the permanent integration of (potential) migrants into the economy and society of non-ODA eligible host countries are not ODA-eligible.<sup>59</sup>

**Criterion 8. Engagement with diaspora** in provider countries without a clear developmental or humanitarian aim for the primary benefit of the origin country, and/or promoting the provider countries' domestic migration agenda is not eligible.

**Figure 2. Illustration of the rules on ODA-eligibility for return and reintegration, depending on the country in which expenditures occur**



\* Reintegration support provided in a donor country in connection with the return from that donor country (i.e. pre-departure assistance) is not eligible in the case of forced returns, rejected asylum seekers, migrants, refugees after the first twelve months.

<sup>59</sup> Contributions to resident migrant workers in the host country should be excluded from ODA.

**10. *Private sector instruments (PSI)***

145. The ODA-eligibility of PSI is assessed at two levels:
- a) In the context of the ODA-eligibility assessment of members' PSI vehicles (see Annex 24), and
  - b) For each individual PSI activity, using fields on additionality type, description and development objective. Moreover, only PSI donor effort for which additionality is demonstrated and details on grant equivalents are reported can be included in ODA. See Annex 23 for the more details on the ODA-integrity safeguards related to essential data on PSI.

## Chapter 3. Basis of measurement

146. This chapter describes the architecture of DAC statistics. Section I first explains the two points of measurement of resource flows which enable the presentation of data from either a provider perspective or a recipient perspective, and section II defines the basis of measurement of volume data on flows. For development finance, DAC statistics provide a framework for measuring and monitoring both actual flows and the provider effort in extending development finance. The effort measure – the ODA grant equivalent – is defined in Section III. The aim of DAC statistics is to present the global picture of development finance from both the provider and recipient perspectives.

### I. Point of measurement

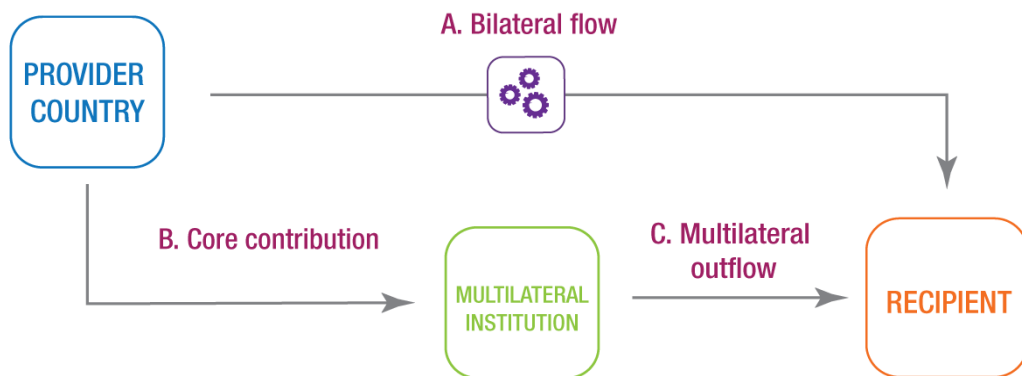
147. DAC statistics are compiled on a calendar year basis with a view to providing comparable data (fiscal years vary across donors).

148. Figure 3 illustrates the two points of measurement of DAC statistics that enable the presentation of data from two perspectives as follows:

- The “**provider perspective**” presents resource flows emanating **from provider countries**. The present Directives govern the reporting by provider countries on resources extended to developing countries and multilateral development institutions. The resulting statistics from the provider perspective distinguish between bilateral and multilateral contributions (A and B in Figure 3 respectively).
- The “**recipient perspective**” presents resource inflows to **developing countries** (also referred to as developing countries’ resource receipts). These consist of bilateral flows from provider countries and outflows from multilateral development organisations (A and C in Figure 3 respectively). Data on the latter are collected directly from the multilateral organisations, with details on the recipients (country or region), purpose and the financial instruments used (concessional and non-concessional). The data collection is limited to core (unearmarked) resources to avoid double counting. (See also paragraph 29.)

149. Figure 3 is a simplification as it does not distinguish between official and private flows from provider countries or illustrate the fact that a part of outflows from multilateral organisations originate from resources from the private sector (funds raised in the international capital markets or private charitable contributions to multilateral organisations).


Figure 3. How the DAC system works: two perspectives



**Recipient perspective = Bilateral flow + Multilateral outflow**

**Provider perspective = Bilateral flow\* + Core contribution**

\*Bilateral flows under the provider perspective also encompass internal development-related transactions such as spending on promotion of development awareness, debt reorganisation, in-donor refugee costs and administrative costs.

 = implementing entity/partner ('channel of delivery'), including NGOs, multilateral organisations, and possibly recipient country governments, Development Finance institutions (DFIs) and PPPs. Funds going to and through NGOs are classified as bilateral flows in DAC statistics. Funds channelled through multilateral organisations are classified as bilateral flows ("multi-bi") when they are earmarked by the provider country to a developing country or to specific purpose programmes and funds managed by the organisation.

## II. Volume of resources

150. DAC statistics collect data on flows from providers to developing countries, both on a commitment and disbursement basis. Flows can be presented on a gross or net basis and from either a provider perspective or a recipient perspective.

### 1. Commitments

151. A commitment is a firm written obligation by a government or official agency, backed by the appropriation or availability of the necessary funds, to provide resources of a specified amount under specified financial terms and conditions and for specified purposes for the benefit of a recipient country or a multilateral agency. Donors unable to comply with this definition should explain the definition that they use.

152. Commitments are considered to be made at the date a loan or grant agreement is signed or the obligation is otherwise made known to the recipient (e.g. in the case of budgetary allocations to overseas territories, the final vote of the budget should be taken as the date of commitment). For certain special expenditures, e.g. humanitarian aid, the date of disbursement may be taken as the date of commitment.<sup>60</sup>
153. Bilateral commitments comprise new commitments and additions to earlier commitments. The recording in the year reported on of cancellations on earlier years' commitments is allowed, but only in the form of an aggregate ("bilateral, unspecified"/"sector, unspecified") to avoid interpretation issues posed by negative commitment figures in analyses .
154. For multilateral contributions, commitments show the total amounts of multi-year agreements with multilateral institutions. For capital subscriptions in the form of notes encashable at sight, enter the total expected amount of deposits of such notes as the amount committed.

## 2. *Disbursements*

155. A disbursement is the placement of resources at the disposal of a recipient country or agency, or in the case of internal development-related expenditures, the outlay of funds by the official sector. Disbursement may be measured in various ways at different stages of the transfer process.
156. For financial loans and grants, subject to the availability of the necessary records, preference should be given to the stage closest to balance of payments treatment, e.g.:
- a) the payment by the source agency for goods to be shipped (or other payments to a third party on behalf of the recipient);
  - b) in the case of contributions to multilateral agencies in the form of a note or similar instrument encashable unconditionally at sight at the discretion of the recipient, on issue or deposit of the note;
  - c) the placement of funds at the recipient's disposal in an account in the donor country, in the recipient country or in a third country;
  - d) the withdrawal of funds by the recipient or use on his instructions of funds in an account in the donor country, in the recipient country or in a third country.
157. However, where funds are transferred to an account in the recipient country but held by the donor for release to the recipient on production of relevant documents, the balance of payments effective transaction is the conversion of foreign exchange, and this should be recorded as a disbursement.
158. For **provision of resources in kind**, disbursement can be considered as occurring at the stages of purchase by the source agency of goods for shipment, receipt, or transfer of ownership. Preference should be given to the latter as the stage which is closest to balance of payments treatment. For **development-related outlays within the donor country**, disbursements are measured at the point of payment by the official sector.
159. **Capital subscriptions** made in the form of notes and similar instruments unconditionally encashable at sight by the recipient institutions are reported in DAC

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<sup>60</sup> When negative commitments are reported at activity level in the CRS++, the transactions are stored for reference and used to produce a single aggregate for inclusion in any statistical outputs. See Chapters 5 and 6.

statistics on a deposit basis, i.e. they should be reported as disbursements as of their date of issue, whether or not they have actually been encashed. Capital subscriptions on an encashment basis to multilateral organisations are also required as memorandum item, and disbursement reporting under this item records the amounts of capital subscriptions that have actually been encashed, i.e. the total drawn down by multilateral institutions during the year reported on from notes lodged by the reporting country, whatever their date of issue.

### 3. *Gross versus net flows and transfers*

#### *Flows*

160. DAC statistics measure flows resulting from decisions by residents of developed countries which place resources at the disposal of a developing country (whether directly or through a multilateral or INGO). Net flows equal total new flows (gross disbursements) minus amounts received (e.g. repayments of principal, offsetting entries for debt relief, repatriation of capital, and occasionally recoveries on grants or grant-like flows).
161. The sale of an equity investment represents a repatriation of capital by the donor country, and the sale amount is a flow to the donor country. It must be recorded in DAC statistics as a negative disbursement. The sale may yield a capital gain (sale price higher than the purchase price) or a capital loss. Actual receipts on equity sales are reportable as negative amounts.
162. Reverse flows originating from transactions undertaken on the initiative of residents of aid recipients are not recorded in DAC statistics (e.g. direct investment by recipient countries in donor countries). Payments of interest by developing countries, multilateral agencies and the private sector on official loans from DAC countries are recorded as memorandum items. These data, used to help compute debt service payments by developing countries, are not taken into account in net flows. Dividends received on equity investments are reported as memorandum items too and are not considered in net flows either.

#### *Transfers*

163. Net transfers equal net flows minus returns on capital. Among these returns, the following items are collected in DAC statistics: interest receipts, dividends and guarantee fees.

## III. **ODA grant equivalent measure**

164. The indicator of donor effort in DAC statistics is the ODA grant equivalent measure. The ODA grant equivalent measure is calculated for ODA flows, and ODA-eligible private sector instruments, as defined in Chapter 2.
165. For loans to the official sector, INGOs and multilateral organisations which pass the tests for ODA scoring (see paragraph 59), the grant equivalent recorded as ODA is obtained by multiplying the face value of a loan by its grant element. The grant element is calculated at the time of loan commitment, and is then applied to the subsequent annual disbursements of the loan. These ODA loan grant equivalents represent the concessional portion of ODA loan disbursements.<sup>61</sup>

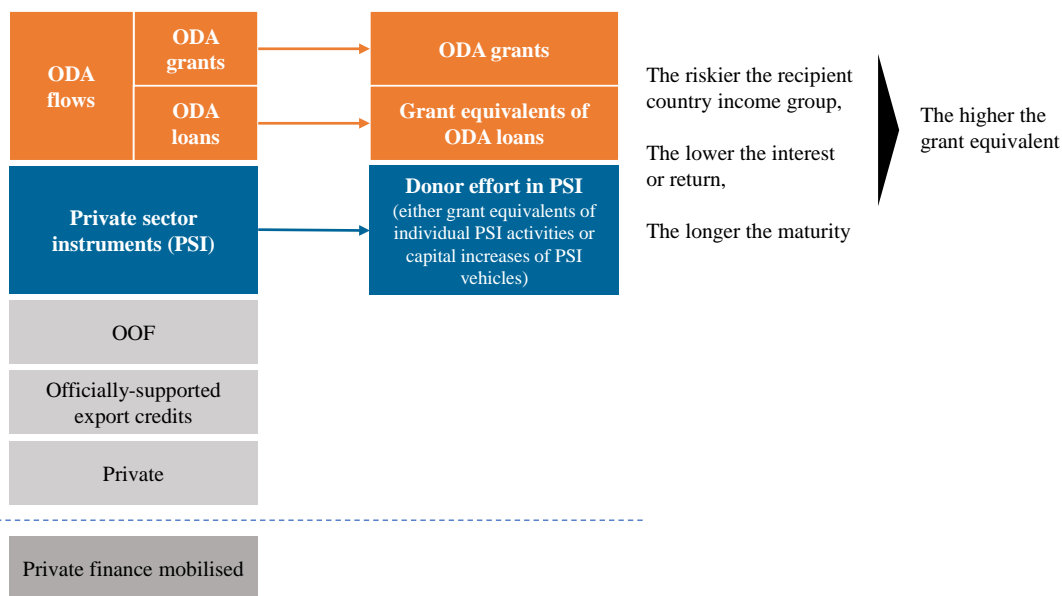
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<sup>61</sup> Grant equivalents of commitments are not reportable.



166. For PSI, the ODA grant equivalent measure includes either capital increases of PSI vehicles adjusted with their ODA coefficients (institutional approach) or grant equivalents of individual PSI activities (instrument approach).<sup>62</sup> See Addendum 3 for details on PSI.
167. Figure 4 below illustrates the relationship between the volume of resources captured in DAC statistics and the ODA grant equivalent measure. The key features of the grant equivalent system are that ODA credit counted and reported is higher for a grant than for a loan and that, among loans which pass the tests for ODA scoring, more concessional loans will earn greater ODA credit than less concessional loans.<sup>63</sup>
168. For debt relief operations, the grant equivalent is calculated as described in Chapter 2, section II.2.

**Figure 4. Grant equivalent and volume of resources**



#### IV. Amounts mobilised from the private sector by official development finance interventions

169. The term “mobilisation” describes the causal link between private finance made available for a specific project and an official intervention. The objective of data collection on amounts mobilised from the private sector by official development finance interventions is two-fold: i) to improve data on the volume of resources made available to developing

<sup>62</sup> Moreover, under both approaches, decapitalisations of PSI vehicles and dividends paid to the government constitute reverse (negative) donor effort and enter in the ODA grant equivalent calculation, provided the concerned PSI vehicles benefitted from at least one capital increase counted in ODA.

<sup>63</sup> The underlying rationale for introducing the grant equivalent system (and the use of differentiated discount rates) is specified in the Communiqué of the December 2014 DAC High Level Meeting. The system should “provide a fairer picture of donor effort, ensuring comparability of resulting statistics across members; encourage lending practices that are aligned with developing countries’ needs, capacities and constraints in terms of volumes, concessionality levels and debt sustainability; and strengthen the credibility and integrity of DAC statistics and the transparency of development co-operation”.

countries (recipient perspective); and ii) to valorise the use by the official sector of mechanisms with a mobilisation effect (provider perspective). Data are collected for the following leveraging mechanisms: syndicated loans, guarantees, shares in collective investment vehicles, direct investment in companies, credit lines, project finance, simple co-financing arrangements and some forms of technical assistance. The amounts mobilised relate to the private finance mobilised during the reporting (calendar) year. The point of measurement depends on the leveraging mechanisms used (official commitment vs. private sector investment, see Annex 6).

170. The methodologies for reporting on amounts mobilised are defined instrument (leveraging mechanism) by instrument in Annex 6<sup>64</sup>, but overall they reflect the principles of causality<sup>65</sup> and pro-rated attribution (in cases where more than one official provider is involved in a project mobilising private finance).

## V. Treatment of in-donor flows

171. Flow-of-resources statistics, unless otherwise stated, bear on the cross-border movement of resources between the last transactor in the donor country and the first transactor in the recipient country. In-donor expenditures are not cross-border flows, but are taken into account in DAC statistics in certain circumstances, as detailed below.

### 1. *Internal official sector flows*

#### *Development-related outlays within the donor country*

172. ODA-reportable outlays by the official sector of the donor country include imputed student costs, development awareness programmes, in-donor refugee costs and administrative costs (see Chapter 2).

#### *Interest subsidies*

173. Interest subsidies relating to ODA loans are not reportable as flows. When an interest subsidy raises the grant element of an official loan above concessionality thresholds, making it eligible for inclusion in ODA, or further softens the terms of an ODA loan that already meets this criterion, the full amount of the loan is recorded as an ODA flow, and its terms are reported after the application of the subsidy. It would be double-counting to enter the amount of the subsidy as a grant. However, this does not apply to interest subsidies within the framework of the Paris Club rescheduling option known as the Debt Service Reduction (see debt reporting in Chapter 5).

174. Interest subsidies to soften the terms of other official loans are internal flows within the “other official” flows category and, for the same reasons as given above for ODA, should **not** be reported.

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<sup>64</sup> Methodological work is ongoing on the measurement of amounts mobilised through technical assistance and capacity building activities.

<sup>65</sup> *Causality* means that the private financiers would not have invested in a development activity in the absence of the official sector mechanism/intervention. Evidence for causality is often unavailable, but reporting is based on agreed assumptions, which vary according to the financial instrument/mechanism being used. See Annex 6.

*Intra-governmental transfers pertaining to private sector instruments (PSI)*

175. Capital increases of vehicles that provide PSI to developing countries are reported in the ODA grant equivalent measure (institutional approach) or for memorandum (instrument approach). Decapitalisations of PSI vehicles and dividends paid to the government are reported too. They constitute reverse (negative) donor effort and enter in the ODA grant equivalent calculation under both approaches, provided the concerned PSI vehicles benefitted from at least one capital increase counted in ODA.

*Other intra-governmental transfers*

176. Other transfers from one governmental entity to another should not be reported; the correct point of measurement is the transactions with developing countries.

*Official flows to the private sector in a donor country*

177. Data on the participation of the official sector of a donor country in funding or supporting transactions by the private sector are also collected on certain flows within the donor country:

- official sector core contributions to national non-governmental organisations and other private bodies active in development co-operation (e.g. foundations)<sup>66</sup> ;
- official support to development-related transactions of the private sector (investors and exporters).

178. All these transactions involve recording an outflow from the funding sector in the reporting country and an identical inflow to the recipient sector in that country. They are therefore neutral with respect to measurement of the total flow of resources, but they affect the classification of flows as between the official and private sectors.

179. Three types of official support to residents of the donor country directly increase private flows to developing countries. These are (i) loans to investors, (ii) subsidies to investors and (iii) loans to exporters. The totals for each of these categories are reported as OOF; to avoid double-counting they need to be subtracted from the private sector's reported outflows. No subtraction is made, however, in the case of interest subsidies to exporters, which only soften the terms of credits exporters may offer, without adding to the face value of the credits.

180. Official interest subsidies to the private sector e.g., to soften the terms of private export credits or loans or credits by the banking sector, are reportable as grants, and classified as ODA if the loan or credit thus subsidised has been screened by the aid authorities to ascertain its potential development effectiveness. As a minimum, it should be in conformity with the DAC Guiding Principles for Associated Financing and Tied and Partially Untied Official Development Assistance<sup>67</sup>.

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<sup>66</sup> Tax incentives – i.e. deductions or rebates for private donations for development purposes – are not recorded as official flows and therefore not deducted from private charitable flows. However, hypothecated taxes, e.g. government contributions paid to NGOs at the direction of taxpayers, are not private donations and so should be included in reporting official flows at the point at which government spending takes place.

<sup>67</sup> See the regularly updated Arrangement on Officially Supported Export Credits, OECD, Chapter 3.

181. Where an interest subsidy allows a loan to meet the tied aid financing provisions of the OECD Arrangement, but still leaves its grant element below the agreed concessionality thresholds, the interest subsidy should be classified as an other official flow (OOF).<sup>68</sup>
182. Where a tied “pre-blended” transaction is considered to be subject to the DAC Guiding Principles for Associated Financing and Tied and Partially Untied Official Development Assistance on the grounds that it is an associated financing transaction, the two preceding paragraphs determine whether it has an ODA component. Subsidies to bring the interest rate on loans and credits from private sources down to the market-related minimum interest rates specified from time to time in the OECD Arrangement are classified as OOF.

## VI. Conformity of DAC statistics with balance of payments concepts

183. The financial data reported in DAC statistics on items entering a member’s balance of payments statistics should as a rule be reconcilable with the balance of payments data it submits annually to the IMF and to the OECD. Accordingly, balance of payments concepts and definitions should be used wherever possible for these items unless there are strong reasons for not doing so. But there is a need to go beyond these norms in certain cases to allow for certain special aspects of development co-operation (for example, the recording of development-related outlays incurred in a donor country), and to capture new policy interests and changing forms of assistance (e.g. debt relief).
184. In conformity with balance of payments practice “long-term” transactions are those with an original maturity exceeding one year. Loans with a maturity of one year or less are not reportable in DAC statistics.

### 1. Cash/accrual basis

185. In DAC statistics, flows are as a rule measured on a cash basis, represented by disbursements, while the *Balance of Payments Manual* (since the *Fifth Edition*) recommends reporting on an accruals basis. For current transfers recorded against “Current international co-operation” in the balance of payments (i.e. grants), the two methods lead to the same results (cash payments are captured). For other financial instruments (loans, securities), the two methods may lead to differences in the time of recording of flows.
186. The balance of payments also refers to the concept of grant equivalent of concessional loans. See paragraph 12.51 of the Sixth edition of the Balance of Payments and International Investment Position Manual.

### 2. Aid in kind

187. Aid in kind, including food aid, should where possible be valued at prevailing international or national market prices for the goods in question at the time of the transfer. Where this information is not available, the amount reported should be calculated on the basis of the price paid by the official sector for the purpose of acquiring the goods for shipment to the recipient country.

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<sup>68</sup> That situation would occur only in the circumstances where DDR would significantly raise above current levels (2018).

### 3. *Divergences from balance of payments practice*

188. Members have agreed to exclude from DAC statistics the following items, which are normally included in balance of payments recording: i) military equipment or services (see paragraphs 119-123); ii) transfers by and to private individuals:

- Transfers by private individuals are excluded. Grants by non-governmental organisations and other private sources for development purposes (often referred to as private grants) are included in DAC statistics, but all other private payments defined as “personal transfers” in the balance of payments (“current transfers between resident and non-resident households”, e.g. workers’ remittances) are excluded.
- Official transfer payments to private individuals (e.g. pensions, benefits and indemnities which the donor is obliged by law to provide), unless they are part of technical co-operation or relief programmes, are excluded from DAC statistics. Expenditures for official hospitality (e.g., entertainment of visiting dignitaries, gifts in cash or in kind provided to persons by reason of their official capacity) are considered as official transfer payments to private individuals and should **not** be reported as ODA.

## VII. Specificities for debt reporting

189. Principles to govern the reporting of debt reorganisation are described in Chapter 2.

### 1. *Flow basis*

190. Debt reorganisation often involves a transfer between DAC categories of flows (ODA, OOF, officially supported export credits, private). In such cases, it is necessary to make offsetting entries to cancel the disbursements in the original category and so avoid double-counting.

191. According to the principles:

- For cancellation (or conversion) of ODA debt, only forgiven (or converted) interest is counted as a new ODA flow (net amount). Except for the forgiven interest, such an operation has therefore no effect on ODA flow levels. Forgiven principal is reportable but along with an offsetting repayment of the principal owed to avoid double-counting ODA flows over time.
- For cancellation (or conversion) of OOF, officially supported export credits, or private debt, both forgiven (or converted) principal and interest are counted as new ODA flows: the ODA net entry refers to the full nominal value of debt. Offsetting repayments of the principal owed are made under OOF, officially supported export credits, or private.
- For rescheduling of an ODA loan, only the amount of capitalised interest is recorded as new ODA flow, not the principal.
- When OOF loans or officially supported export credits are rescheduled into ODA loans outside the framework of the Paris Club, both principal and interest rescheduled represent new amounts of ODA flows and are reported as such, along with an offsetting repayment of the principal owed under OOF or officially supported export credits.
- In the case of Paris Club concessional agreements, flows are reportable under two categories: debt forgiveness grants under ODA, and reschedulings under OOF,

along with the appropriate counter-entries. Relief of military debt is not reportable as ODA but as an OOF grant.

**2. *Grant equivalent basis***

192. See Chapter 2, section II.2 for reporting on debt reorganisation on a grant equivalent basis.

## Chapter 4. DAC Statistical Concepts Describing Flows

### I. Channel of delivery

#### 1. Concept

193. The channel of delivery permits the identification of core funding to specific multilateral organisations and enables the calculation of aggregates on bilateral aid channelled through multilateral organisations, NGOs, PPPs and other channels. It also distinguishes between public and private implementing partners.

194. The channel of delivery is the first implementing partner. It is the entity that has implementing responsibility over the funds and is normally linked to the extending agency<sup>69</sup> by a contract or other binding agreement, and is directly accountable to it. Where several levels of implementation are involved (e.g. when the extending agency hires a national implementer which in turn may hire a local implementer), report the first level of implementation as the channel of delivery. Where activities have several implementers, the principal implementer should be reported (e.g. the entity receiving the most funding). In the case of loans, report the borrower (i.e. the first entity outside the donor country that receives the funds).

195. In the case of intra-governmental transfers, it is important to distinguish between i) use by the central aid authorities of other public sector agencies in the donor country for implementation of specific activities and ii) transfers of funds, together with the spending (budgetary) authority, to other public sector agencies. For i), report “donor government” as the channel of delivery. For ii), the agency that receives the spending (budgetary) authority should designate its first implementing partner as the channel of delivery.

#### 2. Classification by channel of delivery – see Annex 9 for list of channel codes for reporting

196. Channel of delivery categories are defined as follows:

- 10000 – Public sector institutions

Public sector channels include central, state or local government departments (e.g. municipalities) and public corporations in donor or recipient countries. Public corporations refer to corporations over which the government exercises control by owning more than half of the voting equity securities or otherwise controlling more than half of the equity holders’ voting power; or through special legislation empowering the government to determine corporate policy or to appoint directors. Channel category 10000 also includes delegated co-operation (i.e. when the donor delegates the implementation of a given activity to another donor country).

- 20000 – Non-governmental organisations (NGOs) and civil society

A non-governmental organisation (NGO) is any non-profit entity in which people organise themselves on a local, national or international level to pursue shared objectives and ideals, without significant government-controlled participation or

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<sup>69</sup> The extending agency is the government entity (central, state or local government agency or department) financing the activity from its own budget. It is the budget holder, controlling the activity on its own account.

representation. NGOs include foundations, co-operative societies, trade unions, and ad-hoc entities set up to collect funds for a specific purpose. NGO umbrella organisations and NGO networks are also included. NGOs should only be classified as international when:

- either there is an international coordinating body facilitating the work of its members on the international level or the NGO has an extensive network of country/regional offices in the field; and
  - the NGO has internationally diversified sources of revenue.
- 30000 – Public-private partnerships (PPPs) and networks
 

Public-private partnerships (PPPs) and networks are collaborative arrangements between private actors and bilateral/multilateral agencies or governments to address specified developmental issues. A PPP is an operational partnership whose board or other governance structure includes both public officials and private individuals. A network is a global or regional organisation that supports and brings together public sector, private sector and civil society organisations with similar goals to facilitate knowledge sharing.
  - 40000 – Multilateral organisations
 

Multilateral organisations are international institutions with governmental membership. They include organisations to which donors’ contributions may be reported either in whole or in part as multilateral ODA as well as organisations that serve only as channels for bilateral ODA.
  - 51000 – Universities, colleges and other teaching institutions, research institutes, think-tanks
 

Includes universities, colleges and other teaching institutions, research institutes, or think-tanks.
  - 60000 – Private sector institutions
 

Includes all “for-profit” institutions, consultants and consultancy firms that do not meet the definition of a public sector institution (see channel category 10000). Sub-categories further distinguish between private sector in provider country (61000), private sector in recipient country (62000) and private sector in third country (developing country, high income/OECD country) (63000).
  - 90000 – Other
 

Includes any other implementers that cannot be placed in another channel category.

## II. Type of aid

### 1. Co-operation modalities

#### *Concept*

197. The typology identifies the modalities that are used in development co-operation. It classifies transfers from the donor to the first recipient of funds (e.g. the recipient country, a multilateral organisation, or a basket fund). It does not track the end uses of the funds, which is addressed in the sector classification and to some extent through the policy objective markers. Co-operation modalities apply to ODA, PSI and OOF.



*Classification by co-operation modality – see Annex 11*

198. The co-operation modality classification distinguishes between the following modalities:

- A - budget support (for contributions under this category, the donor relinquishes the exclusive control of its funds by sharing the responsibility with the recipient);
- B - core contributions and pooled programmes and funds (for contributions under this category, the donor relinquishes the exclusive control of its funds by sharing the responsibility with other stakeholders - other donors, NGOs, multilateral institutions, public-private partnerships or donors' PSI vehicles);
- C - project-type interventions;
- D - experts and other technical assistance (this category covers the provision, outside projects, of know-how in the form of personnel, training and research);
- E - scholarships and student costs in donor countries;
- F - debt relief (groups all actions relating to debt – forgiveness, conversions, swaps, buy-backs, rescheduling, refinancing);
- G - administrative costs not included elsewhere; and
- H - other in-donor expenditures (groups a number of contributions that do not give rise to a cross-border flow).

**2. Additional flags**

199. Flags can be applied to reporting at activity level.

*Programme-based approaches (PBAs)*

200. The PBA concept originates from the Paris Declaration Survey.

201. Programme-based approaches are a way of engaging in development co-operation based on the principles of co-ordinated support for a locally-owned programme of development, such as a national development strategy, a sector programme, a thematic programme or a programme of a specific organisation. See examples in Annex 21.

202. Donors can support and implement programme-based approaches in different ways and across a range of modalities including budget support, sector budget support, project support, pooled arrangements and trust funds. For an activity to qualify as PBA, all four of the following tests must be met:

- The host country or organisation is exercising leadership over the programme supported by donors;
- A single comprehensive programme and budget framework is used;
- There is a formal process for donor co-ordination and harmonisation of donor procedures for at least two of the following systems: (i) reporting, (ii) budgeting, (iii) financial management and (iv) procurement; and
- Support to the programme uses at least two of the following local systems: (i) programme design, (ii) programme implementation, (iii) financial management and (iv) monitoring and evaluation.

*Free-standing technical co-operation (FTC)*

203. Free-standing technical co-operation comprises activities financed by a donor country whose primary purpose is to augment the level of knowledge, skills, technical know-how or productive aptitudes of the population of developing countries, i.e. increasing their stock of human intellectual capital, or their capacity for more effective use of their existing factor endowment. This relates essentially to activities that either enhance or supply human resources. It includes financing of students and trainees who are nationals of developing countries; experts, teachers, and volunteers; equipment and materials for training; research; development-oriented social and cultural programmes, etc. Associated supplies are also classified as technical co-operation.

*Investment-related technical co-operation (IRTC)*

204. Investment-related technical co-operation is defined as the financing of services by a donor country with the primary purpose of contributing to the design and/or implementation of a project or programme aiming to increase the physical capital stock of the recipient country. These services include consulting services, technical support, the provision of know-how linked to the execution of an investment project, and the contribution of the donor's own personnel to the actual implementation of the project (managers, technicians, skilled labour, etc.). In DAC statistics, these expenditures are included indistinguishably with investment project aid (related cost of donor experts are reported separately on an optional basis). Technical co-operation provided by commercial enterprises at their own expense is not recorded in the flow of resources. Such technical co-operation when included in a commercial project is itself reportable only if the project is reportable and is in that case included indistinguishably as part of the value of the project.

**III. Purpose of aid***Concept*

205. The purposes/sectors of destination of a bilateral contribution should be selected by answering the question “**which specific areas of the recipient’s economic or social structure is the transfer intended to foster**”. Each purpose code attributed should comply with this definition. The sector classification does not refer to the type of goods or services provided by the donor. Sector specific education or research activities (e.g. agricultural education) or construction of infrastructure (e.g. agricultural storage) should be reported under the sector to which they are directed, not under education, construction, etc.
206. Within each sector, supplies, equipment and infrastructure should be allocated to the most specific code available. For example, the construction of a tuberculosis clinic should be coded under “tuberculosis control”, and neither under “infectious disease control” nor “basic health infrastructure”.
207. One activity can benefit several sectors. For practical reasons, a maximum of 10 CRS purpose codes can be assigned per activity. The share of the contribution corresponding to each code should be reported with the percentages adding up to 100.<sup>70</sup>

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<sup>70</sup> Members are also allowed to continue to report in the CRS projects with multiple purpose codes by splitting them into several lines as long as the lines pertaining to a single project can be easily reassembled using either the field project number, or the field crsid (with suffixes). See DCD/DAC/STAT(2017)5/REV1 for more guidance on reporting on multiple purpose codes.

*Classification for sectors - see Annex 12 for complete list of sectors and purpose codes, and advice on how to identify the most suitable purpose (given through examples)*

208. The DAC sector classification contains the following broad categories:
- *social infrastructure and services* (covering the sectors of education, health, population, water, government and civil society);
  - *economic infrastructure and services* (covering transport, communications, energy, banking and finance, business services);
  - *production* (covering agriculture, forestry, fishing, industry, mining, construction, trade, tourism);
  - *multisector/cross-cutting* (covering general environmental protection, other multisector including urban and rural development); and
  - *non-sector allocable* (for contributions not susceptible to allocation by sector such as general budget support, actions relating to debt, humanitarian aid and internal transactions in the donor country, such as capital increases of PSI vehicles).

#### IV. Policy objectives of aid

##### *Concept: the DAC policy marker system*

209. The marker system facilitates monitoring and comparison of members' activities in support of gender equality; aid to environment; democratic and inclusive governance; reproductive, maternal, newborn and child health (RMNCH); disaster risk reduction (DRR); nutrition; and inclusion and empowerment of persons with disabilities.
210. A large majority of activities targeting the objectives of the Rio Conventions – United Nations Convention on Biological Diversity, United Nations Framework Convention on Climate Change, United Nations Convention to Combat Desertification – fall under the DAC definition of “aid to environment”. Four Rio markers permit their specific identification: biodiversity, climate change mitigation, climate change adaptation, and desertification.
211. Policy marker data are descriptive rather than quantitative. The system allows for the identification of activities targeted to a policy objective. It gives information on the degree to which members implement these policies in their aid programmes.

*Definitions and additional documentation on the 11 markers are provided in Annexes 19 and 20.*

##### *Structure and logic of marker reporting*

212. Data collection is based on a marking system with three values:
- principal objective (score 2);
  - significant objective (score 1);
  - not targeted to the policy objective (score 0).

A blank value (NULL) implies that the activity has not been screened.

213. **Principal** (primary) policy objectives are those which can be identified as being fundamental in the design and impact of the activity and which are an explicit objective of the activity. They may be selected by answering the question “would the activity have been undertaken without this objective?”.

214. **Significant** (secondary) policy objectives are those which, although important, are not one of the principal reasons for undertaking the activity.
215. The score **not targeted** means that the activity has been screened against, but was found not be targeted to, the policy objective.
216. An activity can have more than one principal or significant policy objective. To qualify for a score “principal” or “significant”, the objective has to be explicitly promoted in project documentation. Avoiding negative impact is not a sufficient criterion.
217. It is important to note that the same activity could score differently depending on the level of focus on the policy objective – it is important to examine whether the policy is the main objective or a subsidiary objective.

### *Field of application*

218. Policy objective markers except Rio markers should be applied to all bilateral ODA excluding administrative costs (co-operation modality G01) and PSI. The markers for nutrition and for inclusion and empowerment of persons with disabilities are voluntary. Policy markers can be applied on OOFs on a voluntary basis.
219. Rio markers should be applied to all bilateral ODA excluding general budget support (co-operation modality A01), imputed student costs (E02), debt relief (F01) except debt swaps, administrative costs (G01), development awareness (H01) and refugees in donor countries (H02-H06), and PSI. They should also be applied to non-export credit OOF though this is not mandatory. Multilateral contributions (B02 and its voluntary sub-categories B021 and B022) should not be marked (see section III.3 in Chapter 5).

## V. SDG focus of aid

### *Concept*

220. Reporting on the SDG focus supports the implementation and monitoring of the 2030 Agenda for Sustainable Development by identifying the specific sustainable development goals and/or targets to which development co-operation activities intend to contribute.
221. The 2030 Agenda identifies 17 goals and 169 targets.<sup>71</sup> Given the strong interlinkages between them, it is important to distinguish between the goals and targets to which the activity has the intention (and is capable) of directly contributing, and the ones that the project might only influence indirectly, often in a longer timeframe. The word “directly” here implies that it is possible to identify a direct link between the reported SDG(s) and the expected outcomes of the activity. An activity with a substantial, unmitigated, detrimental effect to one or more SDGs should not be reported as contributing to the 2030 Agenda, regardless of its positive contributions to other SDGs.

### *Structure and logic*

222. The SDG focus should be assigned by responding to the question: “To which sustainable development goal or target does the activity aim to contribute directly?”. Report

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<sup>71</sup> See official UN list of SDG targets and goals at <https://www.un.org/sustainabledevelopment/development-agenda/>. Should the list be revised, report using the most recent list.

up to ten values, either goals or targets or a mixture of the two, separated by semicolons “;”. Indicate the relevant goal by its number followed by “.0”.

- For example, “4.0; 5.1” indicates SDG 4 and SDG target 5.1.
- “0” (zero) indicates that the activity has been screened but does not aim to contribute directly to any of the SDGs.
- A blank value (NULL) implies that the activity has not been screened against the SDGs.

### *Field of Application*

223. Reporting on the SDG focus is voluntary. SDG goals and targets can be assigned to any activity regardless of the development co-operation modality or type of flow.

## **VI. Keywords and hashtags**

### *Concept*

224. The keyword field accepts both keywords and hashtags. Keywords and hashtags are short strings of text that describe a publicly relevant aspect of the activities, such as pursuing a specific policy objective, or having a certain intrinsic characteristic, that could not be otherwise reported with the existing taxonomies.

225. Hashtags are keywords prefixed by the symbol #. The hashtags are agreed among members and are defined in the ‘Hashtags definitions table’ (see Annex 13). Keywords are spontaneously submitted by members. Keywords cannot be prefixed by the symbol #.

### *Structure and logic*

226. An activity can be associated with one or more of the agreed hashtags or keywords. In addition to the agreed hashtags other hashtags with the same definition but alternate spelling or in another language can be reported. The Secretariat maintains a lookup table (published in the community space) that links the agreed hashtags with the equivalent hashtags reported by members, and consolidates the data prior to their publication.

### *Field of application*

227. By default, hashtags and keywords could be associated with any activity reported in the CRS database. The ‘Hashtags definitions table’ can restrict the application of a specific hashtag to a subset of activities.

228. Reporting hashtags or keywords is voluntary.

## **VII. Tying status**

229. Tying status measures the degree to which aid procurement is restricted, particularly to suppliers in the donor country. See Annex 17 on tied aid disciplines and untying recommendation.

230. Tying status is reportable in respect of bilateral aid commitments, with the exception of administrative costs and costs of refugees in donor countries. The three possible values are:

*Untied contributions*

231. *Untied aid* is defined as loans and grants whose proceeds are fully and freely available to finance procurement from all OECD countries and substantially all developing countries. Untied aid is taken to include:

- budget and balance of payments support (where freely usable foreign exchange is provided to the recipient);
- local cost financing for the procurement of goods and services on the local market. This comprises goods and services bought from a local enterprise which produces them, or carried in the stocks of a local enterprise for sale to all comers, irrespective of the fact that they may originally have been imported. An example of the procurement of services would be payments of wages and salaries made to locally recruited project personnel. (Such financing is classified as untied since the corresponding foreign exchange is available to the recipient economy to purchase imports from whatever source it thinks fit.)
- action relating to debt (debt reorganisation that, by enabling the recipient to forgo making service payments, makes the corresponding amount of foreign exchange freely available).
- contributions to non-governmental organisations and official funds in support of, or intended for, direct equity investment and that are recorded as ODA, providing that there are no formal or informal restrictions which would cause them to be considered as in effect tied <sup>72</sup>.

*Partially untied contributions*

232. *Partially untied aid* is defined as loans and grants which are tied, contractually or in effect, to procurement of goods and services from a restricted number of countries which must include substantially all developing countries and can include the donor country.

*Tied contributions*

233. Transactions are considered tied unless the donor has, at the time of the aid offer, clearly specified a range of countries eligible for procurement which meets the tests for “untied” or “partially untied” aid. All loans and grants that do not fall under the definition of untied or partially untied aid are classified as tied aid, whether they are tied formally or through informal arrangements.

234. Detailed guidance on tying status reporting is given by co-operation modality in Annex 11.

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<sup>72</sup> The term “in effect tied” is used to cover both formal and informal arrangements governing eligible procurement sources: a transaction is defined to be in effect tied if: either i) it is the subject of a formal or informal understanding to that effect between the recipient and the donor country; or ii) it involves practices which the Development Assistance Committee and the Participants in the Arrangement may determine to result in such tying or partial untying. Transactions that are “in effect tied” are not separately identified.

## VIII. Additionality of PSI

235. Additionality is a core ODA-eligibility criterion of PSI. The DAC statistics distinguish between three types of additionality: “financial additionality”, “value additionality” and “development additionality”. A PSI activity conveys:

- Financial additionality in cases where private sector partners are unable to obtain financing from capital markets (local or international) for a specific activity at the necessary terms and/or scale, or where it mobilises finance from the private sector that would otherwise not have been invested.
- Value additionality in cases where the official sector provides or mobilises, alongside its investment, non-financial value to private sector partners that the capital markets would not offer and which will lead to better development outcomes. It is often pursued through investment conditionality, active ownerships (e.g. board participation), capacity building activities, advisory services and other technical assistance and other ways.
- Development additionality if it is intended to deliver development impact that would not have occurred without the partnership between the official and the private sector.

### *Structure and logic*

236. Details on additionality of individual PSI activities are reported through the following CRS fields:

- Field 68. Additionality type, using a standardised classification facilitating reporting on additionality in a way that is streamlined, comparable and easy to analyse (see Annex 23).
- Field 69. Additionality description, providing clarifications or complementary explanations on the additionality type.
- Field 70. Development objective, to demonstrate the development additionality of individual PSI activities, particularly their intended development impact.

### *Field of application*

237. Reporting on the additionality type and development objective is required for all individual PSI activities of PSI vehicles reported in the context of ODA. Multiple additionality types can be reported for each activity. Reporting on additionality description is required for PSI activities reported as conveying:

- Value and development additionality (but not financial additionality); or
- Additionality type “Other, please specify” (see Annex 23).

238. Additionality, regardless of type, will be demonstrated either through the additionality description field (for cases with value additionality and development additionality, or additionality type “Other, please specify”) or activity description field (for cases with financial additionality), or separate supporting documents submitted to the Secretariat as part of members’ CRS reporting.

239. See Annex 23 for more details on the additionality framework.

## Chapter 5. Instructions for reporting

240. This chapter provides detailed instructions for reporting at item-level in CRS++ and aggregates in Table DAC1 and the Validation table.

### I. General principles

241. Members report to the DAC key aggregate data on Table DAC1a-ODA grant equivalent, Table DAC1b-flow data, the Validation table and the Advance Questionnaire (ADV Q) (see section II) and item-level data through the expanded Creditor Reporting System (CRS++, see section III).

242. Reporting deadlines are set as follows:

- **March** (exact date set according to high-level international meetings on development co-operation): preliminary data on flows and ODA grant equivalent for the previous year reported through the Advance Questionnaire;
- **15 July**: final data on all flows, ODA grant equivalent and private amounts mobilised from official interventions for the previous year reported through the Table DAC1a-ODA grant equivalent, Table DAC1b-grant equivalent and flow data, the CRS++ and the Validation table.

#### *Confidentiality and rules on data disclosure*

243. CRS++ data on ODA flows and related grant equivalents are accessible to the public with no restrictions on disclosure of information on its uses.

244. CRS++ data on PSI are accessible to the public with no restrictions on disclosure with the following exceptions:

- a. Disclosed aggregated by donor, agency, type of finance and recipient:
  - Amounts received (e.g. loan principal and equity sales)
  - Interest received, guarantee fee received and dividends received per annum
- b. Not disclosed:
  - Interest rate, guarantee fee rate and expected equity return per annum
  - First repayment date of loan principal and guarantee exposure reduction starting date
  - Date of expected maturity of equities
  - Principal disbursed and still outstanding and equity disbursed and still held
  - Arrears

245. CRS++ data on OOF and private flows are confidential at the level of individual activities and made available only in aggregate form to the public:

- no restriction is placed on the disclosure of data on OOF aggregated by sector category within a recipient from each donor, provided they combine at least three activities;



- officially supported export credits and private flows at market terms are presented to the public in the following aggregates: i) by individual donor to whole regions; or ii) by donor groupings to individual recipients; or iii) by sector category.
246. Rules on data disclosure on amounts mobilised from the private sector<sup>73</sup> are as follows:
- For activities recorded as bilateral ODA or PSI, there are no restrictions on data disclosure.<sup>74</sup>
  - For activities recorded as bilateral OOF, there are no restrictions on data disclosure provided aggregates by sector category within a recipient from each donor combine at least three activities.

## II. Instructions for reporting on key aggregates

247. Table DAC1a requests aggregates on ODA grant equivalents and Table DAC1b on ODA grant equivalents, ODA flows, PSI flows and other resource flows.

### *Table DAC1a: ODA grant equivalent measure*

248. The ODA grant equivalent measure records the grant equivalents of ODA loans, debt relief and PSI. The treatment of ODA loans committed before the implementation of the grant equivalent measure in 2018 is explained in Box 6 below.

#### **Box 6. The treatment of ODA loans committed before 2018**

A clear and unique rule is applied, for the sake of consistency, whereby the time of commitment determines the treatment of loans i.e. a loan qualifying as ODA and recorded as such at the time of commitment remains ODA throughout its life time and a loan not qualifying as ODA and hence recorded as OOF at the time of commitment remains OOF throughout its life time. In particular:

- A loan committed before 2018, qualifying under the rules valid at the time (25% threshold calculated at a 10% discount rate) but not qualifying under the new rules (new concessionality thresholds calculated using the new discount rates) is reportable as ODA.
- The grant element as originally assessed at the time of commitment (and thus using the discount rate relevant to the income group of the recipient at that time) is used to calculate grant equivalents over the whole disbursement period of the loan, even if the recipient changes income group during the disbursement period.

Loans committed before 2018, not qualifying under the rules valid at the time but qualifying under the new rules are reportable as OOF over their life time. Future reporting on repayments of those loans are recorded as OOF too, not as ODA.

<sup>73</sup> Information reported under CRS++ items 52, 53 and 54.

<sup>74</sup> If confidentiality obligations apply, members can request their data on amounts mobilised from the private sector through PSI to be disclosed aggregated by recipient, sector, leveraging mechanism and climate theme, i.e. adaptation only, mitigation only or both adaptation and mitigation, none (or not assessed).

Table 5. Table DAC1a

ODA grant equivalent measure

TABLE DAC 1a

## ODA GRANT EQUIVALENT MEASURE

Reporting country: ???

Period: ???

Date: ???

KEY INDICATORS		
GNI	001	
ODA GRANT EQUIVALENT % GNI	002	
POPULATION (millions)	004	
<b>I. OFFICIAL DEVELOPMENT ASSISTANCE (I.A + I.B)</b>	<b>1010</b>	<b>0.00</b>
<b>I.A ODA, bilateral total</b>	<b>1015</b>	<b>0.00</b>
<b>I.A.1 ODA bilateral grants</b>	<b>11016</b>	
<b>I.A.2 ODA grant equivalents of bilateral ODA loans</b>	<b>11017</b>	0.00
1. Loans to LDCs and other LICs	11019	
2. Loans to LMICs	11020	
3. Loans to UMICs	11021	
4. Loans for multi-country agreements	11022	
<b>I.A.3 ODA, grant equivalents of debt relief</b>	<b>1600</b>	
<b>I.A.4 ODA grant equivalents of private sector instruments (PSI)</b>	<b>11040</b>	0.00
1. Institutional approach, capital increases of ODA-eligible PSI vehicles	11041	
2. Instrument approach, grant equivalents of individual PSI activities	11042	
3. Decapitalisations and dividends paid to the government	11044	
<b>I.B ODA, multilateral total</b>	<b>2000</b>	0.00
<b>I.B.1 ODA, multilateral grants and capital subscriptions</b>	<b>12100</b>	
<b>I.B.2 ODA grant equivalents of multilateral loans</b>	<b>12110</b>	

**Line I. OFFICIAL DEVELOPMENT ASSISTANCE (code 11010)**

249. The sum of ODA bilateral grants (code 11016), ODA grant equivalents of bilateral loans to the official sector and INGOs (code 11017), ODA grant equivalents of debt relief operations (1600), ODA grant equivalents of private sector instruments (11040), ODA multilateral grants and capital subscriptions (12100) and ODA grant equivalents of multilateral loans (code 12110).

**Line I.A ODA, bilateral total (code 11015)**

250. The sum of ODA bilateral grants (code 11016), ODA grant equivalents of bilateral loans to the official sector and INGOs (code 11017), ODA grant equivalents of debt relief operations (1600) and ODA grant equivalents of private sector instruments (11040).

**Line I.A.1 ODA bilateral grants (code 11016)**

251. The sum of bilateral ODA grant disbursements, including recoveries.

**Line I.A.2 ODA grant equivalents of bilateral ODA loans (code 11017)**

252. The sum of ODA grant equivalents of bilateral loans by DAC income group (codes 11019, 11020 and 11021), and bilateral loans for multi-country agreements (code 11022). Bilateral loans channelled through multilateral institutions are also included under the relevant code. For their grant equivalents to be counted as ODA, and whatever the final recipient countries of these loans, they must bear a grant element of at least 10%, calculated using a discount rate of 5% in the case of loans to global institutions and multilateral development banks, and of 6% in the case of loans to other multilateral organisations, including sub-regional organisations (see Table 2 in Chapter 2), and INGOs. The grant equivalent recorded as ODA is obtained by multiplying the annual disbursements of loans (annual disbursements) by their grant elements as calculated at the time of the commitment, using a discount rate of 5% or 6%.

**Line I.A.2.1 Loans to LDCs and other LICs (code 11019)**

253. Record the grant equivalent of bilateral ODA loans to the official sector of LDCs and other LICs. For their grant equivalents to be counted as ODA, bilateral loans to the official sector of LDCs and other LICs must bear a grant element of at least 45%, calculated using a discount rate of 9%. The grant equivalent recorded as ODA is obtained by multiplying the annual disbursements of loans by their grant elements as calculated at the time of the commitment, using a discount rate of 9%. See paragraph 252 for bilateral loans channelled through multilateral organisations.

**Line I.A.2.2 Loans to LMICs (code 11020)**

254. Record the grant equivalent of bilateral ODA loans to the official sector of LMICs. For their grant equivalents to be counted as ODA, bilateral loans to the official sector of LMICs must bear a grant element of at least 15%, calculated using a discount rate of 7%. The grant equivalent recorded as ODA is obtained by multiplying the annual disbursements of loans by their grant element as calculated at the time of the commitment, using a discount rate of 7%. See paragraph 252 for bilateral loans channelled through multilateral organisations.

**Line I.A.2.3 Loans to UMICs (code 11021)**

255. Record the grant equivalent of bilateral ODA loans to the official sector of UMICs. For their grant equivalents to be counted as ODA, bilateral loans to the official sector of UMICs must bear a grant element of at least 10%, calculated using a discount rate of 6%. The grant equivalent recorded as ODA is obtained by multiplying the annual disbursements of loans by their grant element as calculated at the time of the commitment, using a discount rate of 6%. See paragraph 252 for bilateral loans channelled through multilateral organisations.

**Line I.A.2.4 Loans for multi-country agreements (code 11022)**

256. Record the grant equivalent of bilateral ODA loans to the official sector for multi-country agreements. For loans in the form of multi-country agreements or cases where the exact allocation and beneficiaries are not specified at the time of commitment (e.g. credit lines), apply the discount rate and threshold of the income group to which all, or a majority of countries in the agreement, belong. See paragraph 252 for bilateral loans channelled through multilateral organisations.

**Line I.A.3 ODA grant equivalents of debt relief operations**

257. Record the grant equivalent of debt relief operations related to ODA and non-ODA claims. See rules for calculating the grant equivalent in Chapter 2 section II.2.

**Line I.A.4 ODA grant equivalents of private sector instruments (PSI) (code 11040)**

258. Record the grant equivalents of ODA-eligible PSI that enter the calculation of ODA grant equivalent measure. It is the sum of donor effort in PSI recorded under the institutional approach (code 11041) and instrument approach (code 11042) together with decapitalisations and dividends paid to the government (code 11044).

**Line I.A.4.1 Institutional approach, capital increases of ODA-eligible PSI vehicles (code 11041)**

259. Record the capital increases of ODA-eligible PSI vehicles after the application of their respective ODA coefficients.

**Line I.A.4.2 Instrument approach, grant equivalents of individual PSI activities (code 11042)**

260. Record the grant equivalents of individual ODA-eligible PSI activities.

**Line I.A.4.3 Decapitalisations and dividends paid to the government (code 11044)**

261. Record the decapitalisations of ODA-eligible PSI vehicles and dividends paid by these vehicles to the government as a negative entry, irrespective of the reporting approach used, provided the concerned vehicles benefitted from at least one capital increase counted in ODA.

**Line I.B ODA, multilateral total (code 12000)**

262. The sum of ODA multilateral grants and capital subscriptions (code 12100) and ODA grant equivalents of multilateral loans (code 12110).

**Line I.B.1 ODA, multilateral grants and capital subscriptions (code 12100)**

263. The sum of multilateral ODA grant disbursements, including recoveries, and capital subscriptions.

**Line I.B.2 ODA, grant equivalents of multilateral loans (code 12110)**

264. Record the grant equivalent of multilateral ODA loans. For their grant equivalents to be counted as ODA, multilateral loans must bear a grant element of at least 10%, calculated using a discount rate of 5% for global institutions and multilateral development banks, and of 6% for other organisations including sub-regional organisations (see Table 2 in Chapter 2). The grant equivalent recorded as ODA is obtained by multiplying the annual disbursements of loans by their grant element as calculated at the time of the commitment, using a discount rate of 5% or 6%.

**Table DAC1b: ODA grant equivalents, ODA flows and other resource flows**

**Table 6. Table DAC1b**

Disbursements and Commitments of Official and Private Flows

1160	DISBURSEMENTS					COMMITMENTS		
	1121	1122	1120	1130	1140	1151	1152	1150
Grant equivalents	----- Amounts extended -----			Amounts received (-)	NET AMOUNTS	Grants	Non grants	Total commitments
	Grants	Non grants	Total amounts extended	Non grants				

*What to report in columns?*

265. Table DAC1b provides main aggregates of bilateral and multilateral ODA flows and other resource flows to developing countries (see Annex 3), as well as ODA grant equivalents. For ODA flows, the lines of the table collect a breakdown by **co-operation modality** (sections I.A and I.B) and other main aggregates. For PSI flows, OOF, officially supported export credits and private flows, the lines mostly represent specific types of finance. Supporting detail is supplied in CRS++ reporting.

266. Data are collected on grant equivalents (column 1160), gross disbursements (amounts extended – columns 1121, 1122 and 1120), repayments (amounts received – column 1130), net disbursements (net amounts – column 1140) and commitments (columns 1151, 1152 and 1150). Gross disbursements and commitments are broken down by major type of finance (grants – columns 1121 and 1151 – and non-grants – columns 1122 and

- 1152). Capital subscriptions (deposit basis) to multilateral agencies are included under grants.
267. All amounts received (column 1130) should be recorded as negative amounts. Actual principal repayments of loans should be reported as amounts received (column 1130) against each co-operation modality (for ODA loans) or relevant rows (for PSI and OOF loans). However, for loans rescheduled in previous years, record repayments against the relevant co-operation modalities or rows of the original loans or, in case these are unknown, in a lump sum under row code 1999 or 2999 “Other loan repayments”. Do not record them against “debt relief” as this would distort statistics on net debt relief. Equity sales should be reported as amounts received too (column 1130).<sup>75</sup>
268. Recoveries on grants and capital subscriptions (deposit basis) should also be reported as amounts received, but only in a lump sum under row codes 1900 and 2110.
269. The financial instruments classified as grants in DAC statistics comprise: grants, capital subscriptions, debt forgiveness, interest subsidies and other subsidies. The financial instruments classified as non-grants comprise loans, reimbursable grants, debt rescheduling, debt securities (bonds and asset-backed securities), mezzanine finance instruments, equity and shares in collective investment vehicles. Development guarantees and other contingent liabilities are also non-grants. See Chapter 1 for definitions of financial instruments covered in DAC statistics.

*What to report in lines?*

**Line TOTAL OFFICIAL AND PRIVATE FLOWS (code 005)**

270. The sum of the donor’s resource flows to countries on the DAC List of ODA Recipients, comprising ODA flows (code 1010), PSI flows (code 3400), OOF (code 200), officially supported export credits (code 3000), private flows at market terms (code 3300) and net private grants (code 415).

**Line I. OFFICIAL DEVELOPMENT ASSISTANCE (code 1010)**

271. The sum of bilateral (code 1015) and multilateral (code 2000) ODA flows/grant equivalents.

**Line I.A Bilateral Official Development Assistance by co-operation modality (code 1015)**

272. The sum of codes 1100 to 1900 and 1999. Members should report on bilateral co-operation modalities as defined below (codes 1100 to 1800).<sup>76</sup> If an activity covers more than one category, report it according to the predominant co-operation modality. Recoveries on bilateral grants are reportable in a lump sum under code 1900. Repayments of principal of loans rescheduled in previous years are also reportable in a lump sum under code 1999 when the co-operation modalities of the original loans cannot be identified.

**Line I.A.1 Budget support, total (code 1100)**

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<sup>75</sup> Interest and dividends received are not counted in net flows but reported in CRS++ to derive net transfers.

<sup>76</sup> Technical co-operation does not appear as a co-operation modality, but is collected separately under memorandum item 1902 in Table DAC1. Humanitarian aid is not a co-operation modality either, and can be reported under various modalities (e.g. emergency aid can be recorded as project-type interventions).

273. The sum of general (code 1110) and sector (code 1120) budget support. For contributions under this category, the donor relinquishes the exclusive control of its funds by sharing the responsibility with the recipient.

**Line I.A.1.1 General budget support (code 1110)**

274. Unearmarked contributions to the government budget including funding to support the implementation of macroeconomic reforms (structural adjustment programmes, poverty reduction strategies).

275. Budget support is a method of financing a recipient country's budget through a transfer of resources from an external financing agency to the recipient government's national treasury. The funds thus transferred are managed in accordance with the recipient's budgetary procedures. Funds transferred to the national treasury for financing programmes or projects managed according to different budgetary procedures from those of the recipient country, with the intention of earmarking the resources for specific uses, are therefore excluded.

**Line I.A.1.2 Sector budget support (code 1120)**

276. Sector budget support, like general budget support, is a financial contribution to a recipient government's budget. However, in sector budget support, the dialogue between donors and partner governments focuses on sector-specific concerns, rather than on overall policy and budget priorities.

**Line I.A.2 Bilateral core support and pooled programmes and funds (code 1200)**

277. The sum of codes 1210, 1220 and 1230. For contributions under this category, the donor relinquishes the exclusive control of its funds by sharing the responsibility with other stakeholders (other donors, NGOs, Public-private partnerships).

**Line I.A.2.1 Core support to NGOs and civil society, PPPs and research institutes (code 1210)**

278. The sum of codes 1211, 1212, 1213 and 1214. Funds paid over to PPPs, networks, research institutes and non-profit private bodies – developing country-based, donor country-based and international NGOs and other civil society organisations, e.g. philanthropic foundations – for use at these organisations' discretion and contributing to programmes and activities which these organisations have developed themselves, and which they implement on their own authority and responsibility. These aggregates can be compiled on the basis of channels of delivery (see Annex 9).

279. This item does not cover ODA channelled through NGOs, i.e. administered by NGOs on behalf of the official sector. Such contributions are reportable under specific-purpose programmes and funds managed by international organisations (code 1220), project-type interventions (code 1300), other technical assistance (code 1420), or development awareness (code 1810) as the case may be, and their total in the memorandum item ODA channelled through NGOs and civil society (code 1903). See Box 7 for comprehensive indications on how the reporting system tracks various activities undertaken with civil society organisations.

**Line I.A.2.1.a) Core support to donor country-based NGOs and civil society (code 1211)**

280. Official sector core contributions to donor country-based non-governmental organisations and civil society organisations. A donor country-based NGO is an NGO organised at the national level, based and operated either in the donor country or another

developed (non-ODA eligible) country. National NGOs' own spending is reported in Section IV of Table DAC1b.

**Line I.A.2.1.b) Core support to international NGOs (including developing country-based NGOs) (code 1212)**

281. Official sector contributions to developing country-based NGOs or international NGOs active in development co-operation. A developing country-based NGO is an NGO organised at the national level, based and operated in a developing (ODA-eligible) country. An international NGO (INGO) is an NGO organised on an international level, i.e.:

- either there is an international coordinating body facilitating the work of its members on the international level or the NGO has an extensive network of country/regional offices in the field; and
- the NGO has internationally diversified sources of revenue.

**Line I.A.2.1.c) Core support to public-private partnerships (including networks) (code 1213)**

282. Public-private partnerships (PPPs) and networks are collaborative arrangements between private actors and bilateral/multilateral agencies or governments to address specified developmental issues. A PPP is an operational partnership whose board or other governance structure includes both public officials and private individuals. A network is a global or regional organisation that supports and brings together public sector, private sector and civil society organisations with similar goals to facilitate knowledge sharing.

**Line I.A.2.1.d) Other (code 1214)**

283. Bilateral core support to institutions that cannot be placed in the above three categories (e.g. research institutes).

### **Box 7. Reporting aid to and through NGOs**

*Aid to NGOs* covers official funds paid over to non-governmental organisations for use at the latter's discretion. *Aid through NGOs* covers official funds made available to NGOs for use on behalf of the official sector, in connection with purposes designated by the official sector, or known to and approved by the official sector.

*Aid to NGOs* means official contributions to programmes and activities which NGOs have developed themselves, and which they implement on their own authority and responsibility. *Aid through NGOs* means payments by the official sector for NGOs to implement projects and programmes which the official sector has developed, and for which it is ultimately responsible. The latter includes "joint financing" schemes where government agencies and NGOs consult about activities, jointly approve them and/or share their funding.

When an activity could fit into either category, examine the characteristics of the activity approval process and the degree of control by the official sector in the allocation of funds so as to determine whether the NGO acts, or not, on behalf of the official sector. The examples below provide some further guidance.

*Report as aid to NGOs, under Core support to national NGOs and other private bodies (code 1211) or Core support to international NGOs (code 1212):*

Funding of NGOs' general programme of assistance: These subsidies, which are provided without endorsement by the official sector of the specific activities to be undertaken, could not be regarded as having been provided for use on the official sector's behalf.

**Funding of project activities where the NGO contributes its own funds and where the official sector has essentially no say in the design or implementation of the project:** This covers cases in which the official sector makes a block grant to be used at the NGO's discretion on either general administrative overheads, or specific projects of the NGO's choice. These modes of funding cannot plausibly be viewed as supporting activities carried out on the official sector's behalf.

Report as aid through NGOs, under Specific-purpose programmes and funds managed by international organisations (multilateral, INGOs) (code 1220):

**Funding of INGOs' specific-purpose programmes:** When subsidies are for a programme that has a clearly identified sectoral, thematic or geographical focus, contributions should be classed as aid through NGOs.

Report as aid through NGOs, under Project-type interventions (code 1300), Other technical assistance (code 1420), or Development awareness (code 1810):

**Funding of project activities where the NGO does not contribute any of its own funds to the same activity:** If the NGO is not contributing any of its own funds to an activity financed by the official sector, this is a clear indication that the NGO is acting on the official sector's behalf, and the expenditure should therefore be classed as aid through NGOs.

**Funding of project activities jointly financed by the official sector and the NGOs, and approved after consultation between the two,** should normally be reported as aid through NGOs: In most "joint financing" schemes, official and NGO representatives meet to review proposed projects and agree on those that will receive official funding. The original proposals will normally be drawn up by NGOs, but in response to guidelines as to the type of projects likely to receive official support. Officially funded projects will in principle meet these guidelines. During the review process, the official sector may in effect alter project design by making suggestions or imposing conditions on its support. It is also likely that most projects in this category would not take place unless official funding were received. In this context, it seems reasonable to regard such joint financing schemes as aid through NGOs, although the final determination depends on the degree of official sector influence in practice.

*The total of aid through NGOs is reportable as a memo item ODA channelled through NGOs and civil society (code 1903).*

**Line I.A.2.2 Contributions to specific-purpose programmes and funds managed by implementing partners (international organisations, NGOs, PPPs and networks ) (code 1220)**

284. In addition to their core-funded operations, international organisations, NGOs, PPPs and networks, both in provider and in third countries, set up and raise funds for specific programmes and funds with clearly identified sectoral, thematic or geographical focus. Donors' bilateral contributions to such programmes and funds are recorded here.

**Line I.A.2.3 Basket funds/pooled funding (code 1230)**

285. The donor contributes funds to an autonomous account, managed jointly with other donors and/or the recipient. The account will have specific purposes, modes of disbursement and accountability mechanisms, and a limited time frame.



286. Basket funds are characterised by common project documents, common funding contracts and common reporting/audit procedures with all donors.

287. Donors' contributions to funds managed autonomously by international organisations are recorded under code 1220.

**Line I.A.3 Project-type interventions (code 1300)**

288. The sum of investment (code 1310) and other projects (code 1320).

289. A project is a set of inputs, activities and outputs, agreed with the partner country<sup>77</sup>, to reach specific objectives/outcomes within a defined time frame, with a defined budget and a defined geographical area. Projects can vary significantly in terms of objectives, complexity, amounts involved and duration. There are smaller projects that might involve modest financial resources and last only a few months, whereas large projects might involve more significant amounts, entail successive phases and last for many years. A large project with a number of different components is sometimes referred to as a programme, but should nevertheless be recorded here.

290. Feasibility studies, appraisals and evaluations of projects and programmes are included (when designed as part of projects/programmes or dedicated funding arrangements). Monitoring, auditing and situation analyses of projects and programmes are also included.

291. Aid channelled through NGOs or multilaterals is also recorded here. This includes payments for NGOs and multilaterals to implement donors' projects and programmes, and funding of specified NGOs projects. By contrast, core funding of NGOs and multilaterals as well as contributions to specific-purpose funds managed by implementing partners are recorded under items I.A.2.1, I.B and I.A.2.2 respectively (see also Box 7).

**Line I.A.3.1 Investment projects (code 1310)**

292. Investment project aid comprises activities primarily designed to augment the physical capital of recipient countries. It includes contributions for local and recurrent costs and investment-related technical co-operation. The costs of new capital works in the donor country that will remain the property of the donor are not reportable as ODA flows, even when they are to be used for development activities. PSI flows are reportable in line 3400. Grant equivalents of ODA-eligible PSI are reportable in lines 11040, 11041, 11042 and 11044.

**Line I.A.3.2 Other projects (code 1320)**

293. Report non-investment projects, including those for capacity building.

*Memo: Projects qualifying as programme-based approaches (code 1330)*

294. Within the project-type category (code 1300), separately identify those qualifying as programme-based approaches (see definition under memo item programme-based approaches – code 1901).

*Memo: Cost of donor experts included in project-type interventions (code 1301)*<sup>78</sup>

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<sup>77</sup> In the cases of equity investments, humanitarian aid or aid channelled through NGOs, projects are recorded here even if there was no direct agreement between the donor and the partner country.

<sup>78</sup> Reporting on donor experts remains optional.

295. Within the project-type category (code 1300), members able to do so are requested to report the amount used for financing donor experts and consultants. Where the activity consists solely of experts' costs, report under code 1410.

**Line I.A.4 Experts and other technical assistance (code 1400)**

296. The sum of donor country personnel (code 1410) and other technical assistance (code 1420). This category covers the provision, outside projects as described under item I.A.3, of know-how in the form of personnel, training and research.

**Line I.A.4.1 Donor country personnel (code 1410)**

297. Experts, consultants, teachers, academics, researchers, interns, volunteers and contributions to public and private bodies for sending experts to developing countries. Supplementation payments by the donor country to its experts employed by developing countries or international aid agencies should also be included, as well as the cost to the reporting government of civil servants seconded to developing countries. However, the costs of "counterparts" receiving on-the-job training while working with donor experts are excluded.

298. Volunteers are persons who work in a developing country under wholly or partly publicly financed or publicly controlled volunteer programmes, receiving a stipend in compensation for their services, i.e. subsistence allowances, daily support costs, and/or financial remuneration, either during the period of service, or on return home.

**Line I.A.4.2 Other technical assistance (code 1420)**

299. Provision, outside projects as described under line I.A.3, of technical assistance in recipient countries and excluding technical assistance performed by donor experts reported under item I.A.4.1, and scholarships and training in donor country reported under item I.A.5.1.

300. This includes training and research; language training; south-south studies; research studies; collaborative research between donor and recipient universities and organisations; local scholarships; development-oriented social and cultural programmes. This category also covers ad hoc contributions such as conferences, seminars and workshops, exchange visits, publications, etc.

301. Scholarships for students and contributions for trainees to follow studies or training courses in developing countries are recorded here while scholarships/training in donor country is recorded under I.A.5.1 (except that training performed in donor country through visiting tours and short-term resident training courses, or attendance at ad hoc non-academic courses and seminars is recorded under I.A.4.2). General subsidies to the developing country education sector are not recorded here, but as sector budget support under item I.A.1.2 or project-type interventions under item I.A.3.

**Line I.A.5 Scholarships and student costs in donor countries (code 1500)**

302. The sum of scholarships and training in donor country (code 1510) and imputed student costs (code 1520).

**Line I.A.5.1 Scholarships and training in donor country (code 1510)**

303. Financial aid awards for individual students and contributions to trainees. The beneficiary students and trainees are nationals of developing countries. Financial aid awards include bilateral grants to students registered for systematic instruction in private or public institutions of higher education to follow full-time studies or training courses in the donor country. Estimated tuition costs of students attending schools financed by the donor but not receiving individual grants are not included here, but under item imputed

student costs (code 1520). Training costs relate to contributions for trainees from developing countries receiving mainly non-academic, practical or vocational training in the donor country.

**Line I.A.5.2 Imputed student costs (code 1520)**

304. Costs borne indirectly by the official sector in respect of tuition in the donor country of students from aid recipients. Rules on ODA eligibility for these indirect (“imputed”) costs of tuition in donor countries are provided in Chapter 2.

**Line I.A.6 Debt relief (code 1600)**

305. The sum of debt forgiveness and rescheduling (code 1610), other action on debt (code 1620), and offsetting entries for debt forgiveness (code 1630). Groups all actions relating to debt (forgiveness, conversions, swaps, buybacks, rescheduling, refinancing) and their offsetting entries.
306. See section II.2 in Chapter 2 for rules on reporting debt relief operations (grant equivalent and flows), section VII in Chapter 3, and Annex 7 for instructions and examples for reporting on debt relief. The text below describes in a succinct way the reporting on flows.

**Line I.A.6.1 Debt forgiveness and debt rescheduling (code 1610)**

307. For flows, the sum of forgiven (columns 1121 and 1151) or rescheduled (columns 1122 and 1152) ODA claims (code 1611), OOF claims (code 1615), officially supported export credit claims (code 1616) and private claims (code 1617).

**Line I.A.6.1.a ODA claims (code 1611)**

308. Grants for forgiveness of ODA claims, including both interest and principal forgiven. For rescheduled ODA claims, include only capitalised interest (and not rescheduled principal).

**Line I.A.6.1.b OOF claims (code 1615)**

309. Grants for forgiveness and rescheduling of OOF claims, including both interest and principal forgiven or rescheduled.

**Line I.A.6.1.c Officially supported export credit claims (code 1616)**

310. Grants for forgiveness of officially supported export credits, including both interest and principal forgiven.

**Line I.A.6.1.d Private claims (code 1617)**

311. Grants for forgiveness of private claims, including both interest and principal forgiven.

*Memo: Grants for debt service reduction (code 1614)*

**Line I.A.6.2 Other action on debt (code 1620)**

312. The sum of service payments to third parties (code 1621), debt conversion (code 1622), debt buybacks (code 1623) and other (code 1624).

**Line I.A.6.2.a Service payments to third parties (code 1621)**

**Line I.A.6.2.b Debt conversion (code 1622)**

**Line I.A.6.2.c Debt buybacks (code 1623)**

**Line I.A.6.2.d Other (code 1624)**

**Line I.A.6.3 Offsetting entry for debt forgiveness (code 1630)**

313. The principal forgiven on ODA loans, offsetting the amount of principal included under grants for forgiveness of ODA debt (code 1611 – column 1121).

*Memo: Offsetting entry for forgiven interest (code 1640)*

314. Interest forgiven on ODA loans, included under debt forgiveness of ODA claims (code 1611 – column 1121).

**Line I.A.7 Administrative costs not included elsewhere (code 1700)**

315. Administrative costs of development assistance programmes not already included under other ODA items as an integral part of the costs of delivering or implementing the aid provided. See Chapter 2 for rules on ODA eligibility.

**Line I.A.8 Other in-donor expenditures (code 1800)**

316. The sum of development awareness (code 1810) and refugees in donor countries (code 1820). Groups a number of contributions that do not give rise to a cross-border flow.

**Line I.A.8.1 Development awareness (code 1810)**

317. Funding of activities designed to increase public support in the donor country for development co-operation efforts, and understanding of development needs and issues. See Chapter 2 for rules on ODA eligibility.

**Line I.A.8.2 Refugees in donor countries (code 1820)**

318. Official sector expenditures for the sustenance of refugees in donor countries during the first twelve months of their stay. See Chapter 2 for rules on ODA eligibility.

**Line I.A.9 Recoveries on bilateral ODA grants and negative commitments (code 1900)**

319. Record here recoveries on bilateral ODA grants, the use for its own purposes by the donor country of balances held in the recipient country and denominated in the latter's currency<sup>79</sup>, and taxes paid by overseas territories that are ODA recipients to the donor country. The recording of cancellations on earlier years' commitments is allowed under this code (see paragraph 153).

**Line I.A.10 Other loan repayments (code 1999)**

320. Record here repayments of principal of loans rescheduled as ODA in previous years if the co-operation modality of the original loans cannot be identified (see paragraph 267).

**Line I.A.11 ODA grant equivalents of private sector instruments (PSI) (code 11040)**

321. Record the grant equivalents of ODA-eligible PSI that enter the calculation of ODA grant equivalent measure. It is the sum of donor effort in PSI recorded under the institutional approach (code 11041) and instrument approach (code 11042) together with decapitalisations and dividends paid to the government (code 11044).

**Line I.A.11.1 Institutional approach, capital increases of ODA-eligible PSI vehicles (code 11041)**

322. Record the capital increases of ODA-eligible PSI vehicles after application of their respective ODA coefficients.

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<sup>79</sup> Whether those balances are generated as the counterpart of sales of commodities against recipient currencies, or in some other way (e.g. amortisation on previous loans repayable in recipients' currencies).

**Line I.A.11.2 Instrument approach, grant equivalents of individual PSI activities (code 11042)**

323. Record the sum of grant equivalents of individual ODA-eligible PSI activities.

**Line I.A.11.3 Decapitalisations and dividends paid to the government (code 11044)**

324. Record the decapitalisations of ODA-eligible PSI vehicles and dividends paid by these vehicles to the government as a negative entry, irrespective of the reporting approach used, provided the concerned vehicles benefitted from at least one capital increase counted in ODA.

*Memo items for bilateral ODA*

325. These items provide additional topical information on items already included under the various co-operation modalities in Section I.A.

*Memo items for PSI*

*Memo: Private sector instruments, institutional approach, grant equivalents of individual PSI activities (code 1041)*

326. For ODA-eligible PSI vehicles reported under the institutional approach, record the sum of grant equivalents of individual ODA-eligible PSI activities.

*Memo: Private sector instruments, instrument approach, capital increases of ODA-eligible PSI vehicles (code 1042)*

327. For ODA-eligible PSI vehicles reported under the instrument approach, record the sum of capital increases after the application of respective ODA coefficients.

*Memo: Private sector instruments, decapitalisations and dividends paid to the government (code 1045)*

328. Record the decapitalisations of ODA-eligible PSI vehicles and dividends paid by these vehicles to the government as a negative entry. This memo item is only applicable to PSI vehicles that did not benefit from at least one capital increase counted in ODA.

*Memo: Private sector instruments, outstanding ODA equities upon transition to grant equivalent measurement ex ante (code 1044)*

329. Upon transition to the grant equivalent ODA accounting of equities using the ex-ante method, record the value of equity stakes previously reported as positive ODA. The reportable amount corresponds to the size of an active equity portfolio of a given PSI vehicle. This field is also reportable for reflow-based reimbursable grants.

*Other memo items*

*Memo: Programme-based approaches (code 1901)*

330. Programme-based approaches (PBAs) are a way of engaging in development co-operation based on the principles of co-ordinated support for a locally-owned programme of development, such as a national development strategy, a sector programme, a thematic programme or a programme of a specific organisation. Programme-based approaches share the following features: i) leadership by the host country or organisation; ii) a single comprehensive programme and budget framework; iii) a formalised process for donor co-ordination and harmonisation of donor procedures for reporting, budgeting, financial management and procurement; iv) efforts to increase the use of local systems for programme design and implementation, financial management, monitoring and evaluation.

*Memo: Free-standing technical co-operation (code 1902)*

331. Grants for the provision of “free-standing” technical co-operation in the form of personnel, training, research and associated costs, reported under several co-operation modalities, including non-investment project-type interventions (e.g. capacity building projects), experts and other technical assistance, scholarships and training in donor country. See definition in Chapter 4.

*Memo: ODA channelled through NGOs and civil society (code 1903)*

332. This item separately identifies ODA flows administered by NGOs and civil society on behalf of the official sector, reported under various co-operation modalities. Core contributions to NGOs and civil society are excluded. See Box 7 for reporting on aid to/through NGOs.

*Memo: ODA channelled through multilateral organisations (code 1904)*

333. This item separately identifies earmarked ODA contributions to multilateral organisations, as distinct from core contributions recorded as multilateral ODA flows under Section I.B. It covers donors’ contributions to specific-purpose programmes and funds managed by multilateral organisations (covered within code 1220), and payments for multilaterals to implement donors’ projects and programmes (covered within code 1300), to provide technical assistance (covered within code 1420), or to promote development awareness (covered within code 1810).

334. A donor’s total use of the multilateral system is the sum of its bilateral ODA flows channelled through multilateral organisations (code 1904) and its multilateral ODA flows (code 2000).

*Memo: Participation in international peacekeeping operations (code 1905)*

335. This item covers bilateral ODA-eligible peacekeeping expenditures within a UN context. See paragraphs 136-137.

*Memo: Relief food aid (code 1906)*

336. Relief food aid comprises supplies of food, and associated costs, provided for humanitarian relief purposes.

### **Line I.B Multilateral Official Development Assistance (code 2000)**

337. Core contributions to multilateral institutions in the form of grants and capital subscriptions (deposit basis) (columns 1121 and 1151), and concessional lending (columns 1122 and 1152), measured both on a grant equivalent and flow bases. See Annex 2 for multilateral organisations, contributions to which are recorded in full or in part as ODA flows.

#### **Line I.B.1 Multilateral contributions to (code 2100)**

338. The sum of codes 2101 to 2108, which includes grants, loans and capital subscriptions to the following agencies:

##### **Line I.B.1.1 UN agencies (code 2101)**

339. Contributions to the UN bodies included in category 41000 of the List of ODA-eligible international organisations.

##### **Line I.B.1.2 European Union (code 2102)**

340. Includes the share of the EC development budget attributed to the reporting country; grants in cash or in kind to the European Development Fund; and interest subsidies

provided by a donor to soften the terms of loans administered by the European Investment Bank. Capital subscriptions to the European Investment Bank are not reportable.

**Line I.B.1.3 IDA (code 2103)**

**Line I.B.1.4 Other World Bank (AMCs, IBRD, IFC, MIGA) (code 2104)**

**Line I.B.1.5 Regional development banks (code 2105)**

341. Contributions to the agencies included in categories 44000 and 46000 of the List of ODA-eligible international organisations. Capital subscriptions to the World Bank and regional development banks made in the form of notes and similar instruments unconditionally encashable at sight by the recipient institution should be reported as disbursements as of their date of issue, whether or not they have been encashed.

**Line I.B.1.6 Global Environment Facility (code 2106)**

342. The full value of contributions to the Global Environment Facility (GEF), including the Least Developed Countries Fund and the Special Climate Change Fund.

**Line I.B.1.7 Other agencies (code 2108)**

343. Contributions to agencies not included in items I.B.1.1 to I.B.1.6, as listed in categories 43000, 45000 and 47000 of the List of ODA-eligible international organisations.

**Line I.B.2 Recoveries on multilateral ODA grants and capital subscriptions and negative commitments (code 2110)**

344. Record here recoveries on multilateral ODA grants and capital subscriptions on a deposit basis, including any change in the valuation of capital subscriptions that are returned to the donor. The recording of cancellations on earlier years' commitments is allowed under this code.

*Memo items covering both bilateral and multilateral contributions*

*Memo (bilateral + multilateral): - HIPC Initiative (code 2901)*

*Memo (bilateral + multilateral): - IDA Debt Reduction Facility (code 2902)*

345. The total amount of contributions to the HIPC Initiative (including the Multilateral Debt Relief Initiative) or IDA Debt Reduction Facility.

**Line II. PRIVATE SECTOR INSTRUMENTS (PSI) FLOWS (code 3400)**

346. The sum of PSI flows, including PSI that are ODA-eligible as well as other PSI. This sum consist of grants (code 3401), debt instruments (code 3402), equities and shares in collective investment vehicles (code 3403) and mezzanine finance instruments (code 3404).

**Line II.1. Grants**

347. The sum of grants to the private sector (code 3401) which are not part of ODA flows.

**Line II.2. Debt instruments**

348. The sum of debt instruments to the private sector, such as loans and certain reimbursable grants<sup>80</sup> (code 3402).

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<sup>80</sup> Loan-type reimbursable grants to the official sector are reportable as ODA flows.

**Line II.3. Equities and shares in collective investment vehicles**

349. The sum of common equities and shares in collective investment vehicles (code 3403).

**Line II.4. Mezzanine finance instruments**

350. The sum of mezzanine finance instruments, including preferred equities and subordinated loans (code 3404).

**Line III. OTHER OFFICIAL FLOWS (code 200)**

351. The sum of bilateral OOF (code 210) and multilateral OOF (code 325).

**Line III.A Other Official Bilateral Flows (code 210)**

352. The sum of budget support (code 2210), investment-related transactions beyond PSI (code 2220), rescheduling (code 300), other claims and grants (code 298) and offsetting entries for debt relief (code 1020). "Amounts received" (column 1130) is used to report actual principal repayments in respect of each category of OOF. Forgiveness of OOF principal should be reported in column 1130 under offsetting entries for debt forgiveness (code 1020).

**Line III.A.1 Budget support (code 2210)**

353. Non-ODA eligible loans from the official sector (columns 1122 and 1152) to support the general or sector-specific budgets of partner countries and territories.

**Line III.A.2 Investment-related transactions (2220)**

354. The sum of investment-related transactions beyond PSI flows, such as official support to private exporters.

**Line III.A.3 Rescheduling, total (code 300)**

355. The sum of non-concessional rescheduling (code 301) and the OOF component of debt service reduction (code 303).

**Line III.A.3.1 Non-concessional rescheduling (code 301)****Line III.A.3.1.a OOF claims (capitalised interest) (code 304)****Line III.A.3.1.b Officially supported export credit claims (code 305)****Line III.A.3.1.c Private sector claims (code 306)****Line III.A.3.2 OOF component of debt service reduction (code 303)****Line III.A.4 Other claims and grants (code 298)**

356. Covers other claims and grants which do not qualify as ODA flows nor PSI flows. This includes:

- i. The net acquisition by governments and central monetary institutions of securities issued by developing countries regarded as OOF.
- ii. Grants to developing countries for representational or essentially commercial purposes.
- iii. Loans to the official sector which are regarded by the donor country as essentially for commercial, not developmental, purposes. For example, a grant included in an associated financing package for the primary purpose of matching a credit offer from another country and so not considered by the reporting country as satisfying the criteria for ODA flows.



- iv. Official non-concessional loans other than export credits or PSI loans.
- v. Grants to forgive military debt.
- vi. Grant subsidies (columns 1121 and 1151) to reduce the interest rate charged on private export credits.
- vii. Grant subsidies (columns 1121 and 1151) to national private investors by the official sector to a private company in the donor country to help finance a specified investment in a developing country.

**Line III.A.5 Offsetting entry for debt relief (code 1020)**

357. The principal of OOF loans which have been either forgiven or rescheduled as ODA, offsetting the principal included under code 1615.

**Line III.A.6. Other loan repayments (code 2999)**

358. Record here repayments of principal of loans rescheduled as OOF in previous years (see paragraph 267).

**Line III.B Transactions with Multilateral Agencies at Market Terms (code 325)**

359. The sum of the purchase of securities from issuing agencies (code 326) and other transactions (code 327). Only transactions with the agencies included in the List of ODA-eligible international organisations (see Annex 2) may be reported.

**Line III.B.1. Purchase of securities from issuing agencies (code 326)**

360. The purchase (column 1122) and redemption (column 1130) by official agencies of new issues of interest-bearing securities issued by multilateral organisations.

**Line III.B.2 Other transactions (code 327)**

361. Loans at market terms to multilateral agencies and the purchase by official agencies from third parties of interest-bearing securities originally issued by multilateral organisations. Where a loan is for a specific developing country, include it in line II.A.4.2 (code 298) as a bilateral transaction (see paragraph 12).
362. No transactions with the IMF are reportable under this item.

*Memorandum items for other official flows*

*Memo: - Interest received on OOF, total (bilat.+multilat.)*

- *Bilateral (code 8000)*

363. The total of actual bilateral interest receipts from developing countries on OOF lending, including interest received on amounts rescheduled as OOF.

- *Multilateral (code 805)*

364. Interest received by the reporting country on its non-concessional loans to multilateral institutions.

*Memo: - Offsetting entry for forgiven interest (code 7860)*

365. Interest forgiven on OOF loans. These amounts are also included under ODA debt forgiveness of OOF claims (code 1615). Do not include under interest received (code 8000).

*Memorandum items for official development finance interventions (ODA + PSI + OOF)*

*Memo: - Development finance in blended finance packages (2231)*

366. The sum of ODA, PSI and OOF transactions (in columns 1121, 1122, 1151,1152) which are part of a blended finance package.

*- of which through funds and facilities (2232)*

*- Amounts mobilised from the private sector (2233)*

367. Total amounts mobilised from the private sector by official development finance interventions recorded under ODA flows, PSI (incl. guarantees) and OOF.

*- of which through guarantees (2234)*

**Line IV. OFFICIALLY SUPPORTED EXPORT CREDITS (code 3000)**

**Line IV.A Official direct export credits (code 3100)**

368. Loans extended by government-owned or controlled specialised export-financing agencies or institutions to finance a specific purchase of goods or services from within the creditor country.

**Line IV.B Officially guaranteed or insured export credits (code 3200)**

369. Loans extended by the private sector, guaranteed or insured by government-owned or controlled specialised export-financing agencies or institutions, to finance an export transaction. Also includes the non-guaranteed portion of guaranteed export credits.

**Line IV.C Offsetting entry for debt relief (export credit claims, principal) (code 3102)**

370. The total amount of principal either forgiven (as ODA) or rescheduled (as OOF) on export credits.

**Line V. PRIVATE FLOWS AT MARKET TERMS (RESIDENCE BASIS) (code 3300)**

371. The sum of bilateral (code 3320) and multilateral (code 359) private flows. This heading covers changes in holdings of private long-term assets (i.e. over one-year maturity) held by residents of the reporting country.

372. “Amounts received” (column 1130) is used to report actual principal repayments or other capital receipts for each category of private flows. Principal forgiven or officially rescheduled should be reported in column 1130 under offsetting entries for debt relief (code 1030). Neither commitments nor interest and dividend receipts are recorded for private flows.

**Line V.A Bilateral Private Flows (code 3320)**

373. The sum of direct investment (new capital outflows and reinvested earnings) (code 340) other securities and claims (code 3530) and offsetting entries for debt relief (code 1030).

**Line V.A.1 Private Foreign Direct investment (code 340) of which: New capital outflows (code 345)**

374. Private Foreign Direct investment comprises financing by an entity resident in a reporting country which has the objective of obtaining or retaining a lasting interest in an entity resident in a developing country. “Lasting interest” implies a long-term relationship where the direct investor has a significant influence on the management of the enterprise,

reflected by ownership of at least ten per cent of the shares of the enterprise, or the equivalent in voting power or other means of control<sup>81</sup>. Amounts repatriated to entities in the reporting country are reported in column 1130. However, no account is taken of private investment by developing countries in reporting countries.

375. Deduct the amounts reported for official sector loans and subsidies to national private investors (code 287) from each column. (See paragraph 179).

**Line V.A.2 Other securities and claims (code 3530)**

376. The sum of total banks (long-term) (code 3840) and non-banks (code 3860), including private export credits not benefitting from official support. Deduct the amounts reported for official sector loans to national private exporters (code 266) from each column in the relevant lines for bank or non-bank transactions. (See paragraph 179).

**Line V.A.2.1 Total banks (long-term) (code 3840)**

377. The sum of bond purchases by banks (code 751) and other bank securities and claims (code 7530).

378. In practice, this aggregate is often collected directly by central banks. Any direct investment by banks included in this total should be deducted as it is reportable under code 340.

379. Two other deductions should be made from this total:

- i. lending for military purposes, usually in the form of export credits; and
- ii. claims on banks in financial centres, as most of this lending is channelled to developed countries.

The financial centres to exclude are: Lebanon; Liberia; Panama; Vanuatu.

380. The data required are banks' new lending and bond purchases, repayments of loans and redemption of bonds. In practice, these flow data are rarely available and estimates have to be made from the stocks of claims at the beginning and end of the reporting year, e.g. as reported to the BIS. See Box 1 in Annex 5 for how to adjust for exchange rate changes.

**Line V.A.2.1.a) Bonds (code 751)**

381. Acquisition by banks of bonds issued by developing countries. These figures are often only available net, but where possible enter new acquisitions in column 1122 and redemptions in column 1130.

**Line V.A.2.1.b) Other bank (code 7530)**

382. This item is mainly for the purchase and sale of equities by banks. Such portfolio investment is distinct from direct investment as it does not imply a lasting interest in the enterprise (see paragraph 374). It is usually calculated as a residual by deducting bank bonds (code 751) from total banks (code 3840).

**Line V.A.2.2 Non-banks (code 3860)**

383. The sum of bonds (code 388) and other securities (including equities) (code 3890).

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<sup>81</sup> Detailed procedures and definitions for measuring direct investment are given in the document OECD Benchmark Definition of Foreign Direct Investment [C(2008)76]. Reporting should be in accordance with this definition, and should be consistent with members' reporting on foreign direct investment to the OECD's Directorate for Financial, Fiscal and Enterprise Affairs.

**Line V.A.2.2.a) Bonds (code 388)**

384. Acquisitions other than by banks of bonds issued by developing countries. These figures are often only available net, but where possible enter new acquisitions in column 1122 and redemptions in column 1130.

**Line V.A.2.2.b) Other securities (including equities) (code 3890)**

385. This item is mainly for the purchase and sale of equities other than by banks. Such portfolio investment is distinct from direct investment as it does not imply a lasting interest in the enterprise (see paragraph 374).

**Line V.A.3 Offsetting entry for debt relief (code 1030)**

386. The total amount of principal either forgiven (as ODA) or rescheduled (as OOF) on private loans.

**Line V.B Multilateral Private Flows (code 359)**

387. The acquisition (column 1122) and redemption (column 1130), other than by official agencies, of interest-bearing securities and other instruments issued by multilateral organisations. Only transactions with the agencies included in the List of ODA-eligible international organisations (see Annex 2) may be reported.

**Line VI. NET PRIVATE GRANTS (code 415)***Derived as:***Line VI.1 Gross outflow from NGOs and civil society (code 425)**

388. Grants by national NGOs for development assistance and relief, together with any additional contributions in kind, made to or for developing countries, multilateral organisations (e.g. proceeds to UNICEF from Christmas card sales), special appeals (e.g. for disaster relief), or international non-governmental organisations. Includes expenditures in the donor country undertaken for development or relief purposes (e.g. subsidies by voluntary agencies to students and trainees from developing countries, welcome services, etc.). However, care should be taken not to count twice a contribution by a national non-governmental organisation to another national non-governmental organisation.

389. Funds remitted by a branch organisation to its international headquarters are considered as a flow by the country where the branch is located. The country in which the headquarters of an international non-governmental organisation is located should report only the funds the organisation receives from sources in that country.

*Less:***Line VI.2 Support received from official sector (code 420)**

390. The gross outflow from NGOs and civil society organisations included in code 425 will include official grants or subsidies to the NGOs and civil society organisations concerned. To avoid double counting, these need to be deducted by entering the amount received from the donor country official sector<sup>82</sup> plus any grants or subsidies received from multilateral agencies or other sources outside the donor country, as a negative figure at item VI.2 (code 420), yielding net outflows from NGOs and civil society organisations at Line VI (code 415).

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<sup>82</sup> This amount is included in but does not necessarily correspond to code 1211, which relates to official support to all donor country-based NGOs (including NGOs based in other developed countries).

## **Line VII. ITEM ONLY PARTLY COVERED IN DAC RESOURCE FLOW STATISTICS**

### **Line VII.1 Total participation in peacebuilding operations (including non-ODA) (code 207)**

391. The total cost of contributions (including those reported in code 1905 under ODA) to United Nations peace operations, composed of: i) disbursements to the United Nations less any compensation received from the United Nations, and ii) the net cost of bilateral activities authorised by and in support of action by the United Nations. The net cost of bilateral activities is calculated as the excess over what the personnel and equipment would have cost to maintain had they not been assigned to take part in a peace operation.

#### ***Advance Questionnaire: preliminary reporting on main ODA aggregates***

392. Donors report preliminary data for the year before (n-1), the Secretariat having pre-filled the column for year (n-2) with amounts previously reported by the donor in the final reporting. The Advance Questionnaire requires reporting on a subset of key ODA aggregates. ODA is reported on both grant equivalent and flow-basis. See Annex 3. The latest version of the Advance Questionnaire is also available at <https://www.oecd.org/en/topics/official-development-assistance-oda.html>.
393. Reporting rules are the same as those for reporting on Table DAC1a, Table DAC1b and CRS++, but most flow data are reported on a net basis. Memorandum items cover items of specific policy relevance, both at geographical and sector level, and may change from one year to another. Some further detail is requested for both bilateral and multilateral aid as well as PSI. Note that totals are sought for some but not all bilateral co-operation modalities, so that rows 1100 to 1700 may not sum to row 1015.

#### ***Validation table***

394. The Validation table (see Annex 3) requires aggregate data by recipient for different categories of flows and by sector and tying status for ODA. It is used by the Secretariat to control the completeness and accuracy of item-level reporting in CRS++.

## **III. CRS++ item-level reporting**

### ***1. Principles of reporting in CRS++***

395. Reporters use a single file format to report on all flows of resources to developing countries covered by these Directives as described in paragraph 8 (ODA, PSI, OOF, officially supported export credits, private grants, private market, amounts mobilised by official development finance interventions) and on grant equivalents of ODA flows and PSI. However, the level of detail of reporting required varies for different categories of flows, with the most detailed level (individual activities) required on ODA flows and least details requested on private flows. Therefore, not all data fields in CRS++ should or need to be reported for all types of resource flows, and while reporting is at item level, aggregation of certain transactions is required (see section III.3).
396. The completeness of CRS++ reporting is controlled by cross-checking aggregates derived from CRS++ against aggregates reported by members on Table DAC1a, Table DAC1b and the Validation table. Once validated through this procedure, the Secretariat uses CRS++ item-level data to compile various other aggregate statistics (see Chapter 6).

397. The reporting Form is illustrated in Figure 5 (CRS++ item-level reporting). Reporting takes place electronically, on a spreadsheet where each column corresponds to one data field and each row to one completed form.
398. The form comprises five sections:
- Section A identifies the activity: identification numbers facilitate database management and allow monitoring project implementation by linking disbursement data to their original commitments. That link also allows verification of the grant equivalent calculation.
  - Section B requests basic data on the activity including brief description of the activity, sectors of destination, recipient, co-operation modality, channel (NGOs, multilaterals, etc.).
  - Section C requests supplementary data and includes long descriptions which permit checking the accuracy and consistency of purpose coding, and verifying the ODA-eligibility of activities (developmental objective); it also includes information on the SDG focus, policy objective markers and keywords, which permit analyses of cross-sectoral issues.
  - Section D groups all volume data related to the activity including commitments and information on the tying status, gross disbursements, repayments of loans, ODA grant equivalents and amounts mobilised from the private sector.
  - Section E concerns financial terms, conditions and other details on non-grant instruments, such as loans, guarantees and equities. Details on financial terms of individual non-grant instruments allow to check their concessionality, and to compute their grant element. Fields on outstanding loans (fields 62-64) allow to produce statistics on debt. Information on equities disbursed and still held (field 62) is critical for monitoring grant equivalent reporting over time. .
  - Section F collects data specific to private sector instruments (PSI): PSI flag, additionality type, additionality description and development objective.
  - In addition, the detail of debt relief operations is collected in a separate template, see Annex 7. Supplementary data are also collected on amounts mobilised, see Annex 6.
399. Section III.2 presents reporting instructions for the CRS++ item-level reporting, data field by data field, in the order the fields appear on the Form. Specific reporting requirements for different resource flows (data fields required, level of aggregation) are presented in section III.3.

### Box 8. The Creditor Reporting System (CRS) and the expanded CRS (CRS++)

The Creditor Reporting System (CRS) was established in 1967, jointly by the OECD and the World Bank, with the aim of “supplying the participants with a regular flow of data on indebtedness and capital flows”.<sup>(1)</sup> Calculating capital flows and debt stocks were key functions of the System at the origin, but others have evolved in the course of years: the CRS has become the internationally recognised source of data on the geographical and sectoral breakdown of aid and other lending to developing countries, and serves as a tool for monitoring specific policy issues.

The CRS item-level reporting system for bilateral ODA, OOF, and officially supported export credits has been extended to also cover multilateral ODA, multilateral OOF and private flows, and PSI. This extended CRS, called CRS++, allows members to fulfil their reporting requirements with regard to previous CRS Forms 1 (commitments) and 2 (disbursements)<sup>(2)</sup>. It allows the compilation of various aggregates on resource flows to developing countries, including by recipient (for ODA, OOF, officially supported export credits and private flows), sector (ODA, OOF and officially supported export credits) and tying status (ODA). See Chapter 6.

1. The CRS stricto sensu corresponds to the reporting authorised in 1966 by the OECD Council [C(66)100]. The World Bank co-sponsored the creation of this system, and has full access to the non-export credit data; however, all data collection and treatment is carried out by the DAC Secretariat. A broadening of the system’s scope to cover export credits was requested by the Group of Export Credit and Credit Guarantees of the Trade Committee [TC/ECG(82) 9/REV1] and is not shared with the World Bank.
2. Original instructions for reporting on CRS Forms 1 and 2 can be found in DCD/DAC(2007)39/FINAL. Reporting on official export credits and credits under official guarantee or insurance through CRS Form 1C and CRS Form 3 is no longer required (see original instructions in DCD/DAC/TD/ECG (90)1). These latter have been replaced by Form XCR1, which is dealt with by the OECD Trade and Agriculture Directorate.

**Figure 5. Bilateral and multilateral aid and other resource flows to developing countries and ODA grant equivalent: CRS++ item-level reporting**

<b>A. Identification data</b>			<b>D. Volume data</b>		
1	Reporting year	----	39	Currency code	---
2	Commitment date	-- - - - -	40	Commitments	-----
3	Reporting country/organisation	---	41	Capital expenditure %*	---
4	Extending agency	--	42	Amounts extended	-----
5	CRS Identification number	-----	43	ODA grant equivalent	-----
6	Donor project number	---	44	Amounts received (for loans: principal only)	-----
7	Nature of submission	-	45	Amount untied	-----
<b>B. Basic data</b>			46	Amount partially untied	-----
8	Recipient code	---	47	Amount tied	-----
9	Channel of delivery name/country	-----	48	Amount of IRTC	-----
10	Channel code	-----	49	If project-type, amount of experts commitments*	-----
11	Bi/multi	-	50	If project-type, amount of experts extended*	-----
12	Type of flow (Main DAC1 category)	--	51	Amount of export credit in AF package	-----
13	Type of finance	---	52	Leveraging mechanism and role/position	-
14	Co-operation modality	---	53	Amount mobilised form the private sector	-----
15	Short description / Project title	-----	54	Origin of the funds mobilised	-
16	Sector / Purpose codes and corresponding shares	-----	<b>E. For non-grant instruments</b>		
<b>C. Supplementary data</b>			55	Type of repayment	-
17	Geographical target area	-----		Type of fee payment	-
18	Regional aid to LDCs*	-	56	Number of repayments per annum	-
19	Expected starting date	-- - - - -		Number of fee payments per annum	-
20	Expected completion date	-- - - - -	57	Interest rate	-----
21	Description	-----		Fee rate	-----
22	SDG focus*	-----		Expected return per annum	-----
23	Keywords*	-----	58	Second interest rate	-----
<b>Policy objectives</b>			59	First repayment date	-- - - - -
24	Gender equality	-		Exposure reduction starting date	-----
25	Aid to environment	-		Final repayment date	-----
26	Democratic and inclusive governance (DIG)	-	60	Guarantee maturity date	-- - - - -
27	RMNCH	-		Date of expected maturity	-----
28	Disaster Risk Reduction (DRR)	-	61	Interest received	-----
29	Nutrition*	-		Guarantee fee received	-----
30	Inclusion and empowerment of persons with disabilities*	-		Dividends received per annum	-----
<b>Type-of-aid related fields</b>			62	Principal disbursed and still outstanding	-----
31	FTC	-		Equity disbursed and still held	-----
32	PBA	-	63	Arrears of principal (included in the item 62)	-----
33	Investment	-	64	Arrears of interest	-----
34	Type of blended finance	-	65	Guaranteed amount	-----
<b>Rio markers</b>			66	Average use of portfolio guarantees %	---
35	Biodiversity	-	<b>F. For PSI</b>		
36	Climate change – mitigation	-	67	PSI flag	---
37	Climate change – adaptation	-	68	Additionality type	-----
38	Desertification	-	69	Additionality description	-----
			70	Additionality - development objective	-----

Note: \* Optional reporting



## 2. Instructions for reporting in CRS++

400. Specific reporting instructions are set out below, field by field, in the order the fields appear on the Form. Instructions on the reporting format and coding, including references to various classifications, are presented in the form of tables. The reporting concepts are defined in Chapters 1-4.

### Section A. IDENTIFICATION DATA

<b>1. Reporting year</b>	Enter the year for which data are reported.
<b>2. Commitment date / Issuance date</b>	Enter in text format DD-MM-YYYY.
<b>3. Reporting country/organisation</b>	See Annex 14 for the list of donor codes.
<b>4. Extending agency</b>	See Annex 14 for the list of agency codes.

401. The commitment date is requested for each new commitment (grant or non-grant). The definition of commitment is given in paragraph 151. For guarantees, enter the date of issuance.
402. Each reporting country or multilateral organisation has its own code. DAC members are requested to indicate, in addition, the extending agency. The extending agency is the government entity (central, state or local government agency or department) financing the activity from its own budget. It is the budget holder, controlling the activity on its own account. Agencies administering activities on behalf of other government entities should not be reported as extending agencies but as channels of delivery. (See fields 9 and 10).

<b>5. CRS Identification number</b>	In 10 digits: YYYYxxxxxx
<b>6. Donor project number</b>	Enter the number, or combination of letters and numbers, used by the extending agency to identify the activity.

403. The donor project number field facilitates tracking activities in donors' internal databases which may be necessary, for example, to respond to the Secretariat's request to verify the data on certain reported activities. Originally, the field was added to the reporting form at the request of the UNDP to facilitate communication in the field.
404. In addition to their own donor project number, for each transaction, reporters must include a CRS Id number (field 5). The CRS Id number ensures the unicity of each transaction in the database, and possibly the link between original commitments and subsequent disbursements over several years. The format needs to be common to all donors and is fixed to ten digits: YYYYxxxxxx. It is a sequential number starting with the four digits of the original commitment year of the activity and is unique throughout the activity life (original commitment, subsequent increases and disbursements). The unicity of the CRS Id number is mandatory for ODA loans throughout their lifetime, as the calculation/verification of the ODA grant equivalent for each disbursement necessitates retrieving the grant element of the original commitment. Equities, loans to the private sector, guarantees and other PSI must be reported with a unique CRS Id too. The ten-digit CRSId can be supplemented by up to five characters; this suffix (which can be composed of numbers and/or letters) can be used to identify e.g. multiple disbursements for a same commitment.

405. Where more than one agency reports from the same country, each agency should preferably use its own block of numbers.

<p><b>7. Nature of submission</b></p>	<p>1: new activity reported                  2: revision                  3: previously reported activity (increase/decrease of earlier commitment, disbursement on earlier commitment)                  5: provisional data                  8: commitment is estimated as equal to disbursement                  9: amount extended = net disbursement</p>
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406. When an activity is reported for the first time, it should be marked as a new activity reported.

407. If changes need to be made to transactions reported in previous years to correct past errors (either in the amount or the qualitative information), report a revision. Fill out all data fields including the ones that have not been revised.

408. For increases or disbursements on commitments reported in previous years, the identification number of the original commitment should preferably be used. If, for example, a disbursement in 2011 is reported on a transaction initially committed in 2010 with the CRS Id “2010100001”, the disbursement will carry the CRS Id “2010100001” with a nature of submission equal to 3.<sup>83</sup> In case a donor is not able to trace the original commitment, the disbursement would need to be reported with a new CRS Id and a nature of submission equal to 3. (In such a case, the link to the original transaction is lost and monitoring project implementation is not possible.)

409. A number of donors cannot report grant aid commitments (or do not use this concept) and report on a disbursement basis only. Also, the commitment concept is difficult to apply to certain categories of aid (e.g. aid to refugees in donor countries), for which only disbursement data are available. For such activities, all fields in CRS++ should be completed, and the fields related to commitments should be set equal to the disbursement figure (in which case, the nature of submission should be equal to 8 “commitment=disbursement”). These estimated commitments will be used as substitutes for actual commitments in studies that use aid commitments (e.g. sectoral analyses). For certain flows (e.g. FDI), gross disbursement data are not available and donors report net disbursements instead in field 42. Amount extended. Nature of submission 9 "amount extended = net disbursement" is used in these cases.

**Section B. BASIC DATA**

<p><b>8. Recipient code</b></p>	<p>See Annex 1 for the DAC List of ODA Recipients and Annex 8 for the recipient codes.</p>
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410. The term recipient country is limited to the countries and territories in the DAC List of ODA Recipients (see Annex 1).

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<sup>83</sup> or revisions, increases or disbursements on transactions previously reported in the standard 6-digit CRS format, it is recommended to convert the CRS Id into the 10-digit format (for example a transaction initially committed in 2009 with the CRS Id “090001” should be converted to “2009000001”).

411. Some activities benefit several recipient countries. Regional projects and programmes are reportable under the most specific available “regional/multi-country” category (e.g. use Southern Africa regional/multi-country for a regional project in Zambia and Zimbabwe). The category “bilateral, unallocated” is used if an activity benefits several regions. It is also used for a number of activities undertaken in donor countries such as administrative costs not included elsewhere, development awareness and certain refugee costs. For loans, equities or guarantees in the form of multi-country agreements, the list of countries should be indicated in field 21. Description, for the sake of transparency and to allow quality controls on the calculation of the grant equivalent.
412. Activities undertaken on the territory of the donor country should be assigned to individual recipient countries/regions which directly benefit from the services. The examples below illustrate this rule:
- Development-related research, studies or seminars undertaken in the donor country but relating to a particular recipient country/region should be coded under the recipient country/region.
  - Training courses in the donor country for developing country participants should be coded under the country/countries of origin of the participants.
  - Scholarships in the donor country should be allocated to the countries of origin of the students.
413. The category “bilateral, unallocated” should be used for activities undertaken in donor countries where there is no cross-border flow or direct benefit to a recipient country/region such as administrative costs not included elsewhere (including the ODA-eligible part of administrative costs borne by embassies in developing countries<sup>84</sup>), development awareness, in-donor refugee costs and PSI intra-governmental transfers (capital increases of PSI vehicles, their decapitalisations and dividends paid to the government by these vehicles).

<b>9. Channel of delivery name/country</b>	Enter the name of the bilateral or multilateral implementing agency (e.g. UN agency, NGO, for-profit private institution). For activities which fall in particular under Channel category 63000 “private sector in third country”, enter also the name of third country.
<b>10. Channel code</b>	See Chapter 4 for definition of the concept of channel of delivery, and Annex 9 for list of channel codes.  Report on individual codes where possible and at least for organisations listed in output Table DAC2a (see Chapter 6 and Annex 3). Otherwise enter the code of the broad category of channel.

414. The channel of delivery serves three main purposes:
- First, it permits the identification of core funding to specific multilateral organisations (field 11. *Bi/Multi* = 2, field 14. *Co-operation modality*= B02 or its voluntary sub-categories). Agencies must be included in the List of ODA-eligible

<sup>84</sup> Note also that from a balance-of-payment point of view, embassies are considered as resident in the donor country. The administrative costs related to embassies do not therefore constitute cross-border flows and should not be assigned to individual recipient countries/regions.

international organisations (see Annex 2) within the channel category 40000 in order to be reported as recipients of donors' multilateral aid.

- Second, it enables the calculation of aggregates on bilateral aid channelled through multilateral organisations and NGOs (field 11. *Bi/Multi* = 1 or 3, field 14. cooperation modality = B01, B03 and its voluntary sub-categories, C01 or D02). The channel identifies the implementing agency, which helps to recognise a specific activity in the recipient country: for example, a UNICEF project financed by donor X is generally known in the field as a “UNICEF project” rather than a “project by donor X”.
- Third, it identifies activities with the private sector (channel category 60000) and, combined with the financial instrument classification (field 13), also enables the derivation of non-ODA aggregates. Sub-categories further distinguish between private sector in provider country (61000), private sector in recipient country (62000) and private sector in third country (developing country, high income/OECD country) (63000). Within sub-categories, there is a further breakdown of codes to differentiate between:
  - banks: all financial corporations and quasi-corporations – except micro finance institutions – which are principally engaged in financial intermediation and whose business is to receive deposits and to grant loans and/or to make investments in securities.
  - micro-finance institutions: all financial corporations specialised in financial services for low-income groups or individuals. They can receive deposits and provide small-size financial services to their clients, who might lack access to traditional financial services.
  - investment funds and other collective investment vehicles: all financial corporations and quasi corporations whose business is to issue investment fund shares or units and to make investments primarily in money market fund shares/units, short-term debt securities and/or deposits.
  - holding companies, trusts, and special purpose vehicles: all financial corporations and quasi corporations which are neither engaged in financial intermediation nor in financial auxiliary services and where most of their assets and/or liabilities are not transacted on open markets.
  - insurance corporations: all financial corporations and quasi corporations engaged in financial intermediation as a consequence of the pooling of risks mainly in the form of direct insurance or reinsurance.
  - pension funds: all financial corporations and quasi corporations engaged in financial intermediation as a consequence of the pooling of social risks and needs of the insured persons (social insurance). Pension funds as social insurance schemes provide income in retirement, and often benefits for death and disability.
  - other financial corporations: all financial corporations and quasi corporations, i.e. those whose principal activity is the production of financial services, which are not included in any of the above-mentioned categories.
  - exporters: non-financial companies whose goods or services are produced in one country and shipped to another country for future sale or trade.
  - importers: non-financial companies whose business involves importing goods or services from a foreign country.

- other non-financial corporations: all non-financial companies which are not included in the above-mentioned categories.
- retail investors: individual investors who allocate capital for their personal account, and not for another company or organisation, with the expectation of a future financial return.

415. When funds are channelled through a private institution located in a “third country”, it is necessary to also collect information on the jurisdiction of the institutions (crucial for analytical purposes for example in the context of development co-operation for private sector development <sup>85</sup>). To address this issue, the name of the country is reportable under field 9. Channel of delivery name/country for all operations which fall under “private sector in third country” channel category.

416. No multilateral contributions (ODA, OOF, private) should be recorded unless the recipient agency is included in the List of ODA-eligible international organisations. However, multilateral organisations not listed can still serve as channels of delivery for bilateral ODA-eligible contributions.

<b>11. Bi/Multi</b>	<p><b>1</b>=bilateral  <b>2</b>=multilateral  <b>3</b>=bilateral, core contributions to NGOs and civil society, PPPs and research institutes  <b>7</b>=bilateral, <i>ex-post</i> reporting on NGOs’ activities funded through core contributions.  <b>8</b>=bilateral, triangular co-operation</p> <p>-----</p> <p><b>4</b>=multilateral outflows (for use by multilateral agencies only)  <b>6</b>=private sector outflows (for reporting on private grants by DAC members as well as private providers)</p>
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417. Triangular co-operation <sup>86</sup> is described as activities where there are at least three partners and where three main roles can be identified as follows:

- (i) A beneficiary partner, which has requested support to tackle a specific development challenge and which is an ODA-eligible country;
- (ii) A pivotal partner, which has relevant domestic experience of addressing the issue in a context similar to that of the beneficiary country and that shares its financial resources, knowledge and expertise; and
- (iii) A facilitating partner, that may help connect the other partners, and supports the partnership financially and/or with technical expertise.

418. These roles might evolve over time, and involve the three partners working together in the formulation of the project in a partnership that brings added value to traditional bilateral co-operation, and following to the extent possible the development strategies

<sup>85</sup> For example, there is a difference between a European development finance institution channelling funds through a company from a neighbouring European country and a company from a developing country that is a neighbour of the recipient country – the latter could be considered as more conducive to local private sector development.

<sup>86</sup> There is no internationally agreed definition of triangular co-operation. The data collected through this code will contribute to discussions taking place in a broader context (than the DAC) on defining triangular co-operation.

defined by the beneficiary partner. Partners include countries (at national and sub-national levels), international organisations, civil society, private philanthropy, private sector and academia. The pivotal partner is often an actor or institution from another developing country or from the same region as the beneficiary.

419. Reporting on triangular co-operation relates to cases where the beneficiary countries are ODA-eligible. A triangular co-operation activity can be reported as ODA if its objective is to provide assistance to an ODA-eligible country. It can be counted as ODA even if the resources committed and disbursed are channelled through a non ODA-eligible country. However, if the non ODA-eligible country receives through the triangular co-operation activity financial and/or technical support that does not directly benefit the ODA-eligible country, then these amounts cannot be reported as ODA. To identify the pivotal partner of triangular co-operation, use the CRS fields 9. Channel of delivery name and 10. Channel of delivery code.
420. DAC members are requested to use Bi/Multi values 1-3 (or 7) and 8, while multilateral agencies report their outflows using value 4, and private providers (e.g. private philanthropic foundations) using value 6. The field Bi/Multi helps derive two main sets of statistical series from the activity-level database:
- DAC statistics on outflows of resources from donor countries: Bi/Multi = 1 or 2 or 3 (or 7) or 8,
  - DAC statistics on developing countries' resource receipts: Bi/Multi = 1 or 4 or 6 (or 7) or 8.
421. Aid activities reported with Bi/Multi=2 should be assigned co-operation modality B02-Core contributions to multilateral institutions and global funds or its sub-modalities, and those reported with Bi/Multi=3 should be assigned co-operation modality B01-Core support to NGOs, other private bodies, PPPs and research institutes by default, while activities reported with Bi/Multi=1 or 8 should not be assigned types B01 or B02.

<b>12. Type of flow (Main DAC1 category)</b>	<b>10=ODA</b> <b>21=OOF</b> <b>22=Officially supported export credits</b> <b>30=Private Development Finance</b> <b>36=Private Foreign Direct Investment</b> <b>37=Other private market</b> <b>40=Non flow (e.g. GNI)</b> <b>50=Other flows (e.g. non-ODA component of peacebuilding operations)</b> <b>60=Private Sector Instruments (PSI)</b>  See Chapter 1 for definitions, and Annex 10a for the list of codes.
<b>13. Type of finance</b>	See Chapter 1 for definitions, and Annex 10b for the list of codes.
<b>14. Co-operation modality</b>	See Chapter 4 for definition of the concept and Annex 11 for definitions and codes.

422. The co-operation modality classification distinguishes between various co-operation modalities. The classification is applicable to bilateral ODA flows (grants, non-

grants), private sector instruments (PSI), OOF, and contributions to multilateral organisations.

423. When activities are assigned the co-operation modality “C01 – project-type intervention”, members able to do so should report the amount used for financing donor experts/consultants under fields 49 and 50. This reporting is optional.

<b>15. Short description / Project title</b>	Maximum 150 characters in English and/or French.
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424. Precise descriptions are particularly valuable to users who undertake detailed sectoral studies or whose task is to co-ordinate aid activities in a country. Provide as much detail as possible within the limit of 150 characters.

- Avoid unnecessary wording. (E.g. prefer “Small farmers’ credit scheme” to “The programme aims at improving living standards for small scale farmers through loans to raise agricultural production”. Prefer “Voters’ education programme” to “The programme assists in the education of citizens to participate fully in elections.”)
- Avoid simply repeating the generic name of the sector or purpose of aid which is given in field 16.
- Distinguish the provision of goods from the provision of equipment to produce goods. [E.g., “fertiliser delivery”, “fertiliser production equipment”, “fertiliser plant rehabilitation (equipment)”].

425. In the context of reporting on development guarantees, the description fields 15. Short description / Project title or description and 21. Description are also used to provide the following qualitative details:

- Names of all the parties involved (as applicable and to the extent possible, names of guaranteed creditors, debtor, final beneficiaries etc.) and their country/territory of residence;
- Type of agent covered by the guarantee (sovereign from a developing country, local private sector, foreign country private sector etc.);
- Type of issued guarantees (individual loan guarantees, loan portfolio guarantees and counter-guarantees extended to private creditors).

426. The official project title can be used as a description if it is in English or French and does not contain non-standard abbreviations.

<b>16. Sector / Purpose codes and corresponding shares</b>	See Chapter 4 for purpose coding principles, and Annex 12 for the list of purpose codes and illustrative examples.
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### **Section C. SUPPLEMENTARY DATA**

<b>17. Geographical target area</b>	Specify the area (town, region) in the recipient country that is intended to benefit from the activity. Specify the recipient countries if the activity benefits several recipients. Maximum 100 characters.
<b>18. Regional aid to</b>	1=exact expenditure

<b>LDCs</b>	<b>2</b> =estimate, based on geographic breakdown of fund's expenditures <b>3</b> =estimate, based on population <b>4</b> =estimate, based on number of countries <b>5</b> =estimate, based on some other methodology
<b>19. Expected starting date</b>	} Enter in text format DD-MM-YYYY. }
<b>20. Expected completion date</b>	

427. Fields 17, 19 and 20 originally added on the reporting form at the request of the UNDP, enhance the value of CRS++ data in the field. Geographical target area helps to identify a specific activity in the recipient country. The expected starting and completion dates allow identification of activities being implemented at any point of time.

428. Field 18 allows members to:

- i. identify and self-report in their CRS data the amounts of regional aid that they know target LDCs (e.g. contributions to regional programmes that only operate in LDCs) and
- ii. report their estimates of regional aid targeting LDCs.

429. The field 18 is in the form of a flag which identifies regional aid to LDCs, distinguishing between known and estimated amounts and, in the case of estimates, indicating the methodology used to calculate the amount.<sup>87</sup> If the value “5 - estimate, based on some other methodology” is used to report an estimate, then the details of the calculation should be provided in the description (field 21).

<b>21. Description</b>	E.g. project summary. No limitation of length. Preferably in English or French.
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430. Many agencies' databases contain project summaries or descriptions of the main objectives of the activity. These can be included in the CRS++ database in a text field of unrestricted length. The information permits the Secretariat to check the accuracy and consistency of purpose coding. In addition, descriptive information is valuable in detailed sectoral studies, and allows users to make research on topics (sectors or themes) not separately identified in existing classifications, using keyword searches.

431. The description (field 21) is used to provide further details on the channels of delivery of private sector instruments (PSI) entered in fields 9 and 10, notably the country of residence of invested channels (debtors, equity investees etc.). See also paragraph 425.

<b>22. SDG Focus</b>	Indicate to which sustainable development goal(s) or target(s) the activity aims to directly contribute. See Chapter 4 for the definition of the concept.  Report maximum ten values separated by semicolons “;”. Indicate goals by their number followed by “.0” (e.g. “4.0”)
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<sup>87</sup> Reporting is on a voluntary basis. Only exact expenditures (flag = 1) in this field are used for the monitoring of the UN ODA/GNI target for LDCs.



	for SDG 4) and targets with their official denomination (e.g. 7.2; 13.a; 17.3). 0=not targeted Blank=not screened
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432. The SDG focus identifies the sustainable development goals or targets of the activity. It responds to the question “To which sustainable development goal or target does the activity aim to contribute directly?”.
433. The reporting on the SDG focus is optional. The field can contain up to ten values (goals or targets or a mixture of the two) separated by semicolons “;”. A zero value (“0”) implies that the activity has been screened but does not aim to directly contribute to any of the SDGs. A blank value (NULL) implies that the activity has not been screened against the SDGs.

<b>23. Keywords</b>	Indicate keywords or hashtags that can be applied to the activity. See Chapter 4 for definition of the concept and Annex 13 for the list of agreed hashtags.
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434. Keywords and hashtags are short strings of text that describe a publicly relevant aspect of the activities, such as pursuing a specific policy objective, or having a certain intrinsic characteristic, that could not be otherwise reported with the existing taxonomies. Hashtags are keywords prefixed by the symbol #. The hashtags are agreed among members and are defined in the ‘Hashtags definitions table’ (see Annex 13). Keywords are spontaneously submitted by members. Keywords cannot be prefixed by the symbol #.

<b>24. Gender equality</b>	} } 2=principal objective 1=significant objective 0=not targeted Blank=not screened
<b>25. Aid to environment</b>	
<b>26. Democratic and inclusive governance (DIG)</b>	
<b>27. RMNCH</b>	
<b>28. Disaster risk reduction (DRR)</b>	
<b>29. Nutrition</b>	
<b>30. Inclusion and empowerment of persons with disabilities</b>	

435. These markers seek information on the policy objectives served by the activity (see definition of concept in Chapter 4, section IV). The marking system contains three levels:

- Principal (primary) policy objectives are those which can be identified as being fundamental in the design and impact of the activity and which are an explicit objective of the activity. They may be selected by answering the question “would the activity have been undertaken without this objective?”.
- Significant (secondary) policy objectives are those which, although important, were not the prime motivation for undertaking the activity.
- The score “not targeted” means that the activity was examined but found not to target the policy objective.

436. Leave the field blank if the activity has not been screened against the objective. For data processing purposes, the scores are given numeric values: “2” for principal, “1” for significant and “0” for not targeted. An **empty** field indicates that the activity has not been marked (not screened against the objective).

437. Markers on gender equality, aid to environment, democratic and inclusive governance, RMNCH, disaster risk reduction, nutrition, and inclusion and empowerment of persons with disabilities should be applied to all bilateral aid excluding administrative costs (co-operation modality G01), and preferably also activities beyond ODA. Reporting on the policy markers for nutrition and inclusion and empowerment of persons with disabilities is optional.

<b>31. FTC</b>	<b>1=Yes.</b> See Chapter 4 for definition of concept.
<b>32. PBA</b>	<b>1=Yes.</b> See Chapter 4 for definition of concept.
<b>33. Investment</b>	<b>1=Yes.</b>

438. Programme-based approaches (PBA) and free-standing technical co-operation (FTC) are not defined as co-operation modalities, but help to more closely characterise donors’ contributions. The PBA concept originates from the Paris Declaration Survey. The FTC flag applies to co-operation modality C01 “Project-type interventions” and, by default, to categories D01-D02 and E01-E02.

439. Activities flagged as investment comprise a) schemes to increase and/or improve the recipient’s stock of physical capital and b) financing the supply of goods and services in support of such schemes. Most activities assigned the “investment” flag are classified as co-operation modality C01 “Project-type interventions”.

<b>34. Type of blended finance</b>	See Chapter 1, section III for definition of the concept. <b>1= concessional blended finance as a part of an associated finance package</b> <b>2=concessional blended finance, other</b> <b>3=blended finance through leveraging instruments at project level<sup>88</sup></b> <b>4=blended finance through funds and facilities<sup>89</sup>.</b>
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<sup>88</sup> Mobilisation through shares in CIVs under this category refers to investments in vehicles not specifically set up by official actors to mobilise additional private investment.

<sup>89</sup> Under this category, mobilisation will generally occur and be reportable at the level of the vehicles’ outflows (2nd level of mobilisation, type of blended finance = 3). If applicable, report the

	Also enter the identification numbers of other components of the blended finance operation reported in the following format: [blended finance code]   [donorcode]: [CRS ID or project number]; [donorcode]: [CRSID or project number]; [donorcode]: [CRS ID or project number]
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440. Blended finance modalities are defined in Chapter 1, section III. ODA extended in association with export credits or other flows at or near market rates is reportable as “concessional blended finance as part of an associated financing package”. (Also called mixed credits. See definition in paragraph 55 and Annex 17.) Report the grant or loan as any other aid activity, but fill out field 34 and report the associated export credit amount in field 51. Also report in field 34 the identification numbers (project numbers, CRSIDs and/or, where relevant, the export credit identification numbers) of all the components of the blended finance operation.

<b>35. Biodiversity</b>	2=principal objective 1=significant objective 0=not targeted Blank=not screened
<b>36. Climate change – mitigation</b>	
<b>37. Climate change – adaptation</b>	
<b>38. Desertification</b>	

441. The Rio markers allow for the identification of activities that target the objectives of the three Rio Conventions:

- United Nations Convention on Biological Diversity (UNCBD);
- United Nations Framework Convention on Climate Change (UNFCCC) with distinct markers for adaptation and mitigation; and
- United Nations Convention to Combat Desertification (UNCCD).

442. Data collection follows the general principles of the DAC policy marker system (see Chapter 4, section IV).

443. Rio markers should be applied to all bilateral ODA excluding general budget support (co-operation modality A01), imputed student costs (E02), debt relief (F01) except debt swaps, administrative costs (G01), development awareness (H01) and refugees in donor countries (H02-H06). They should also be applied to PSI. Their application to non-export credit OOF is encouraged but not mandatory. Multilateral contributions (B02, B021, B022) should not be marked (see paragraph 521).

444. The definitions are given in Annex 20. Generic guidance is provided, including background information on the Conventions; an indicative table for guidance on Rio marking by sector/subsector and examples of qualifying activities is also included.

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amounts mobilised by the capitalisation of the blended finance vehicle (1st level of mobilisation) in field 52-54.

### **Section D. VOLUME DATA**

445. Items in this section describe operations during the year. End of year status data are requested in section E for non-grant instruments. For officially supported export credit transactions, volume data on amounts committed and extended are entered in fields 40 and 42 regardless of whether the transaction relates to an official loan or a private loan under official guarantee/insurance.

<b>39. Currency code</b>	See Annex 14 for list of donor country codes to use for currency.
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446. Only currency codes listed against each DAC Member in Annex 14 can be used. Commitments extended in the currencies of developing countries should be converted before reporting.

<b>40. Commitments</b>	New amounts committed during the reporting year. Enter the face value of the activity in thousands of units (except for Japanese yen which should be reported in millions).
<b>41. Capital expenditure %</b>	Optional reporting: percentage of an activity that is capital expenditure, reportable at commitment stage only. In %.
<b>42. Amounts extended</b>	Amount disbursed during the reporting year. In thousands of units (millions if yen).

447. Report under field 40 the amount for the initial commitment taking account of any revisions of the commitment that occurred during the year. After the original commitment year, report only the annual increases (net amounts added to earlier years' commitments) or decreases <sup>90</sup> (net reductions in earlier years' commitments). Report only one (positive or negative) amount for each activity. The reporting year should equal the year of decision to increase/decrease the commitment. See paragraph 153 and Chapter 6 for treatment of negative commitments in statistical outputs.

448. Under field 42, report the amount disbursed during the year.

449. When reporting a new commitment, all CRS++ fields should be completed, with field 40. Commitments indicating the amount committed, and field 42. Amounts extended indicating the amount disbursed, if any, during the same reporting year. When reporting a disbursement on a former commitment, all CRS++ fields (except fields 45-49, 51 and 55-70) should be completed, with field 42. Amounts extended indicating the amount disbursed, and field 40. Commitments being equal to 0 (this field records only new amounts committed during the reporting year).

450. The field 41. Capital expenditure identifies the percentage of an activity that is capital expenditure, in line with the definition from IMF Government Finance Statistics (GFS) <sup>91</sup>: "Capital spending is generally defined as physical assets with a useful life of

<sup>90</sup> Cancellations and reductions in the year reported on of commitments made in earlier years are stored for reference to allow analysis of rates of implementation of projects.

<sup>91</sup> See D Jacobs, 2009, Capital Expenditures and the Budget, IMF PFM Technical Guidance Note No 8. (IMF, Washington).

more than one year. But it also includes capital improvements or the rehabilitation of physical assets that enhance or extend the useful life of the asset (as distinct from repair or maintenance, which assures that the asset is functional for its planned life). Capital includes all aspects of design and construction that are required to make the asset operational." This economic classification is reportable on a voluntary basis at the commitment stage only. Full capital expenditure (100%) is reported with value 100.

<b>43. ODA grant equivalent</b>	<p>For ODA loans, amounts extended (field 42) multiplied by the loan's grant element as calculated at the time of the commitment.</p> <p>For debt relief, see calculation rules in Chapter 2, section II.2.</p> <p>In thousands of units (millions if yen).</p> <p>For private sector instruments, see paragraphs 455-456.</p>
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451. For their grant equivalents to be counted as ODA, loans to the official sector and to multilateral institutions must be concessional as defined in paragraph 13 i.e. bear a grant element of at least 45 per cent in the case of bilateral loans to the official sector of LDCs and other LICs, 15 per cent in the case of bilateral loans to the official sector of LMICs, 10 per cent in the case of bilateral loans to the official sector of UMICs, loans to multilateral institutions and loans to INGOs. Bilateral loans to the official sector whose terms are not consistent with the IMF Debt Limits Policy and/or the World Bank's Non-Concessional Borrowing Policy/Sustainable Development Finance Policy are not reportable as ODA.
452. Loans to the official sector, INGOs and multilateral organisations below the thresholds are reportable on a cash-flow basis (commitments, gross and net disbursements) and classified as OOF. Their grant equivalents are not reportable (neither counted in ODA nor in OOF).
453. The grant equivalent of loans to the official sector, INGOs and to multilateral institutions recorded in the ODA grant equivalent measure is obtained by multiplying the annual disbursements on the loan (field 42) by its grant element. The grant element is calculated at the time of loan commitment as described in Annex 15. See Chapters 1 and 2.
454. The grant equivalent of debt relief operations is calculated as described in Chapter 2, section II.2. A separate template collects the details of debt relief operations to facilitate and verify the calculation of the grant equivalent.
455. Concerning ODA-eligible private sector instruments (PSI), under both the institutional and instrument approach, reporting is required on grant equivalents for:
- a) PSI intra-governmental transfers (capital increases, decapitalisations of PSI vehicles and dividends paid by these vehicles to the government): report as grant equivalent the transfer multiplied by an ODA coefficient established by the ODA-eligibility assessment of relevant PSI vehicles, in combination with the *co-operation modality* code B05, unspecified *recipient code* 998 and unspecified *purpose code* 99810. Amounts committed, extended and received are not reportable for PSI intra-governmental transfers.
  - b) Each individual PSI activity (individual loans to the private sector, guarantees, equities, mezzanine finance instruments or reimbursable grants): report the grant equivalent in this field. The grant equivalent is obtained by multiplying the face value a disbursement (amount guaranteed in the case of guarantees) by

its grant element. The grant element is calculated at the time of commitment (or issuance in the case of guarantees).

456. Depending on the approach chosen, as indicated in field 67. *PSI flag*, the grant equivalents for either the intra-governmental transfers (institutional approach) or the individual activities (instrument approach) will be counted in ODA.

<b>44. Amount received (for loans: only principal)</b>	Amount received during the reporting year. In thousands of units (millions if yen). Positive amounts.
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457. Amounts received include recoveries on bilateral grants (see paragraph 319), amortisation of loans, recoveries on multilateral ODA grants and capital subscriptions (see paragraph 344) and full amount of equity sales (uncapped).<sup>92</sup>

458. For repayments on loans that have been rescheduled in previous years, report the co-operation modalities, purpose codes and types of finance of the original loans. In case these cannot be identified, the field 14. *Co-operation modality* should be left empty, the field 13. *Type of finance* set to 421 and the field 16. *Purpose code* set to 99810. Do not use *co-operation modality* F01-Debt relief as this would distort statistics on net debt relief.

<b>45. Amount untied</b>	On a commitment basis, for new commitments only. In thousands of units (millions if yen). Procurement authorised in all OECD countries and substantially all developing countries.
<b>46. Amount partially untied</b>	On a commitment basis, for new commitments only. In thousands of units (millions if yen). Procurement limited to donor and substantially all developing countries.
<b>47. Amount tied</b>	On a commitment basis, for new commitments only. In thousands of units (millions if yen). Procurement that does not fall under the definitions of untied or partially untied aid.

459. Certain co-operation modalities are tied or untied by nature (see Annex 11). The fields on tying status should not be completed for administrative costs and in-donor refugee costs (activities with co-operation modalities G01 and H02-H06 respectively). Transactions are reportable as tied unless the donor has, at the time of the aid offer, clearly specified a range of countries eligible for procurement which meets the definitions of untied or partially untied aid (see Chapter 4, section VI). For activities for which the tying status is reported, the sum of the amounts reported as untied, partially untied and tied should equal the total amount of these activities.

460. For the purposes of monitoring the DAC Untying Recommendation, members that can report the tying status of free-standing technical co-operation (FTC; as indicated at

<sup>92</sup> Amortisation relates to principal payments received from the borrowing country during the reporting year, including any payments of arrears of principal.

field 31) at the level of individual activities in the CRS++ are invited to do so – in particular for FTC to recipient countries covered by the Recommendation <sup>93</sup>.

<b>48. Amount of IRTC</b>	For new commitments only, if investment flag = 1 (field 33). In thousands of units (millions if yen).
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461. Investment-related technical co-operation is defined as the financing of services by a donor country with the primary purpose of contributing to the design and/or implementation of a project or programme aiming to increase the physical capital stock of the recipient country. These services include consulting services, technical support, the provision of know-how linked to the execution of an investment project, and the contribution of the donor’s own personnel to the actual implementation of the project (managers, technicians, skilled labour etc.).

<b>49. If project-type, amount of experts - commitments</b>	<i>Optional reporting, if project-type (field 14=C01).</i> In thousands of units (millions if yen).
<b>50. If project-type, amount of experts - extended</b>	

462. Within the project-type category, members able to do so are requested to report the amount used for financing donor experts/consultants.

<b>51. Amount of export credit in AF package</b>	For commitments only, if Type of blended finance (field 34)=1. In thousands of units (millions if yen). Use the currency indicated in field 39.
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463. Check that the export credit amount is expressed in the same currency as the ODA amount. If necessary, convert the export credit amount using the annual average rate used for reporting on Table DAC1. <sup>94</sup> The sum of the amount committed (field 40) and the amount of export credit (field 51) equals the actual financial flow to the recipient country i.e. the amount of the associated financing package.

464. When an associated financing package includes both an ODA grant and an ODA or OOF loan, report the grant and the loan as separate transactions but assign them the same CRS identification number or explain the link in a remark under field 21. Report the export credit amount under the loan transaction only.

465. The ODA flow component of an associated financing package may be provided in the form of an interest subsidy. Such packages are called “pre-mixed credits”, “monobloc” or “single integrated transactions”. Report the actual interest subsidy provided by the

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<sup>93</sup> The Recommendation on Untying ODA covers Least Developed Countries (LDCs), Highly-Indebted Poor Countries (HIPC), Other Low-Income Countries (OLICs) and IDA-only countries. For more information, see Annex 17.

<sup>94</sup> If not known at the time, use the most representative average rate available.

official sector in field 40<sup>95</sup>, and indicate “210-interest subsidy” in field 13. The amount to report in field 51 is the “export credit equivalent” i.e. the value of the export credit less any grant made to subsidise the interest rate.<sup>96</sup>

466. Use the description (field 21) to give information on any other funds injected in the package (e.g. private bank loans, contributions from private investors) and explain how the components of the package are articulated.
467. The export credit components are reportable in further detail to the OECD Export Credit Group on Form XCR1.

<b>52. Leveraging mechanism and role/position</b>	<b>1</b> =Syndicated loan, arranger <b>2</b> =Syndicated loan, participant <b>3</b> =Common shares in flat collective investment vehicle <b>4</b> =Shares in the riskiest tranche of structured collective investment vehicle, first-loss shares and others (e.g. lock-up shares) <b>5</b> =Shares in the mezzanine/senior tranche of structured CIV <b>6</b> =Guarantee/insurance <b>7</b> =Direct investment in companies/special purpose vehicles, equity <b>8</b> =Direct investment in companies/special purpose vehicles, mezzanine/senior debt <b>9</b> =Credit lines <b>10</b> =Simple co-financing arrangements
<b>53. Amounts mobilised from the private sector</b>	As defined in Annex 6 of Module B. In thousands of units (millions if yen). Use the currency indicated in item 39.
<b>54. Origin of the funds mobilised</b>	<b>1</b> =Provider country <b>2</b> =Recipient country <b>3</b> =Third high income/OECD country <b>4</b> =Other third country <b>5</b> =Multiple origins

468. Fields 52, 53 and 54 collect data on amounts mobilised from the private sector as a result of official development finance interventions.
469. In field 52, indicate the type of mechanism used for mobilising private finance for development purposes and, where relevant, the role or position of the extending agency (e.g. arranger or participant in syndications, tranche of investment in CIVs).
470. The amounts mobilised from the private sector (field 53) should be reported following the instrument-specific methodologies presented in Annex 6. Reporting on the amounts mobilised also requires the provision of supplementary data for validation and quality assurance purposes (e.g. to remove potential double counting). This information is

<sup>95</sup> Under no circumstances may the reported subsidy exceed the amount represented by the difference between the actual cost of raising the funds and the interest terms ultimately offered.

<sup>96</sup> If an associated financing commitment consists of an export credit of 60 units and an ODA grant (or loan) of 40 units, the amount of the package is 100 units and the amounts to report under fields 40 and 51 are 40 units and 60 units respectively. However, if the ODA grant of 40 units is provided specifically to reduce the interest charged on the export credit of 60 units, the amount of the package is only 60 units. The amounts to report in fields 40 and 51 are then 40 units and 20 units respectively.



reportable using the CRS++ supplementary data template “mobilisation” (see also Annex 6).

471. In field 54, report the origin of the funds mobilised from the private sector, i.e. whether they originate from the provider country (value 1), the recipient country (value 2), a third high income/OECD country (value 3), other third country (value 4) or whether they have multiple origins (value 5). If the funds originate from several countries, provide the details in the description field, in particular how much of the private finance mobilised originates from the recipient and/or third country.

### **Section E. FOR NON-GRANT INSTRUMENTS**

472. This section requests information on terms of repayment (fields 55-60) of new loans in order to verify their grant element and concessionality, data on the outstanding loans of developing countries, including details of debt service (fields 61-65, note that amortisation is reportable under field 44 for amounts received). This section also seeks financial details of private sector instruments (PSI), mostly to verify the calculation of their grant equivalents and allow for the Secretariat’s monitoring.

<b>55. Type of repayment or fee payment</b>	1=equal principal payments (EPP) 2=annuity 3=lump sum (principal and interest) 5=other
<b>56. Number of repayments or fee payments per annum</b>	1=annual 2=semi-annual 4=quarterly 12=monthly

473. The terms of repayment may be the following:

- Equal principal payments (EPP) denotes a fixed schedule of equal instalments of principal adding up to the face value of the loan. Interest is charged on outstanding principal and the amount of individual service payments decreases with each payment of principal.
- In the annuity method, each service payment is established as an equal amount, within which the interest component declines with time while the principal component increases.
- Lump sum means the loan is repaid in a single amount (principal and interest) at maturity. If interest is paid at various earlier dates, then the repayment schedule is a particular case of equal principal payments and should be reported under that category.
- If the type of repayment does not correspond to any of the three above, use the code “other” and contact the Secretariat.

<b>57. Interest rate Guarantee fee rate Expected return per annum</b>	Enter } • in 5 digits, e.g. “05200” for 5.2 % ; or } • “0” if free of interest/fee or there is no expected return for equities. }
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<b>58. Second interest rate</b>	If a loan with variable interest rate, report the variable rate in field 57 (e.g. SOFR6M-1.5%) and the reference fixed rate in field 58.
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474. Most loans have a single interest rate which applies throughout the life of the loan. Enter this rate, including in it any charges in addition to the interest that are payable on the disbursed balance over the life of the loan.

475. Where interest is waived during the grace period (i.e. the interval between the commitment date and the first repayment date), report the loan as having two interest rates with zero interest being charged for the grace period.

476. For loans with variable interest rates, the concessionality test is only applied at the time of the commitment (see paragraphs 78-79). The mechanism for loans with variable interest rates takes account of the following definitions:

- variable rate = interbank rate or other market reference rate, e.g. EURIBOR, SOFR or ICAPEURO, +/- margin.
- reference fixed rate = fixed rate that the borrower would obtain (a) in accordance with the loan commitment and (b) given market conditions applying at time of commitment for the term of the loan.
- fixed rate applied if the borrower chooses to convert the variable rate into a fixed rate.

477. Report the variable rate in field 57. Interest rate and the reference fixed rate in field 58. *Second interest rate*. The Secretariat will then calculate the grant element on the basis of the reference fixed rate. The grant equivalent is also calculated using the reference fixed rate.

478. Reporting on the guarantee fee and expected return on equity per annum follows the same format as for the interest rate. Guarantee fee is used for grant equivalents of guarantees. Expected return per annum is used for calculating grant equivalents of equities ex ante. It is calculated at the level of equity portfolios of individual PSI vehicles and is:<sup>97</sup>

- Based on realised return from exited equity investments during ten years prior to the year of reporting on new equities;<sup>98</sup>
- Calculated as averages weighted on disbursements of individual equities.

<b>59.</b> <b>First repayment date</b> <b>Exposure reduction starting date</b>	} Enter in text format <b>DD-MM-YYYY</b> . }
<b>60.</b> <b>Final repayment date</b> <b>Guarantee maturity date</b> <b>Date of expected maturity</b>	

<sup>97</sup> For example, annual return is 10% for equities with reflows (sale and cumulative dividends) amounting to 200% of the initial investment (= 100% return over 10 years).

<sup>98</sup> For PSI vehicles that are unable to compute the expected return and expected maturity based on past equity investments, other estimates are used. Such estimates should be based on most up-to-date internal information on realised returns, expected returns and expected maturities concerning active investments. Should such internal information not be available, the Secretariat will provide, upon request, variables for members' reporting ex ante estimated based on data reported by other DAC members.

479. For loans, state the dates at which the first and the final repayments of loan principal are due.
480. Where the loan principal repayment schedule depends on the date(s) at which disbursements are made, please provide approximate repayment dates to allow the Secretariat to estimate the grace period and the maturity. (Estimation might be based on the standard terms of repayment applied to a given recipient country or country group.)
481. For guarantees, provide the exposure reduction starting date (when the guaranteed amount starts decreasing, e.g. through repayment of the guaranteed asset), and the guarantee maturity date (when the guarantee service ceases to exist). For portfolio guarantees, set the exposure reduction starting date equal to the guarantee maturity date.
482. Concerning equities, report the date of expected maturity used for calculating grant equivalents ex ante. As in the case of expected return on equities, expected maturity is calculated at the level of equity portfolios of individual PSI vehicles and is:
- Based on the maturities of exited equity investments during ten years prior to the year of reporting on new equities;
  - Calculated as averages weighted on disbursements of individual equities.

<b>61.</b> <b>Interest received</b> <b>Guarantee fee received</b> <b>Dividends received per annum</b>	During the reporting year. In thousands of units (millions if yen). NB: DO NOT enter a negative amount.
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483. *Interest received* corresponds to the amount of interest and/or other charges received from the borrowing country or institution, including payments to expunge or reduce interest due or in arrears.
484. *Guarantee fee received* refers to the amount of fee and/or other charges received for the provision of a guarantee.
485. *Dividends received per annum* stand for dividends or other income from an equity investment other than sales during the reporting year. Sales are reportable in the field 44. Amount received.

<b>62.</b> <b>Principal disbursed and still outstanding</b> <b>Equity disbursed and still held</b>	The amount of principal owed on the loan at the end of the reporting year. In thousands of units (millions if yen).
<b>63. Arrears of principal (included in field 62)</b>	At the end of the year. In thousands of units (millions if yen).
<b>64. Arrears of interest</b>	At the end of the year. In thousands of units (millions if yen).

486. Loans should be reported on the CRS++ until no outstanding principal or interest remains, regardless of whether the agency continues to extend new loans. Report under field 62. Principal disbursed and still outstanding the amount of principal owed on the loan at the end of the reporting year. Report separately any arrears of principal and interest at the end of the reporting year, taking into account debt service payments received during

the year (amortisation under field 44 and interest received under field 61), and including arrears that have arisen during the reporting year. Arrears of principal are part of the principal owed on the loan and should be included in the amount reported under field 62 (i.e. field 63 is an “of which” field of 62). Arrears of interest (field 64), by contrast, are not part of this amount. Any past due or overdue late interest (interest which accrues on arrears) should be treated as arrears of interest.

487. Total debt outstanding at the end of the year is defined as the sum of principal disbursed and still outstanding *and arrears of interest*.
488. For each active equity investment, report the value of the held equity assets. This information is needed to understand whether an equity investment is still active or defaulted, or whether an amount received on equity concerns full exit or a partial sale. This information is in turn necessary for monitoring reporting on donor effort in equities. If possible, equity disbursed and still held should reflect the actual value of held equity during a given reporting year, i.e. adjusted on appreciation or depreciation over time.

<b>65. Guaranteed amount</b>	In thousands of units (millions if yen).
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489. Report the amount up to which the guarantor agrees to become liable in case the guarantee gets activated. The face value of the guaranteed asset, if private, is reportable in field 53. Amounts mobilised from the private sector (see Annex 6).

<b>66. Average use of portfolio guarantees %</b>	In per cent, e.g. 80 for 80%.
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490. Report the average use of portfolio guarantees, calculated based on evidence on portfolio guarantees issued during ten years prior to the year of reporting on new portfolio guarantees.<sup>99</sup>

#### **Section F. FOR PRIVATE SECTOR INSTRUMENTS (PSI)**

491. This section requests information specific to reporting on PSI, including the PSI flag and the additionality fields:

<b>67. PSI flag</b>	<p><b>10</b>=PSI intra-governmental transfers (capital increases, decapitalisations or dividends paid to the government) counted in ODA grant equivalent measure</p> <p><b>20</b>=Grant equivalents of PSI activities counted in ODA grant equivalent measure</p> <p><b>30</b>=PSI activities for which donor effort is not measured</p> <p><b>40</b>=Grant equivalents of PSI activities for memorandum.</p> <p><b>50</b>=PSI intra-governmental transfers (capital increases, decapitalisations or dividends paid to the government) for memorandum</p>
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<sup>99</sup> Should information to estimate the expected use of portfolio guarantees be unavailable, the Secretariat will provide, upon request, a coefficient calculated based on available data. In this context, if needed, the Secretariat will request relevant inputs for such a calculation from members that issue portfolio guarantees as part of their development finance. The coefficients used in members' reporting will be subject to the Secretariat's monitoring.

492. The PSI flag is used for all PSI activities (individual PSI activities and PSI intra-governmental transfers) to indicate:
- Which data relate to ODA-eligible PSI vehicles and which fall out of the scope of ODA,
  - Which data on donor effort enter in the calculation of ODA grant equivalent measure, and which are collected for memorandum (to monitor comparability of the instrument and institutional approaches and for transparency).
  - In the context of equities, preferred equities and reflow-based reimbursable grants, which grant equivalents are calculated on an ex-ante or ex-post basis.
493. For the reporting on grant equivalents of individual equities, preferred equities and reflow-based reimbursable grants, assign flag values 21 or 41 if using the ex-ante method, and 22 or 42 if using the ex-post method.<sup>100</sup>
494. Flag value 30 is used for reporting on PSI for which donor effort is not measured (e.g. in the context of PSI vehicles that have not been assessed as ODA-eligible, flows ensuing upon activated guarantees or other PSI which are not ODA-eligible).
495. For reporting under the institutional approach, flag values 10 and 40 are used, while for reporting under the instrument approach, flag values 20, 21 or 22 and 50 are used, with value 10 also used to report decapitalisations and dividends counted as negative ODA.

<b>68. Additionality type</b>	See definition of additionality in paragraph 235, and Annex 23 for the classification of additionality types.
<b>69. Additionality description</b>	Clarifications or complementary explanations on the additionality type.
<b>70. Additionality – development objective</b>	Explanatory text to demonstrate the development additionality of individual PSI activities, particularly their intended development impact.

496. Additionality is a core ODA-eligibility criterion of PSI (see paragraphs 16 and 235). Details on additionality of individual PSI activities are reported through Fields 68. *Additionality type*, 69. *Additionality description* and 70. *Additionality - development objective*.
- Reporting on the 68. *Additionality type* and 70. *Additionality - development objective* is required for all individual PSI activities of PSI vehicles reported in the context of ODA, whether for the purpose of the ODA grant equivalent measure or for memorandum. Multiple additionality types can be reported for each activity.
  - Reporting on the field 69. *Additionality description* is required for PSI activities reported as conveying:

<sup>100</sup> For example, grant equivalents of equities reported for memorandum under the institutional approach using the ex-ante method are assigned the PSI flag 41. If using the ex-post method under the instrument approach, the flag would be 22.

- i. Value and development additionality (but not financial additionality); or
- ii. Additionality type “Other, please specify” (see Annex 23).

### *3. Specific instructions and optimal level of aggregation for different categories of flows*

497. Item-level reporting in CRS++ requires aggregation of certain transactions to keep the database manageable, and the information relevant and easier to consult. The level of detail of reporting required varies for different categories of flows. This section describes the different reporting requirements and optimal level of aggregation for different categories of flows.

498. Much more detail is needed for ODA, in particular bilateral ODA, which is subject to specific eligibility rules, monitoring of various DAC recommendations on terms (see Annex 16) and untying (see Annex 17), and specific analyses of the sector of allocation of funds; by contrast, many CRS++ data fields are not relevant to the data collection on private flows (e.g. policy objectives, tying status):

- For **bilateral ODA flows**, data generally relate to individual aid activities (projects and programmes), but semi-aggregate reporting (a total per recipient and per sector) is applicable to certain co-operation modalities.
- **Multilateral ODA** flows are reportable contribution by contribution.
- **PSI** activities are reportable activity by activity. PSI intra-governmental transfers (capital increased, decapitalisations and dividends paid to the government) can be reported as annual aggregates.
- **OOF** are reportable activity by activity.
- **Officially supported export-credits** should be reported aggregated by recipient country, type of finance and, if possible, purpose code.
- **Private flows** should be reported aggregated by recipient country and type of finance.

499. Data transmission of semi-aggregate data should follow the instructions given in section II above, i.e. be reported electronically on a spreadsheet where each column corresponds to one CRS++ data field. Each row represents one aggregate transaction.

#### *Bilateral ODA flows and PSI*

500. The general principle is that, as a minimum, reporting should comprise identification and basic data (sections A and B of the CRS++) in addition to volume data and information on non-grant instruments (sections D and E) and private sector instruments (section F) if relevant. Supplementary data (section C) are required for certain co-operation modalities only. There are cases, however, where further simplification of reporting justifies exceptions to the general reporting rules, e.g. members may not be able to compile data on all individual technical co-operation activities as this would mean reporting thousands of transactions of relatively small monetary value. Semi-aggregate reporting can be recommended.

#### 1. Disbursements on former commitments

501. *When reporting a new commitment, all CRS++ fields should be completed (including amounts disbursed, if any, during the same reporting year). When reporting a*

*disbursement on a former commitment*, all CRS++ fields should be completed except those related to commitments (fields 45-49). When reporting a disbursement on a former commitment, data on non-grant instruments (sections E) and private sector instruments (section F), as applicable, should be reported to facilitate verification of the grant equivalent calculation.

## 2. Technical co-operation

502. The term technical co-operation covers a large variety of aid activities. Some technical co-operation is extended in the form of projects (co-operation modality C01). As their administration does not differ from that of other project-type interventions, they should be reported individually following instructions in section II above.

503. Non-project technical co-operation comprises activities such as the supply of volunteers or experts (co-operation modality D01), other technical assistance (D02), provision of scholarships (E01) and imputed student costs (E02). Many of these activities are funded through specific TC budget lines, which may or may not be administered by the main aid agency. The exact use of funds is seldom known at the commitment stage. Consequently, data on the sectoral and geographical breakdown of such programmes are often collected on a disbursement basis only. As disbursement data can be very detailed (one “activity” corresponding to one individual expert or student), aggregation by recipient and sector (purpose code) is recommended prior to reporting to the CRS++.

## 3. Contributions to non-governmental organisations

504. In DAC statistics, contributions to NGOs and civil society organisations are classified under two categories: aid to NGOs and aid through NGOs (see Box 7).

505. Assign aid to NGOs to co-operation modality B01-Core support to NGOs and report the sector of intervention of the NGO concerned. (If cross-cutting, a maximum of 10 purpose codes can be assigned. If unknown, the code “99810-Sectors not specified” is used). In principle, the individual activities carried out by NGOs with these funds need not be reported to the CRS++, unless requested in the context of a special study. However, for analytical purposes, it is useful to obtain detailed information on how NGOs have allocated donors’ core funding, and, where possible, the project details rather than the original core contributions should be reported in CRS++ with a co-operation modality B01 – Core support to NGOs (and not C01 – Project-type interventions) and Bi/multi = 7.

506. Report aid through NGOs activity by activity. (Only the official grant should be reported, not the total cost of the project.) While reporting may entail providing detailed qualitative information on many small activities, it is usually easier and more informative to report these individually than to attempt to aggregate the data. Where it is more convenient, reporting commitments on individual activities may be carried out ex post on the basis of disbursements (field 7. *Nature of submission* = 8).

## 4. Humanitarian aid (except reconstruction) and food aid

507. Humanitarian aid (except reconstruction) may be reported to the CRS++ as an aggregated total by recipient and purpose code (72010, 72040, 72050 and 74020) and, where possible by channel of delivery. Knowing the channel of delivery enables a distinction to be made between aid delivered directly by the donor and aid channelled through a multilateral organisation.

508. Humanitarian aid activities include various types of supplies (blankets, tents, medicines) and food (wheat, milk products). Individual activities may be monitored by

specialised agencies (e.g. WFP for food aid) and their reporting may be too detailed for the CRS++ and the sectoral studies for which it is the source. Furthermore, some CRS++ fields relating to policy objectives and other markers are not as relevant for humanitarian aid as for other forms of aid.

509. The commitment concept may be difficult to apply to some components of humanitarian aid. Some humanitarian aid is held in reserve at the beginning of the year, to be allocated as needs arise (natural disasters, conflicts). Humanitarian aid may therefore be reported on a disbursement basis (field 7. Nature of submission = 8), so as to show its actual geographical distribution.
510. If developmental food aid and food security assistance (purpose code 52010) are an integral part of the government's co-operation programme, they may be reported as individual activities according to section II above, where necessary on a disbursement basis (field 7. Nature of submission = 8).

## 5. In-donor expenditures

### *Administrative costs*

511. The detail of such costs are not sought. In general, administrative costs assigned to co-operation modality G01 will be recorded as a single transaction under purpose code 91010. However, in some particular cases, donors can record specific interventions under different purpose codes, e.g. an audit of a water project can be recorded under purpose code 140xx and co-operation modality G01.

### *Development awareness*

512. General expenditures for development awareness are reported as a single aggregate (co-operation modality = H01 and purpose code = 99820) but specific activities are reportable at activity level (co-operation modality = H01 and specific purpose codes).

### *Imputed student costs*

513. Report aggregates by country of origin of students, and if possible by sector of education.

### *Refugees in donor countries*

514. See Clarification 5 in Chapter 2, section II.6. Members will strive to provide disaggregated statistics of expenditures reported as in-donor refugee costs broken down by:
- Type of expenditures: i) temporary sustenance, ii) voluntary repatriation, iii) transport, iv) rescue at sea and v) overhead costs attached to the direct provision of temporary sustenance.
  - Category of refugees: i) asylum-seekers – ultimately accepted (costs prior to recognition), ii) asylum-seekers – ultimately rejected (costs prior to rejection), and iii) recognised refugees (costs after recognition or after date of entry into a country through a resettlement programme).
515. The table below gives the optimal level of detail for reporting the different co-operation modalities covered by specific instructions.

**Table 7. Summary of specific instructions for reporting on bilateral ODA in the CRS++**



Co-operation modalities	Typical examples	Purpose codes	Level of detail of reporting/optimal level of reporting
<i>A01-General budget support</i>	Poverty reduction budget support	51010	Individual contributions
<i>A02-Sector budget support</i>	Sector budget support to various sectors Trade-related adjustment	Various 33150	Individual contributions
<i>B01-Contributions to NGOs, PPPs, research institutes</i>	Aid to NGOs, PPPs, research institutes	Various or 99810	One transaction per institution (or project details by the institution)
<i>B03-Contributions to specific-purpose programmes and funds managed by implementing partners</i>	Donors' bilateral contributions to programmes and funds of international organisations, NGOs, PPPs and networks, both in provider and in third countries. Whenever possible, contributions to multilateral organisations' programmes and funds should be classified in the sub-categories below.	Various	Individual contributions
<i>B031- Contributions to multi-donor/multi-entity funding mechanisms</i>	Contributions to funding mechanisms that pool contributions from several donors and that are implemented by several multilateral entities e.g. UN inter-agency pooled funds, Financial Intermediary Funds.	Various	Individual contributions
<i>B032-Contributions to multi-donor/single-entity funding mechanisms</i>	Contributions to multi-donor funding mechanisms managed by a single multilateral organisation.	Various	Individual contributions
<i>B033- Contributions to single-donor funding mechanisms and contributions earmarked for a specific funding window or geographical location</i>	Contributions to single-donor trust funds and earmarked contributions to specific countries/geographical locations or funding windows within multi-donor trust funds.	Various	Individual contributions
<i>B04-Basket funds/pooled funding</i>	Contributions to donors' joint funds	Various	Individual contributions
<i>B05-PSI intra-governmental transfers</i>	Capital increases of ODA-eligible PSI vehicles, decapitalisations of PSI vehicles, dividends paid by PSI vehicles to the government.	99810	Aggregates by PSI vehicle
<i>C01-Project-type interventions</i>	Aid channelled <u>through</u> NGOs	Various	Individual activities (possibly disbursements only)
	TC projects (including support for debt management)	Various	Individual activities
	Feasibility studies	Various	Individual activities
	Humanitarian aid (except reconstruction)	72010 72040 72050 74010	Disbursements aggregated by purpose code, recipient and where possible by channel of delivery
	Developmental food aid Reconstruction relief	52010 73010	Individual activities (possibly disbursements only)

	Project loans	Various	Loan by loan reporting for new loan commitments and subsequent disbursements; aggregates by recipient and co-operation modality for fully disbursed outstanding loans; and aggregates by recipient and co-operation modality of the original loans for rescheduled loans.
<b>D01-Donor country personnel</b>	Experts and volunteers Internships Junior Professional Officers	Various	Disbursements aggregated by sector (purpose code) and by recipient
<b>D02-Other technical assistance</b>	Research	Research purpose codes (xxx82) or various	Disbursements aggregated by sector (purpose code) and by recipient
	Local scholarships; development-oriented social and cultural programmes; ad hoc contributions (conferences, seminars, workshops)	Various	Depending on the number of activities concerned, individual activities or aggregates by purpose code and by recipient (possibly disbursements only).
<b>E01-Scholarships/training in donor country</b>	Scholarships programmes, trainees	Various or 43081	Disbursements aggregated by sector (purpose code) and by recipient
<b>E02-Imputed Student costs</b>	Indirect tuition costs of foreign students studying in donors' universities	Various or 43081	Notional disbursements aggregated by recipient (and if possible sector)
<b>F01-Debt reorganisation</b>	Debt forgiveness, debt rescheduling, debt swaps, relief of multilateral debt	600xx	See Annex 7.
<b>G01-Administrative costs</b>	Overhead costs of the aid agency Project evaluation	91010 91010 or various	Aggregates by purpose code or an overall total
<b>H01-Development awareness</b>	General expenditures for development awareness in the donor country Activities for promoting specific sectors (e.g. fair trade)	99820 Various	Single aggregate Individual activities
<b>H02-H06 Refugees/asylum seekers in donor countries</b>	Official sector expenditures for the sustenance of refugees in donor countries during the first twelve months of their stay	93010-93018	By type of expenditures and category of refugees.

### *Multilateral ODA*

516. Members are asked to report their multilateral contributions individually (one transaction per organisation<sup>101</sup>), and to assign individual channel codes at a detailed level (as opposed to broad categories, e.g.: 41140 for WFP and not 41000, see Annex 9), at least for codes for organisations listed in output Table DAC2a (Chapter 6). Field 14. *Co-operation modality should be set to B02-Core contributions to multilateral institutions and global funds or its voluntary sub-categories.*

517. Not all fields on CRS++ are required, see details in Annex 4, in particular fields 8. *Recipient*, 16. Purpose code and 24-30 and 35-38. *Policy markers* are not collected. Purpose codes and markers reported by members could differ for the same multilateral organisations

<sup>101</sup> Members are requested to report their assessed contributions to UNDPKO operation by operation (see paragraph 138).

and data on the sectoral/thematic and geographical breakdown of multilateral aid are instead compiled on the basis of reporting by the multilateral agencies.

#### *Private Sector Instruments (PSI)*

518. Individual PSI activities are reportable activity by activity on their commitments and subsequent disbursements and reflows. Guarantees are reported on their issuance, fee receipts and if relevant on the flows ensued upon their activation. ODA-eligible PSI need to be reported with details on additionality and financial details necessary for calculating grant equivalents.
519. Capital increases of PSI vehicles, their decapitalisations as well as dividends paid by these vehicles to the government can be reported as annual aggregates per PSI vehicle.
520. PSI are reported with the same identification, basic and supplementary data as ODA flows, as applicable. This also includes policy objectives and Rio markers. Information on the terms and conditions in fields 55-60 and 65-66 are required for the calculation of grant equivalents.

#### *OOF*

521. Loan by loan reporting is required for new OOF loan commitments and subsequent disbursements. However, not all fields are required, see details in Annex 4, in particular some type of aid related volume fields (fields 48-50) and the tying status (fields 36-38). The terms of repayment (fields 55-60) and all supplementary fields except policy and Rio markers are optional.
522. Data on fully disbursed outstanding loans and on rescheduled loans may be reported in the form of aggregates by recipient country (see section III.3.8).

#### *Officially supported export credits*

523. Officially supported export credits should be reported in aggregate form by recipient country, type of finance and, if possible, purpose code. Only basic data, identification data (except fields 14. Co-operation modality and 15. Short description), and main volume data (fields 39-44) are requested.
524. Export credits are also reportable to the OECD Export Credit Group on Form XCR1.

#### *Private – CSOs*

525. Gross outflows from private sources (extended amounts only) are reportable by donor countries in aggregate form by recipient country and purpose code. Reporting has been increasingly sought directly from main private organisations at activity-level.

#### *Private – market, including FDI*

526. Reporting is requested on disbursements only, aggregated by recipient country and type of finance.

#### *Non-flow and other flows*

527. Reporting is requested on four key indicators – Gross National Income (GNI), ODA % GNI, Total flows % GNI and Population – also requested on Table DAC1 (lines 001-004). These indicators are reported in CRS++ under type of flow 40 and types of finance

1-4. The non-ODA component of peacebuilding operations is reported as type of flow 50-Other flows.

*Reporting on loans and debt reorganisation*

528. Loan by loan reporting is required for new ODA and OOF loan commitments and subsequent disbursements, as these data serve in sectoral analyses of resource flows. In addition, a separate template collects the details of debt relief operations to facilitate and verify the calculation of the grant equivalent, see Annex 7.
529. Data on fully disbursed outstanding loans and on rescheduled loans are used for debt statistics purposes only, and may be reported in the form of aggregates by recipient country. Only the currency (field 39) and the fields related to debt service payments (fields 44. Amounts received and 61. Interest received), and outstanding debt (fields 62-64) should be reported in addition to identification and basic data.
530. See section II.2 in Chapter 2 for rules on reporting ODA for debt relief operations, section VII in Chapter 3, and Annex 7 for instructions and examples for reporting on debt relief.

## Chapter 6. Correspondences between Activity-Level Reporting and Aggregates

531. Chapter 6 describes the various aggregates that can be derived from item-level reporting on flows. (The presentations, except Table DAC1a have not been adjusted for grant equivalent data.)<sup>102</sup>
532. CRS++ is a reporting format that contains practically all data items and statistical classifications needed for reporting to the DAC; relevant DAC aggregates, required for reporting Tables DAC1a and DAC1b and the Validation Table, can be derived by members from the CRS++ reporting. CRS++ data themselves are especially valuable in areas where access to information at activity level is essential, e.g. activity descriptions of ODA flows and PSI and the sectoral focus of non-export credit other official flows. For export credits and private flows, CRS++ data represent semi-aggregates by type of finance and by recipient.
533. This chapter presents the basic procedures for aggregating item-level data by co-operation modality and type of finance (Table DAC1b), by recipient (Tables DAC2a, 2b, 3a, 4) and by sector (Table DAC 5). See also Annex 5.

### I. Main aggregates (Table DAC1b)

534. Table DAC1b provides main aggregates of bilateral and multilateral ODA flows and grant equivalents of ODA flows and PSI, as well as other resource flows to developing countries. The lines of the table collect data by co-operation modality (sections I.A and I.B) and other main aggregates. For PSI flows, OOF, officially supported export credits and private flows, the lines represent specific types of finance. Main correspondences with CRS++ are as follows (see also Annex 5):
- Aggregates by co-operation modality, as reported in the ODA sections of Table DAC1b, are derived by summing up the amounts of activities recorded in CRS++ under these **Co-operation modalities** [CRS++ field 14];
  - Aggregates by multilateral organisations, as reported in the multilateral ODA flows section of Table DAC1, are obtained by summing up the amounts of multilateral transactions [*Bi\_multi* =2 (field 11)] recorded in CRS++ under the corresponding **Channels of delivery** [field 10];
  - Aggregates on PSI are derived by summing up the amounts of transactions recorded in CRS++, using a combination of type of flow (field 12), type of finance (field 13), and PSI flag (field 67).
  - Aggregates on OOF, officially supported export credits and private flows of Table DAC1, are derived by summing up the amounts of transactions recorded in CRS++ using a combination of **Types of finance** field 13 and **Channels of delivery** field 10) as presented in Annex 5;

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<sup>102</sup> Starting with 2018 data, the standard headline ODA figures, including the ODA/GNI ratio, has been based on the grant equivalent measure but the HLM Communiqué specifies that “Alongside reporting on a grant equivalent basis, ODA figures will continue to be calculated, reported and published on the previous cash-flow system.”

- Net amounts, as shown in column 1140 of Table DAC1 are obtained by subtracting **Amounts received** recorded in CRS++ (field 44) from **Amounts extended** (field 42);
- Offsetting entries for debt relief (principal and interest) are not reportable as separate transactions or amounts received in CRS++ but are derived automatically in aggregate tables from debt forgiveness/conversion/rescheduling transactions, where appropriate, using Types of finance (relating to debt relief) (field 13), see Annex 7.

## II. Aggregates by recipient (Tables DAC2a, DAC2b, DAC3a and DAC4)

535. The geographical distribution of flows – ODA disbursements (Table DAC2a), ODA commitments (Table DAC3a), PSI flows, OOF and officially supported export credit disbursements (Table DAC2b), private direct investment and other private capital (Table DAC4) – is obtained on the basis of CRS++ reporting through five main dimensions:

- Bilateral/multilateral: bilateral transactions are distinguished from multilateral transactions through the item **Bi\_multi** [field 11];
- Beneficiaries are identified through the **Recipient** [field 8] for bilateral funds, or the **Channel of delivery** [field 10] for multilateral funds;
- The category of flows (ODA, PSI, OOF, officially supported export credits, private) is recorded under the **Type of flow** [field 12];
- The financial instrument (grant, loan, bond, equity, etc.) is identified through the **Type of finance** [field 13]; and
- Volume data in CRS++ include **Commitments** [field 40], gross disbursements [**Amounts extended**, field 42], and **Amounts received** [field 44].

536. Other CRS++ dimensions are used, e.g. **Purpose codes and corresponding shares** [field 16] identifies relevant amounts to include under columns 213 (developmental food aid) and 216 (humanitarian aid) in DAC2a.

537. Full correspondences between CRS++ item-level reporting and DAC tables are shown in Annex 5.

### 1. Additional notes on Table DAC2a: destination of Official Development Assistance flows - disbursements

201	212	221	208	219	210	211	204	214	205	215	218	206	207	213	216	209
<b>GRANTS</b>	DEBT FOR- GIVENESS (Principal + interest)	OTHER DEBT GRANTS	ASS. FIN. INTEREST SUBSIDIES	RECOV- ERIES	<b>CAPITAL SUBSCRIP- TIONS (deposit basis)</b>	<i>Memo:</i> Capital sub- scriptions on encashment basis	<b>LOANS &amp; OTHER</b>	<i>of which:</i> Rescheduled debt	RECEIVED (excl. offsetting debt relief)	Offsetting entries for debt relief	TOTAL NET	<b>NET DISBURS- EMENTS</b>	TECHNICAL COOPERAT. (gross)	DEVELOP- MENTAL FOOD AID (gross)	HUMANI- TARIAN AID (gross)	INTEREST RECEIVED (-)

538. Table DAC2a presents the geographical distribution of bilateral and multilateral disbursements of official development assistance flows to developing countries and territories on the DAC List of ODA Recipients and multilateral organisations that are ODA-eligible.

#### WHAT IS INCLUDED IN THE COLUMNS

539. The definitions for the various columns are given below and under Table DAC1 (Chapter 5).

## 1. Grants

540. Total disbursements of grants are included in column 201. Within that total, debt forgiveness is separately shown in column 212, other debt grants in column 221, and interest subsidies in associated financing packages in column 208 [subsidies paid to domestic lenders which meet the conditions in paragraphs 180-182 for inclusion in ODA flows].

## 2. Recoveries

541. Recoveries on grants and capital subscriptions are shown in column 219. Columns on grants (201), capital subscriptions (210 and 211), technical co-operation (207), developmental food aid (213), and humanitarian aid (216) are compiled with no deduction for recoveries.

## 3. Capital Subscriptions (deposit basis)

542. **Capital subscriptions on a deposit basis** to multilateral organisations are included in column 210.

## 4. Memo: Capital subscriptions on encashment basis

543. **Capital subscriptions on an encashment basis** to multilateral organisations are included in **column 211**.

## 5. Loans

544. Total disbursements of **ODA loans extended** are shown in column 204. Within that total, rescheduled debt in column 214 includes capitalised interest only on rescheduled ODA loans, and both principal and capitalised interest on OOF loans rescheduled as ODA. **Actual** repayments of loan principal and proceeds from sales of equity investments are compiled in column 205. **Offsetting entries for debt relief** in column 295 relate to the principal amounts only of forgiven ODA claims.

545. **Total net loans** (column 218) equals loans extended (column 204), minus **repayments** received (column 205) and offsetting entries for debt relief (column 295).

## 6. Total Net ODA Disbursements

546. **Total net disbursements** (column 296) is the sum of grants (column 201), capital subscriptions (**deposit basis**) (column 210), recoveries (column 219) and total net loans (column 218).

547. Column 297 presents the amount of **technical co-operation** included in grants <sup>103</sup> (column 201) and gross loans (column 204). It includes only free-standing technical co-operation. Recoveries on grants are not deducted. It refers to bilateral aid only.

548. Column 213 presents the **developmental food aid** included in grants (column 201) and gross loans (column 204). See the coverage of developmental food aid under purpose code 52010 in Annex 12. Recoveries on grants are not deducted. It refers to bilateral aid only.

549. Column 216 presents the **humanitarian aid** (including emergency food aid) included in grants (column 201) and gross loans (column 204). See the coverage of

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<sup>103</sup> Grants of technical co-operation to individual countries include the actual or imputed costs of tuition in the reporting country of nationals of developing countries concerned.

humanitarian aid under purpose codes 7xxxx in Annex 12. Recoveries on grants are not deducted. It refers to bilateral aid only.

550. Column 209 is compiled as the sum of actual interest receipts and **offsetting entries for interest cancelled** through forgiveness.

#### *WHAT IS INCLUDED IN THE ROWS*

551. A separate line includes data for each recipient country and territory followed by each major multilateral organisation. Totals for regions and other aggregates (e.g. bilateral, multilateral) are also calculated. Contributions to regional or multinational projects and programmes are shown under “regional” for the appropriate region or sub-region. Geographically unallocable ODA amounts spent either within or outside the donor country are shown against “bilateral unallocated” (code 998).

### *2. Additional notes on Table DAC2b: destination of Other Official Flows, Private Sector Instruments and Officially Supported Export Credits - disbursements*

201	204	205	298	255	260	292	293	295	250	296	297
OTHER OFFICIAL FLOWS					OFFICIALLY SUPPORTED EXPORT CRED.						
GRANTS	OTHER LONG-TERM			TOTAL NET OTHER OFFICIAL FLOWS	NET PRIVATE SECTOR INSTRUMENTS	Amount extended	(excl. offsetting debt relief) Amount received	Offsetting entries debt relief (exp. cred. claims)	TOTAL NET OFFIC. SUPP. EXPORT CREDITS	TOTAL OFFICIAL NON-CONCESSIONAL FLOWS	INTEREST RECEIVED
	Amount extended	(excl. offsetting debt relief) Amount received	Offsetting entries for debt relief (OOF claims)								

552. Table DAC2b compiles the geographical distribution of bilateral and multilateral disbursements of other official flows to developing countries and territories on the DAC List of ODA Recipients and multilateral agencies that are ODA-eligible, including officially supported export credits. It also includes net disbursements of PSI flows.

#### *WHAT IS INCLUDED IN THE COLUMNS*

553. The **definitions** for the various columns are given under Table DAC1 (see Chapter 5).

#### **1. Grants**

554. Disbursements of **other official grants** are included in column 201.

#### **2. Officially Supported Export Credits**

555. **Disbursements of officially supported export credits** – i.e. official direct export credits and export credits extended by the private sector under official guarantee or insurance<sup>104</sup> – are included in column 292 and their **repayments** in column 293.

#### **3. Other Long-Term**

556. **Disbursements** or acquisitions of **all types of OOF** combined (including direct lending, rescheduling of private sector debt and rescheduled amounts of capitalised interest when OOF debt is reorganised, and purchases of bonds) are included in column 204.

<sup>104</sup> The non-guaranteed portion of guaranteed export credits is also included here.



557. Actual **repayments** of OOF loans, including loans previously rescheduled as OOF, and disposals of investments are included in column 205. **Offsetting entries for debt relief** in column 295 relate to the principal component of OOF and officially supported export credit loans forgiven or rescheduled on ODA terms.

#### 4. Net Private Sector Instruments (PSI)

558. Sum of PSI disbursements minus repayments of loan principal and sales of equities and reflows on other PSI are in column 260.

#### 5. Total Official Non-concessional Flows

559. **Total net OOF, PSI and officially supported export credit disbursements** (column 296) is the sum of grants (column 201), net officially supported export credits (column 292 minus column 293), **net PSI** (column 260) and net other long-term OOF (column 204 minus 205), minus offsetting entries for debt relief (column 296).

560. Column 297 is compiled as the sum of actual **interest and dividend receipts** and **offsetting entries** for interest on OOF loans and officially supported export credits forgiven or rescheduled on ODA terms.

#### WHAT IS INCLUDED IN THE ROWS

561. A separate line presents data for each recipient country and territory followed by each major multilateral organisation. Totals for regions and other aggregates (e.g. bilateral, multilateral) are also calculated. Contributions to regional or multinational projects and programmes are included under “regional” for the appropriate region or sub-region.

562. With the exception of funds to support the private sector (see below), geographically unallocable amounts spent either within or outside the donor country are shown against “bilateral unallocated” (code 998).

563. Official sector funds in support of private sector are shown against lines 212 (support to private export credits) or 220 (support to direct investment).

#### 3. Additional notes on Table DAC3a: destination of Official Development Assistance flows - commitments

301	308 <i>of which:</i> ASS. FIN. INTEREST SUBSIDIES	310 <b>CAPITAL SUBSCRIP- TIONS</b>	304 <b>LOANS</b>	305 <b>TOTAL</b>	306 <i>of which:</i> TECHNICAL COOPERAT.
<b>GRANTS</b>					

564. Table DAC3a compiles the geographical distribution of bilateral and multilateral commitments of official development assistance flows to developing countries and territories on the DAC List of ODA Recipients and multilateral organisations that are ODA-eligible.

#### WHAT IS INCLUDED IN THE COLUMNS

565. The definitions for the various columns are given under Table DAC1 (see Chapter 5).

### 1. Grants

566. Total **grant** commitments are compiled in column 301. Within that total, **interest subsidies in associated financing packages** are presented separately in column 308.

### 2. Capital Subscriptions

567. **Capital subscriptions** on a deposit basis to multilateral organisations are included in column 310. See paragraph 159.

### 3. Loans

568. **Commitments of loans** are included in column 304.

### 4. Total ODA Commitments

569. **Total commitments** (column 305) are the sum of grants (column 301), capital subscriptions (column 310) and total loans (column 304).

570. Column 306 shows the amount of **technical co-operation** included in grants (column 301) and loans (column 304). It includes only free-standing technical co-operation. Commitments and disbursements of grants for imputed student costs are identical.

#### *WHAT IS INCLUDED IN THE ROWS*

571. A separate line presents data for each recipient country and territory followed by each major multilateral organisation. Totals for regions and other aggregates (e.g. bilateral, multilateral) are also calculated. Contributions to regional or multinational projects and programmes are included under “regional” for the appropriate region or sub-region.

572. Geographically unallocable ODA amounts committed to be spent either within or outside the donor country are shown against “bilateral unallocated” (code 998). The recording in the year reported on of cancellations on earlier years’ commitments is allowed only under this row to avoid interpretation issues of negative figures in geographical analyses.

#### *4. Additional notes on Table DAC4: destination of Private Direct Investment and Other Private Capital*

405	488	487	489	490	425
<b>DIRECT INVEST. includ.RE-INVESTED EARNINGS</b>	<b>OTHER SECURITIES AND CLAIMS</b>		<b>Offsetting entries for debt relief (-)</b>	<b>TOTAL PRIVATE NET</b>	<b>Memo: Gross outflows from private sources</b>
	<b>TOTAL BANKS</b>	<b>TOTAL NON-BANKS</b>			

573. Table DAC4 presents the geographical distribution of bilateral disbursements of private flows to developing countries and territories on the DAC List of ODA Recipients. It excludes private export credits under official guarantee or insurance which are covered in Table DAC2b. It shows also data on private sector contributions to multilateral organisations that are ODA-eligible.

*WHAT IS INCLUDED IN THE COLUMNS*

574. The definitions for **the** various columns are given under Table DAC1 (see Chapter 5).

**1. Direct Investment**

575. **Private Foreign Direct Investment** (new capital outflows plus reinvested earnings) net of disposals are presented in column 405.

**2. Other Securities and Claims**

576. **Total bank** purchases of bonds and other securities (including equities) and disbursements of private – not officially supported – export credits, net of redemptions, repayments and disposals, are summed up in column 488.

577. **Total non-bank** purchases of bonds and other securities (including equities) and disbursements of private – not officially supported – export credits, net of redemptions, repayments and disposals, are summed up in column 487.

**3. Offsetting Entries for Debt Relief**

578. **Offsetting entries for debt relief** in column 489 relate to the amount of principal forgiven (as ODA) or rescheduled (as OOF) on private loans.

**4. Total private net**

579. **Total private net** (column 490) is the sum of direct investment (column 405), total banks (column 488) and total non-banks (column 487), minus offsetting entries for debt relief (column 489).

**5. Memorandum item: Gross outflows from private sources**

580. This is compiled as the **gross outflows** from private sources, including any official subsidies.

*WHAT IS INCLUDED IN THE ROWS*

581. A separate line presents data for each recipient country and territory followed by each major multilateral organisation. Totals for regions and other aggregates (e.g. bilateral, multilateral) are also calculated. Data on regional or multinational investment and capital are included under the “regional” row for the appropriate region or sub-region. These rows also include data where, for confidentiality or other reasons, these are only available as regional aggregates.

582. With the exception of official support to the private sector (see below), geographically unallocable amounts spent either within or outside the donor country are shown against “bilateral unallocated” (code 998).

583. Official sector loans in support of private export credits (line 212) are shown as negative amounts. Official sector loans and subsidies (grants) in support of direct investment (line 220) are shown as negative amounts. These negative entries offset the reporting of official support to the private sector shown in the same lines of Table DAC2b, except that no deduction is made on Table DAC4 for any interest subsidies on private export credits included in line 212 of Table DAC2b.

584. The lines on multilateral organisations record purchases by private firms or individuals of bonds issued by those agencies.

### III. Aggregates by sector (Table DAC5)

585. The sectoral breakdown of flows is obtained from CRS++ on the basis of reporting through the *Sector/Purpose* codes and corresponding shares [item 16].

586. Sector statistics are compiled using commitment or gross disbursement data that represent resources transferred to developing countries, and reflect the level of financing allocated to the sector. Net disbursements are not used because there is no evidence that the source of financing to reimburse loans in a sector is actually the sector itself. See also Box 9.

587. In order to better reflect the sectoral focus of donors' programmes, when calculating the share of aid for a specific sector or theme in total bilateral aid, contributions not susceptible to allocation by sector are excluded from the denominator (purpose codes 51010 and above).

#### Box 9. Commitments versus disbursements

Commitments measure donors' intentions and permit monitoring the targeting of resources to specific purposes and recipient countries. They fluctuate as aid policies change, and reflect how donors' political commitments translate into action. They thus give an indication about future flows.

Disbursements show actual payments in each year. They show the realisation of donors' intentions and the implementation of their policies. They are required to examine the contribution of donors' actions in development achievements. They better describe aid flows from a recipient's point of view.

Analysing the relation between commitments and disbursements can provide useful insights on aid delivery. Commitments are often multi-year and subsequent disbursements spread over several years. In DAC statistical reporting systems, commitments, even if multi-year, are recorded in whole in the year they are signed (the use of moving averages in statistical presentations smooths the resulting fluctuations). Subsequent disbursements of an earlier commitment are recorded annually, in the years they are transferred from donors to recipients. An increase in aid allocations over time is thus visible in disbursements data only with a few years' time lag. Consequently, disbursements in one year cannot be directly compared to commitments in the same year, as disbursements may relate to commitments originally recorded in different years.

#### 1. Additional notes on Table DAC5: official bilateral commitments (or gross disbursements) by sector of destination

528	529	530
<b>TOTAL ODA</b>	<i>of which:</i> <b>GRANTS</b>	<b>OTHER OFFICIAL FLOWS</b>

588. Table DAC5 presents the sectoral destination of bilateral ODA flows and OOF (excluding officially supported export credits) – commitments (or gross disbursements). The line items of Table DAC 5 represent a **sector** classification. The column headings distinguish between ODA flows and OOF.

#### *WHAT IS INCLUDED IN THE ROWS*

589. The contents of the line items of Table DAC5 are defined in Annex 12. Each DAC5 line corresponds to a main sector/purpose category (3-digit codes e.g. 122 for basic health) which itself matches with several purpose codes (5-digit codes, e.g. 12240 basic nutrition). The correspondence between DAC5 and CRS sector codes can be obtained by taking the first three digits of the purpose codes. If activities have been assigned multiple purpose codes, calculation of DAC5 aggregates should be based on percentages assigned to each purpose code.

#### *WHAT IS REPORTED IN THE COLUMNS*

590. **Total bilateral ODA commitments (or gross disbursements)** are included in column 528, the total of **grants** in column 529. The recording in the year reported on of cancellations on earlier years' commitments is allowed, but only in the form of an aggregate under "sector, unspecified" to avoid interpretation issues of negative figures in sectoral analyses.

591. Commitments (or gross disbursements) of **other official flows** are shown in column 530.

### **IV. Aggregates by tying status**

592. See instructions for reporting on tying status in Chapter 4.

### **V. Other**

593. Multiple other aggregate statistical presentations can be compiled from CRS++ by combining classifications in relevant ways, e.g.:

- the geographical distribution of other official flows on a commitment basis;
- the geographical distribution of flows in support of a specific sector (e.g. health), or policy objective (e.g. gender equality);
- the total use of the multilateral channel (both bilateral and multilateral contributions) can be compiled from the Channel of delivery;
- contributions to major INGOs, the private sector and multilateral contributions by major recipient organisations other than those listed on DAC tables can be derived from the Channel of delivery, e.g. core contributions to UNAIDS (see list of major channels in Annex 9);
- aggregate figures on support to specific policy objectives can be prepared on the basis of items relative to policy objectives [items 24-30] and Rio markers [items 35-38]. Statistics on donors' support to policy objectives are generally prepared using commitment data. See Box 10.

594. Also, while aggregates derived from CRS++ included in this chapter all present data from a donor perspective i.e. outflows of resources from donor countries (both bilateral and multilateral flows), DAC statistics can also be presented from a recipient perspective.

Developing countries' resource receipts can be compiled from CRS++ reporting by bilateral donors, multilateral donors and private foundations.

### **Box 10. Statistical presentations on policy markers**

Markers indicate donors' policy objectives in relation to each aid activity. Activities marked as having a "principal" objective would not have been funded but for that policy objective; activities marked "significant" have other prime objectives but have been formulated or adjusted to help meet the policy objective concerns.

The markers allow an approximate quantification of aid flows that target policy objectives. In marker data presentations the figures for principal and significant objectives should be shown separately and the sum referred to as the "estimate" or "upper bound" of policy objective-related aid.

An activity can have more than one principal or significant objective. Therefore, total amounts targeting the different objectives should not be added-up to avoid double-counting. Statistical presentations should be prepared for a single policy objective/marker at a time.

Policy markers seek information on the donor's policy objectives which can be best assessed at the design stage of projects. This is why policy markers are applied to commitments. Policy marker data on a disbursement basis can also be compiled, but it is important to note that this does not mean the policy objectives of projects under implementation would have been re-assessed. Rather, the disbursements are linked to the qualitative information on the original commitment through project identifiers. Consequently, a project marked for example as climate-related at the commitment stage will be flagged as climate-related throughout its lifetime, unless the qualitative information was changed.<sup>(1)</sup>

1. In some cases, e.g. regional agreements, it may also be the case that the information available at the commitment stage is not sufficient to assign policy markers; these can be better determined when the general agreement translates into disbursements at component level.