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## DAC Working Party on Development Finance Statistics

# Private sector instruments: treatment of equities

Working Party on Development Finance Statistics, 30 May – 1 June 2023, OECD premises Boulogne-Billancourt

As part of the review of the provisional reporting methods for private sector instruments (PSI), this note presents a proposal for the treatment of equities in DAC statistics. Developed in line with the agreed 2016 HLM general principles for PSI, the proposal takes into account the outcomes of the Part 1 of the review in the first semester of 2022 and builds upon members' discussions and other activities in the context of the WP-STAT since September 2022. It puts forward ODA-eligibility rules, methods for calculating grant equivalents and related parameters, reporting requirements, rules for data disclosure as well as ODA-integrity safeguards and other considerations.

The note is shared for APPROVAL under item 6.a of the draft annotated agenda [DCD/DAC/STAT/A(2023)2].

Julia BENN – Email: julia.BENN@oecd.org
Tomáš HOS – Email: tomas.HOS@oecd.org
Valérie GAVEAU – Email: valerie.GAVEAU@oecd.org

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# *Private sector instruments: Treatment of equities*

## 1. Background

1. The provisional reporting methods for private sector instruments (PSI) put forward the measurement of donor effort in extending equities on a cash-flow basis, applying a cap on sales upon exit to avoid negative net ODA. This temporary arrangement introduced hybrid accounting in ODA (mixing grant equivalents and cash flows), and within cash-flow accounting, the rationale for using a cap remains ambiguous. Neither do the provisional methods provide clarity on the ODA eligibility of the various types of equities and some other ambiguities. This paper addresses these limitations and proposes recording the donor effort in extending equities on a grant equivalent basis.[1]

2. This proposal has been developed in line with the 2016 HLM general principles for PSI[2], taking into account the outcomes of Part 1 of the review of the provisional reporting methods in Q1-2 of 2022 [DCD/DAC/STAT(2022)15 and DCD/DAC(2022)39/REV1]. It is also inspired by members' methodological discussions in the past[3] and during the PSI review to date, including in the context of the WP-STAT PSI Project Team in April and May 2023. It presents ODA-eligibility rules, parameters and method for calculating grant equivalents, reporting requirements, rules for data disclosure, safeguards, monitoring mechanisms and other considerations.

**3. Members are invited to approve this proposal.**

## 2. 2016 HLM Principles

4. The general principle xii. of the 2016 HLM Communiqué states that

*Equity investments by DFIs or other vehicles in private sector entities in developing countries are counted on a grant equivalent basis ex post, i.e. they are initially counted at face value and their reflows discounted ex post, upon exit. The reflows will be discounted using differentiated discount rates by income group, applying a cap on reflows corresponding to the original investment. In specific cases and where enough information is available to estimate the reflows and risk undertaken, measurement will be on a grant equivalent basis calculated ex ante, adjusted ex post. HLM follow-up: work with DFIs to determine the appropriate discount rates for this calculation.*

5. Moreover, the general principle iv. and the fourth paragraph of the principle xii. consider equity investment in DFIs or other PSI vehicles.[4] These have been addressed in the context of the ODA-eligibility assessment of members' PSI vehicles [see DCD/DAC(2023)22] and are therefore not covered by the treatment of equities presented in this document.

[1] Details on the approach for members' discussions in the context of the review Part 2 can be found in DCD/DAC/STAT(2022)29.

[2] See www.oecd.org/dac/DAC-HLM-Communique-2016.pdf

[3] See DCD/DAC/STAT(2016)2 and DCD/DAC(2017)18/REV1.

[4] "(…) equity investment in a DFI or other vehicle is treated as a sunk cost, initially counted in ODA at face value (applying an ODA coefficient if need be – see principle x), with reflows, if any, counted as negative ODA."

## 3. Scope

6. This methodological paper covers common equity, including investment in junior shares of enterprises, and shares/units in collective investment vehicles (CIVs).[5]

## 4. Eligibility

7. In the spirit of the HLM Communiqué and members' discussions to date as well as the general principles underpinning the DAC statistics, for equities to be ODA-eligible, they need to be:

a. Allocated to countries or territories on the DAC List of ODA Recipients;[6]

b. Administered with the promotion of economic development and welfare of developing countries as their main objective;

c. Additional financially, in value or both, combined with their development additionality;

d. Of an expected maturity of more than one year.

## 5. Parameters and method

8. The 2016 HLM Communiqué puts forward two ways of measuring donor effort in equities: ex-ante and ex-post. Informed by members' considerations in section 5.1, these methods are elaborated on in sections 5.2 and 5.3.

9. To keep members' measurement of donor effort in PSI coherent and transparent, only one reporting method can be used at a time per PSI vehicle.

### 5.1. Members' key considerations

10. The key challenge in estimating donor effort in extending equities is the uncertainty in relation to their maturity and returns. In this context, and learning from data reporting to date, members' discussions have provided some additional methodological orientations for measuring donor effort in equities. Notably, the method for treating equities should:

a. Be practical and realistic in terms of data reporting requirements.

b. Provide incentives for deploying equity for development. While the method should recognise the risky nature of equity relative to mezzanine finance and loans, it should be agnostic about performance of individual investments ex post.

c. Be consistent with methods for the treatment of other private sector instruments. The calculation should be aligned with that for loans and it should recognise that donor effort in extending equities is higher than that in loans to the private sector due to higher risk.

[5] The treatment of preferred equity is addressed in DCD/DAC/STAT(2023)4/REV1.

[6] This may also include equities invested in intermediaries, including CIVs, in donor and 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.

d. Take into account restrictions related to commercially sensitive information at the level of individual investments (e.g. dividends and sales).

e. Promote predictability and facilitate members' planning of future ODA budgets, while overcoming the challenges posed by the highly fluctuating nature of equity returns.

f. Foster ODA integrity and effectiveness. The methods should incentivise resource flows to the countries that need them the most and local private sector development. Discount rates should be realistic without inflating ODA figures.

## 5.2. Ex-ante method

11. Based on the 2016 HLM Principles and in response to members' key considerations presented in section 5.1, this method is designed, among other things, to:

a. Reward the risk taken by donors in extending equities in developing countries, and

b. Overcome commercial sensitivities by working with portfolio-level averages (as opposed to investment-level details on dividends).

12. Donor effort in extending equity investments (see also paragraph 5) is measured on a grant equivalent basis. Related grant elements are based on a comparison of an equity nominal value (face value) and the sum of discounted returns (sale and dividends) as expected at the investment stage.

13. The grant element is calculated using the formula for loans with a lump-sum repayment (both principal and interest), based on

a. Expected maturity i.e. interval between equity commitment and expected exit;

b. Expected return per annum expressed as a percentage of initial investment, including both equity sales and dividends.[7]

14. Both variables are estimated at the level of equity portfolios of individual PSI vehicles and, as illustrated in Annex A, are:

a. Based on the maturities of and realised return from exited equity investments during ten years prior to the year of reporting on new equities;[8]

b. Calculated as averages weighted on disbursements of individual equities that have been adjusted to constant prices.

15. In the interest of accuracy, members may wish to develop these estimates at the level of sub-portfolios, differentiating between various types of equity investments or geographies.

[7] For example, annual return is 10% for equities with expected maturity of 10 years and dividend yield and sale of 100% compared to the initial investment (= 100% / 10 years).

[8] For PSI vehicles that are unable to establish these variables based on past equity investments, other estimates are used. Such estimates could include average maturities of, and realised return from, exited investments by all DAC members, or most up-to-date internal information on returns and expected maturities concerning active investments. See also section 8 on monitoring and adjustment ex post.

### 5.3. Ex-post method

16. For members that cannot use the ex-ante method outlined in section 5.2, the following ex-post measurement can apply instead:

a. Commitments and subsequent disbursements of equities are reported in ODA at face value at the time they occur. Upon exit, a negative entry is introduced in the grant equivalent field, corresponding to the cumulative reflows (sum of sales and dividends over the equity lifetime), counted with a discount factor for the year of exit.[9]

b. A cap amounting to the value of the initial investment is applied to the cumulative discounted reflows to ensure that donor effort in individual equities remains positive or neutral ($\geq 0$).

17. Contrary to the ex-ante method, the ex-post measurement requires the provision of investment-specific details on annual sales and annual dividends.

### 5.4. Discount rate architecture

18. Discount rates for equities are composed of

a. A base rate of 5% (IMF discount rate), representing the equity funding cost;

b. A risk-adjustment factor differentiated by DAC income group (4% for LDCs and other LICs, 2% for LMICs and 1% for UMICs), representing the country risk; and

c. A surcharge for equities, differentiated by DAC income group (4% for LDCs and other LICs, 3.5% for LMICs and 3.1% for UMICs). These values compare to values of private sector surcharge for loans to the private sector plus an extra premium of 3% (see Table 1).[10]

**Table 1. Discount rates for equities**

| | LDCs and other LICs | LMICs | UMICs |
|---|---|---|---|
| Base factor | 5% | 5% | 5% |
| Risk-adjustment factor | 4% | 2% | 1% |
| Equity surcharge | 4% | 3.5% | 3.1% |
| **Discount rate** | **13%** | **10.5%** | **9.1%** |

## 6. Reporting requirements and data disclosure

### 6.1. Reporting requirements

19. In the interest of transparency and comparability, reporting requirements and data disclosure rules on equities are identical under both the instrument and institutional

[9] This is in line with the calculation formula used under the ex-ante method.

[10] The discount rates are consistent with the equity risk premia, i.e. the extra return as a compensation for taking the higher risk of equity instead of risk-free alternatives, notably treasury bills or government bonds. Moreover, the equity surcharge is consistent with the extra return on equities compared to lending interest rates in ODA recipients.

approach. In particular, the grant equivalents of individual equities are also reportable, for memorandum, by members applying the institutional approach (see principle xiii). In their case, the grant equivalent calculation is required to maintain the possibility of comparing ODA figures across members following different reporting approaches.

20. To allow for the verification of the grant equivalent calculation under the ex-ante method by the Secretariat, members provide details on portfolio-level expected maturities and returns, as described in paragraphs 13 and 14. These data items will be integrated in the CRS reporting template, making use of existing data fields to the extent possible (see Annex B).

21. To allow for monitoring of donor effort of individual members in extending equity investments ex post (see section 8), and to be able to measure donor effort in equities using the ex-post method, members provide the following data items through their regular data reporting at the activity level:

a. Dividends received per annum,

b. Full amount of equity sale, and

c. Equity disbursed and still held.[11]

22. Moreover, each equity investment must be reported with a single CRS Id number and donor project number over its entire lifetime. Due attention must be paid to reporting correct commitment dates too.

23. Reporting on additionality is required to demonstrate the ODA eligibility and development motive of individual equity investments.

### 6.2. Data disclosure

24. In response to growing transparency needs yet keeping in mind commercial sensitivities and potential legal restrictions related to engaging with the private sector, there would be no restriction to data disclosure with the exception of the data on expected maturity and expected return per annum, whether using the instrument or institutional approach. Neither data item will be disclosed.[12] Moreover, data on sales and received dividends will only be disclosed aggregated by donor, agency, type of finance, recipient and year for which these data are reported.

25. Channels of delivery (investees), disbursements, grant elements and grant equivalents will be disclosed at the level of individual activities.

## 7. Safeguards

### 7.1. Transparency enhancement

26. The name of investee (e.g. enterprise or collective investment vehicle) is reported through the CRS field for channel of delivery.

27. For equities invested in intermediaries, including CIVs, in donor or third countries, the country of residence of such intermediaries will be reported in the description field of

[11] This item is needed to understand whether an equity sale concerns a full exit or a partial sale.

[12] Rules on data disclosure on the amounts mobilised are presented in paragraph 229 of the DAC Reporting Directives and are not affected by this proposal.

members' activity-level CRS reporting. A comprehensive explanation of the choice of such channels will be provided through the CRS fields on development objective and additionality.

28. For regionally allocated equities, a list of countries and/or territories targeted by such investments should be indicated in the CRS description field for the sake of transparency and to allow quality controls on the calculation of the grant equivalent.

### 7.2. Clarification on the choice of discount rates

29. For equities with a multi-country or regional focus (e.g. shares/units in CIVs), grant equivalents are calculated using a discount rate corresponding to the income group to which all, or a majority of targeted ODA recipients belong.

30. For regionally allocated investments without further specification on individual recipient countries and/or territories, the prevalent income group within the region is used to determine the discount rate.[13] It is further clarified that the country of residence of channels has no bearing on the choice of discount rates used for calculating donor effort.

### 7.3. Biennial report and review of discount rates

31. To address members' concerns about the ODA integrity and effectiveness in the context of PSI, the DAC Secretariat will carry out biennially a thorough analysis of the geographic, recipient income group, sectoral and thematic characteristics as well as additionality of all PSI, including equities, reported in ODA under both the instrument and institutional approaches. It will also analyse the grant equivalent reporting by individual members and compare these values across the methods used.

32. Findings from this analysis will be presented to the DAC in a dedicated report for information. Potential issues identified through this exercise will be addressed as part of subsequent DAC discussions.

33. The WP-STAT will use the outcomes of this analysis to review and, if agreed, revise relevant aspects of the directives on the treatment of equities to the private sector.

34. Given the volatile nature of capital markets, including investment returns and dividend yields, the Secretariat will review the values of equity surcharge of the discount rates and, if needed, propose adjustments for consideration by the DAC. This review will be carried out once every four to six years.

## 8. Monitoring and ex-post adjustment of ex-ante reporting

35. The Secretariat will monitor members' reporting on grant equivalents of equities as part of the biennial analysis of PSI (see section 7). In this context, the Secretariat will compare grant equivalents of equities

a. Reported ex ante (reporting based on variables estimated at the portfolio-level, see section 5.2) and

b. Calculated upon exit ex post (using maturities and realised return of all exited equities during last ten years).

[13] This is consistent with guidance provided on loans for multi-country agreements in paragraphs 238 and 384 of the DAC Reporting Directives [DCD/DAC/STAT(2023)9].

36. Should this analysis reveal significant differences in the sum of grant equivalents reported ex ante and the sum of grant equivalents calculated ex post, the Secretariat will discuss with individual members the need for an ex-post adjustment. If the sum of grant equivalents reported ex ante differs from the sum of grant equivalents calculated ex post by more than 10% or USD 10 million, an ex-post adjustment is required.

37. The adjustment will be recorded as a positive or negative entry in the grant equivalent field of the CRS questionnaire, as an aggregate concerning all exited equities in the reporting year.

38. Based on their own monitoring, members may report such an adjustment themselves on an annual basis, supported by necessary evidence shared with the Secretariat.

## 9. Other considerations

39. Comparability is a key feature of the DAC statistics. Discussions on mechanisms for monitoring the comparability of the instrument and institutional approaches will be discussed at a later stage of the Part 2 of the review process under step 4 on monitoring, safeguards and disciplines [see DCD/DAC/STAT(2022)15 and DCD/DAC/STAT(2022)29].

## 10. Implementation

40. Reporting on the donor effort in extending equities on a grant equivalent basis would be implemented as from members' 2024 reporting on flows in 2023. Members that are unable to implement these reporting methods in 2024 may use a transition period of one to two years, during which the provisional reporting methods would continue to apply as regards ODA accounting and data disclosure.[14]

41. Furthermore,

a. Under the method described in section 5.2, reflows on equities committed prior to the implementation year will not be counted as negative ODA.

b. Under the ex-post method described in section 5.3, reflows on past equities will continue to be recorded as negative ODA at face value; they will not be discounted given the major technical difficulties that it would involve.

[14] Paragraph 9C of DCD/DAC/STAT(2023)9/ADD3 states that "individual equity investments to private sector entities in developing countries will continue to be reported on a cash-flow basis:

- Positive ODA would be recorded at the time of investment and the proceeds of sales would be reportable as negative ODA applying a cap on reflows corresponding to the original investment. To be ODA-eligible, equities need to comply with the ODA definition i.e. have the economic development and welfare of developing countries as their primary purpose and be in line with Reporting Directives [see in particular paragraph 135 of DCD/DAC/STAT(2023)9].
- Contributions to investment funds may be ODA-eligible if in accordance with the existing Directives [see in particular paragraph 136 of DCD/DAC/STAT(2023)9]."

# Annex A. Illustrative example, ex-ante method

In 2020, a DFI made an equity investment of USD 20 million to a company in an LMIC. For the purpose of this demo, it is called Equity A.

### *Reporting ex ante*

An analysis of equities exited during 2016-20 indicated their weighted average maturity of 7 years and weighted average rate of return at 6% and (see Table 2). Using these variables, the donor effort in extending the equity investment is USD 5.88 million with a grant element of 29.41% (see Table 3).

**Table 2. Calculation of expected maturities and return for reporting ex ante**

| | Exit year | Gross disbursement (USD million), 2020 prices | Maturity | Realised return |
|---|---|---|---|---|
| Equity 1 | 2020 | 20.7 | 6.2 | 6.9% |
| Equity 2 | 2017 | 12.3 | 10.0 | -8.0% |
| Equity 3 | 2016 | 5.7 | 3.5 | 33.0% |
| | | | | |
| | | **Weighted average** | **7.0**<br>= (6.2×20.7 + 10.0×12.3 + 3.5×5.7) / (20.7 + 12.3 + 5.7) | **6.0%**<br>= (6.9%×20.7 - 8.0%×12.3 + 33.0%×5.7) / (20.7 + 12.3 + 5.7) |

**Table 3. Calculation of the grant element**

| Year | Initial investment | Expected return rate | Equity value upon exit | Discount factor (discount rate = 10.5%) | Present value of future payments | Grant element | Grant equivalent, USD million |
|---|---|---|---|---|---|---|---|
| 2020 | 20 | 6% | | | | | |
| 2027 | | 6% | 28.4<br>= 20 + 7×6%×20 | 2.01 | 14.12 | 29.41% | **5.88** |

### *Monitoring and adjustment ex post*

In 2028, the DFI exited two companies and sold its stakes. One of the equities was the investment above (Equity A). The other (Equity B) had been reported ex ante with a grant equivalent of USD 7.72 million. The sum of grant equivalents of both equities reported ex ante is **USD 13.60 million**.

Equities exited during 2024-28 had weighted average maturity 6 years and weighted average realised return 4%. Accordingly, the donor effort calculated ex post is USD 6.38 million for Equity A and USD 6.87 million for Equity B. The sum of the grant equivalents calculated ex post is **USD 13.25 million**, i.e. USD 0.35 million less than reported ex ante.

Accordingly, a downward adjustment of **USD -0.35 million** could be warranted. It would not be required though as its value differed by less than 10% of the initial grant equivalents and was less than USD 10 million. The adjustment could be recorded in the CRS field for grant equivalents in the reporting year 2028 as a new activity with unspecified geographic, sectoral or thematic details.

# Annex B. CRS reporting requirements and rules for data disclosure for equities reported in ODA using the ex-ante method

## B.1 Ex-ante reporting

| | CRS item number | CRS item name | Reporting example | Data requirement | Level of data disclosure |
|---|---|---|---|---|---|
| A. Identification data | 1 | Reporting year | 2020 | Required | Activity-level |
| | 1b | Commitment date | 15-06-2020 | Required | Activity-level |
| | 2 | Reporting country / organisation | 123 | Required | Activity-level |
| | 3 | Extending agency | 123 | Required | Activity-level |
| | 4 | CRS Identification N° | 2023000001 | Required | Activity-level |
| | 5 | Donor project N° | EQ567 | Required | Activity-level |
| | 6 | Nature of submission | 1 | Required | Activity-level |
| B. Basic data | 7 | Recipient code | 321 | Required | Activity-level |
| | 8 | Channel of delivery name | Bank ABC | Required | Activity-level |
| | 9 | Channel code | 62002 | Required | Activity-level |
| | 10 | Bi/Multi | 1 | Required | Activity-level |
| | 11 | Type of flow (…) | [10][21] | Required | Activity-level |
| | 12 | Type of finance | 510 | Required | Activity-level |
| | 13 | Co-operation modality | C01 | Required | Activity-level |
| | 14 | Short description / Project title | Equity investment (…) | Required | Activity-level |
| | 15 | Sector / Purpose code (…) | 24030 | Required | Activity-level |
| C. Supplementary data | 16 | Geographical target area | [Text] | Voluntary | Activity-level |
| | 16b | Regional aid to LDCs | | Voluntary | Activity-level |
| | 17 | Expected starting date | 01-07-2020 | Required | Activity-level |
| | 18 | Expected completion date | 15-06-2028 | Required | Activity-level |
| | 19 | Description | An investment to (…) | Required | Activity-level |
| | 19b | SDG focus | 8.10 | Voluntary | Activity-level |
| | 19c | Keywords | | Voluntary | Activity-level |
| | 20 | Gender equality | 0 | Required | Activity-level |
| | 21 | Aid to environment | 0 | Required | Activity-level |
| | 22 | Democratic and inclusive governance | 0 | Required | Activity-level |
| | 23 | RMNCH | 0 | Required | Activity-level |
| | 23b | Disaster risk reduction | 0 | Required | Activity-level |
| | 23c | Nutrition | 0 | Voluntary | Activity-level |
| | 23d | Inclusion and empowerment of persons with disabilities | 0 | Voluntary | Activity-level |
| | 24 | FTC | | Required | Activity-level |
| | 25 | PBA | | Required | Activity-level |
| | 26 | Investment | 1 | Required | Activity-level |
| | 27 | Type of blended finance | 3 | Required | Activity-level |
| | 28 | Biodiversity | 0 | Required | Activity-level |
| | 29 | Climate change - mitigation | 0 | Required | Activity-level |
| | 30 | Climate change - adaptation | 0 | Required | Activity-level |
| | 31 | Desertification | 0 | Required | Activity-level |
| D. Volume data | 32 | Currency | 302 | Required | Activity-level |
| | 33 | Commitments | 20000 | Required | Activity-level |
| | 33b | Capital Expenditure % | 100 | Voluntary | Activity-level |
| | 34 | Amounts extended | 20000 | Required | Activity-level |
| | 34b | ODA grant equivalent | 5881.7 | Required | Activity-level |
| | 35 | Amounts received | 0 | Required | Aggregated by donor, agency, type of finance and recipient |

| | | | | | |
|---|---|---|---|---|---|
| | 36 | Amount untied | TBD | Required | Activity-level |
| | 37 | Amount partially untied | TBD | Required | Activity-level |
| | 38 | Amount tied | TBD | Required | Activity-level |
| | 39 | Amount of IRTC | | Required | Activity-level |
| | 40 | If project type, amount of experts-commitments | | Required | Activity-level |
| | 41 | If project type, amount of experts-extended | | Required | Activity-level |
| | 42 | Amount of export credit | | Required | Activity-level |
| | 43a | Leveraging mechanism and role/position | 7 | Voluntary | See paragraph 228 of DCD/DAC/STAT(2023)9 |
| | 43b | Amounts mobilised from the private sector | 30000 | Voluntary | |
| | 43c | Origin of the funds mobilised | 3 | Voluntary | |
| E. For non-grants only | 44 | Type of repayment | NULL | NULL | Activity-level |
| | 45 | Number of repayments per annum | NULL | NULL | Activity-level |
| | 46 | Interest rate<br>*Expected return per annum* | 6000 | Required under ex-ante method | Not disclosed |
| | 49 | Final repayment date<br>*Date of expected maturity* | 18-06-2027 | Required under ex-ante method | Not disclosed |
| | 50 | Interest received<br>*Dividends received per annum* | 0 | Required | Aggregated by donor, agency, type of finance and recipient |
| | 51 | Principal disbursed and still outstanding<br>*Equity disbursed and still held* | 20000 | Required | Not disclosed |
| | 52 | Arrears of principal | NULL | NULL | Not disclosed |
| | 53 | Arears if interest | NULL | NULL | Not disclosed |
| F. For PSI | 54 | PSI flag | [2][3][4] | Required | Activity-level |
| | 55 | Additionality type | 1 | Required | Activity-level |
| | 56 | Additionality assessment | [Text] | Required | Activity-level |
| | 57 | Additionality – development objective | [Text] | Required | Activity-level |

Note: the grant equivalent value entered in field 34b is calculated using a discount rate of 10.5%.

## B.2 Ex-post adjustment to ex-ante reporting, selected fields

| | CRS item number | CRS item name | Reporting example | Data requirement | Level of data disclosure |
|---|---|---|---|---|---|
| | 1 | Reporting year | 2028 | Required | Activity-level |
| | 2 | Reporting country / organisation | 123 | Required | Activity-level |
| | 3 | Extending agency | 123 | Required | Activity-level |
| | 7 | Recipient code | 998 | Required | Activity-level |
| | 11 | Type of flow (…) | [10][21] | Required | Activity-level |
| | 12 | Type of finance | 510 | Required | Activity-level |
| | 14 | Short description / Project title | Ex-post adjustment on ex-ante (…) | Required | Activity-level |
| | 15 | Sector / Purpose code (…) | 99810 | Required | Activity-level |
| | 32 | Currency | 302 | Required | Activity-level |
| | 33 | Commitments | 0 | Required | Activity-level |
| | 34 | Amounts extended | 0 | Required | Activity-level |
| | 34b | ODA grant equivalent | -351.74 | Required | Activity-level |
| | 35 | Amounts received | 0 | Required | Aggregated by donor, agency, type of finance and recipient |

# Annex C. CRS reporting requirements and rules for data disclosure for equities reported in ODA using the ex-post method

## C.1 Equity investment (disbursement)

| | CRS item number | CRS item name | Reporting example | Data requirement | Level of data disclosure |
|---|---|---|---|---|---|
| A. Identification data | 1 | Reporting year | 2020 | Required | Activity-level |
| | 1b | Commitment date | 15-06-2020 | Required | Activity-level |
| | 2 | Reporting country / organisation | 123 | Required | Activity-level |
| | 3 | Extending agency | 123 | Required | Activity-level |
| | 4 | CRS Identification N° | 2023000001 | Required | Activity-level |
| | 5 | Donor project N° | EQ567 | Required | Activity-level |
| | 6 | Nature of submission | 1 | Required | Activity-level |
| B. Basic data | 7 | Recipient code | 321 | Required | Activity-level |
| | 8 | Channel of delivery name | Bank ABC | Required | Activity-level |
| | 9 | Channel code | 62002 | Required | Activity-level |
| | 10 | Bi/Multi | 1 | Required | Activity-level |
| | 11 | Type of flow (…) | [10][21] | Required | Activity-level |
| | 12 | Type of finance | 510 | Required | Activity-level |
| | 13 | Co-operation modality | C01 | Required | Activity-level |
| | 14 | Short description / Project title | Equity investment (…) | Required | Activity-level |
| | 15 | Sector / Purpose code (…) | 24030 | Required | Activity-level |
| C. Supplementary data | 16 | Geographical target area | [Text] | Voluntary | Activity-level |
| | 16b | Regional aid to LDCs | | Voluntary | Activity-level |
| | 17 | Expected starting date | 01-07-2020 | Required | Activity-level |
| | 18 | Expected completion date | 15-06-2028 | Required | Activity-level |
| | 19 | Description | An investment to (…) | Required | Activity-level |
| | 19b | SDG focus | 8.10 | Voluntary | Activity-level |
| | 19c | Keywords | | Voluntary | Activity-level |
| | 20 | Gender equality | 0 | Required | Activity-level |
| | 21 | Aid to environment | 0 | Required | Activity-level |
| | 22 | Democratic and inclusive governance | 0 | Required | Activity-level |
| | 23 | RMNCH | 0 | Required | Activity-level |
| | 23b | Disaster risk reduction | 0 | Required | Activity-level |
| | 23c | Nutrition | 0 | Voluntary | Activity-level |
| | 23d | Inclusion and empowerment of persons with disabilities | 0 | Voluntary | Activity-level |
| | 24 | FTC | | Required | Activity-level |
| | 25 | PBA | | Required | Activity-level |
| | 26 | Investment | 1 | Required | Activity-level |
| | 27 | Type of blended finance | 3 | Required | Activity-level |
| | 28 | Biodiversity | 0 | Required | Activity-level |
| | 29 | Climate change - mitigation | 0 | Required | Activity-level |
| | 30 | Climate change - adaptation | 0 | Required | Activity-level |
| | 31 | Desertification | 0 | Required | Activity-level |
| D. Volume data | 32 | Currency | 302 | Required | Activity-level |
| | 33 | Commitments | 20000 | Required | Activity-level |
| | 33b | Capital Expenditure % | 100 | Voluntary | Activity-level |
| | 34 | Amounts extended | 20000 | Required | Activity-level |
| | 34b | ODA grant equivalent | 20000 | Required | Activity-level |
| | 35 | Amounts received | 0 | Required | Aggregated by donor, agency, type of finance and recipient |

| | | | | | |
|---|---|---|---|---|---|
| | 36 | Amount untied | TBD | Required | Activity-level |
| | 37 | Amount partially untied | TBD | Required | Activity-level |
| | 38 | Amount tied | TBD | Required | Activity-level |
| | 39 | Amount of IRTC | | Required | Activity-level |
| | 40 | If project type, amount of experts-commitments | | Required | Activity-level |
| | 41 | If project type, amount of experts-extended | | Required | Activity-level |
| | 42 | Amount of export credit | | Required | Activity-level |
| | 43a | Leveraging mechanism and role/position | 7 | Voluntary | See paragraph 228 of DCD/DAC/STAT(2023)9 |
| | 43b | Amounts mobilised from the private sector | 30000 | Voluntary | |
| | 43c | Origin of the funds mobilised | 3 | Voluntary | |
| **E. For non-grants only** | 44 | Type of repayment | NULL | NULL | Activity-level |
| | 45 | Number of repayments per annum | NULL | NULL | Activity-level |
| | 46 | Interest rate<br>*Expected return per annum* | | Required under ex-ante method | Not disclosed |
| | 49 | Final repayment date<br>*Date of expected maturity* | | Required under ex-ante method | Not disclosed |
| | 50 | Interest received<br>*Dividends received per annum* | 0 | Required | Aggregated by donor, agency, type of finance and recipient |
| | 51 | Principal disbursed and still outstanding<br>*Equity disbursed and still held* | 20000 | Required | Not disclosed |
| | 52 | Arrears of principal | NULL | NULL | Not disclosed |
| | 53 | Arears if interest | NULL | NULL | Not disclosed |
| **F. For PSI** | 54 | PSI flag | [2][3][4] | Required | Activity-level |
| | 55 | Additionality type | 1 | Required | Activity-level |
| | 56 | Additionality assessment | [Text] | Required | Activity-level |
| | 57 | Additionality – development objective | [Text] | Required | Activity-level |

## C.2 Equity exit (sale), selected data fields

| | CRS item number | CRS item name | Reporting example | Data requirement | Level of data disclosure |
|---|---|---|---|---|---|
| A. Identification data | 1 | Reporting year | 2028 | Required | Activity-level |
| | 1b | Commitment date | 15-06-2020 | Required | Activity-level |
| | 2 | Reporting country / organisation | 123 | Required | Activity-level |
| | 3 | Extending agency | 123 | Required | Activity-level |
| | 4 | CRS Identification N° | 2023000001 | Required | Activity-level |
| | 5 | Donor project N° | EQ567 | Required | Activity-level |
| | 6 | Nature of submission | 1 | Required | Activity-level |
| | (...) | (...) | (...) | (...) | (...) |
| D. Volume data | 32 | Currency | 302 | Required | Activity-level |
| | 33 | Commitments | 0 | Required | Activity-level |
| | 33b | Capital Expenditure % | | Voluntary | Activity-level |
| | 34 | Amounts extended | 0 | Required | Activity-level |
| | 34b | ODA grant equivalent | -12596.79 | Required | Activity-level |
| | 35 | Amounts received | 23500 | Required | Aggregated by donor, agency, type of finance and recipient |
| | (...) | (...) | (...) | (...) | (...) |
| E. For non-grants only | 44 | Type of repayment | NULL | NULL | Activity-level |
| | 45 | Number of repayments per annum | NULL | NULL | Activity-level |
| | 46 | Interest rate<br>*Expected return per annum* | 5000 | Required under ex-ante method | Not disclosed |
| | 49 | Final repayment date<br>*Date of expected maturity* | 18-06-2028 | Required under ex-ante method | Not disclosed |
| | 50 | Interest received<br>*Dividends received per annum* | 4500 | Required | Aggregated by donor, agency, type of finance and recipient |
| | 51 | Principal disbursed and still outstanding<br>*Equity disbursed and still held* | 0 | Required | Not disclosed |
| | (...) | (...) | (...) | (...) | (...) |

Note: the grant equivalent value entered in field 34b is calculated using a discount rate of 10.5%. Reporting on sales and dividends received is also requested under the ex-ante method for transparency and monitoring purposes.