

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

**DCD/DAC/STAT(2010)9
For Official Use**

Working Party on Statistics

**REVIEW OF THE ODA COEFFICIENT FOR THE UN DEPARTMENT OF PEACEKEEPING
OPERATIONS (UNDPKO)**

9-10 June 2010, OECD Conference Centre, Paris

This note proposes a modification of the UNDPKO's ODA coefficient with effect from and including 2010 reporting on 2009 flows. The recommendation in paragraphs 14 and 15 is submitted for APPROVAL.

Contact: Ms. Julia Benn (julia.benn@oecd.org); Ms. Valérie Gaveau (valerie.gaveau@oecd.org)

JT03284051

REVIEW OF THE ODA COEFFICIENT FOR THE UN DEPARTMENT OF PEACEKEEPING OPERATIONS (UNDPKO)

1. The UN Department of Peacekeeping Operations (UNDPKO) manages peacekeeping operations that are deployed on the basis of a mandate from the UN Security Council. The ultimate goal of these operations is to maintain ceasefires and stabilise situations on the ground, so that efforts can be made at the political level to resolve the conflict by peaceful means. The operations therefore mainly involve military tasks, but also tackle some civilian aspects of peacebuilding such as governance, human rights monitoring, or security sector reform. The UN maintains a separate budget for peacekeeping operations, to which all member states contribute, based on a special scale of assessment (“assessed contributions”).
2. This note recalls previous WP-STAT decisions on the ODA-eligibility of DAC members’ assessed contributions to UNDPKO (Section 1) and proposes a modification of UNDPKO’s ODA coefficient to take effect in 2010 for reporting on 2009 flows (Section 2). It also provides members with further detail relating to the elements, assumptions and estimates used in the coefficient calculation (Annex).

Section 1. History of ODA treatment of contributions to the UNDPKO

3. **Prior to 2006:** ODA reporting is restricted to a limited list of *bilateral* activities conducted in the context of UN peace operations. *Multilateral* contributions to UN peacekeeping are not accounted for, as UN financial records do not show amounts budgeted or spent on ODA-eligible activities as separate from military activities. However, after the 2005 DAC High Level Meeting, the WP-STAT tasked the Secretariat to estimate the share of members’ multilateral contributions to peacekeeping that could be reported as ODA, based on the limited list of activities.
4. **2006:** The Secretariat carries out the work required, in consultation with UNDPKO. It examines budgetary information for the six largest missions in fiscal year (FY) 2005/06, and tests two approaches to estimate the share of ODA-eligible activities in their total budgets [DCD/DAC/STAT(2006)4]. UNDPKO is added to the DAC List of ODA-eligible international agencies [Annex 2 of the DAC Directives, channel code 41310] with an ODA coefficient of **6%**, applicable to 2006 reporting on 2005 flows. The WP-STAT agrees to review the coefficient in 2007.
5. **2007:** The Secretariat recalculates the coefficient based on the budgets of the five largest missions in FY 2006/07 using the same approach as in 2006, but simplifying the calculation with UNDPKO’s agreement [DCD/DAC/STAT(2007)8]. The WP-STAT agrees to increase the coefficient to **7%** as from 2007 reporting on 2006 flows, and to review it again in 2010.
6. **2008-09:** The WP-STAT agrees that the coefficient of 7% is applicable to two new UNDPKO missions – UNAMID and MINURCAT – pending the review of the coefficient in 2010 [DCD/DAC/STAT(2009)8]. In the context of WP-STAT work to clarify Statistical Reporting Directives in the area of international peace operations in general, the Secretariat identifies inconsistencies in members’ reporting on multilateral contributions to UNDPKO that need to be corrected [DCD/DAC/STAT(2009)13].

Section 2. Recalculation of the coefficient in 2010

7. UNDPKO has confirmed that the methodology previously used to estimate the ODA-eligible share of peacekeeping operations remains generally valid, and has provided the Secretariat with the information required to recalculate the coefficient based on budgeted resources¹ for peacekeeping in FY 2009/10 (covering activities from 1 July 2009 to 30 June 2010).

8. In UN budgetary documents, each peacekeeping operation has its own special account; together these special accounts form the “UN peacekeeping budget”, funded by member states’ assessed contributions.² The peacekeeping budget for FY 2009/10 covers 14 operations listed in the Annex, totaling USD 7.5 billion.³ Excluding the two non-ODA eligible operations [UNDOF and UNFICYP, see DCD/DAC/STAT(2007)8], the total budget to be examined here equals **USD 7.2 billion**.

9. The methodology used to estimate the ODA-eligible share of a peacekeeping operation involves the detailed analysis of its budget. As this would be too cumbersome an exercise to carry out for each operation, the calculation of the coefficient is based on the operations with the largest budgets. Six operations were considered in 2006 and five in 2007; the present review covers the five largest operations (UNAMID, MONUC, UNMIS, MINURCAT and MINUSTAH) which represented 73% of the total peacekeeping budget for FY 2009/10.

Summary of methodology and results obtained

10. While each peacekeeping operation has its own separate budget, they all share a similar structure and include the following information:

- **Overall description of the mandate and the planned results:** These details are presented for the budgetary period corresponding to the operation’s mandate. Included is an analysis of the current situation in the country of operation, and how this will affect the planned activities (e.g. phase of deployment of the military units, planned elections etc.).
- **Description of the components and the staff requirements of the operation:** This main section of the budget documentation presents the so-called “results-based-budgeting frameworks”. It describes the activities to be carried out by the operation, grouping them into a number of “components”, it lists the operation objectives and the planned outputs, and it contains information on the number of staff per category (civilian vs. military) assigned to the various components (see Annex, Table A1).
- **Overall presentation of financial resources:** The financial resources are broken down into staff costs (civilian vs. military) and operational costs (see sub-categories in Annex, Table A2). No financial data are given in the budget documentation at the component level.

1. Not all necessary data were available on the basis of approved resources.

2. The scale of assessments applicable to peacekeeping differs from the UN standard scale of assessment.

3. Approved resources. One of these operations, UNAMID, is a United Nations/African Union hybrid operation. UNOMIG is no longer active (terminated in June 2009) but still had a budget approved for FY 2009/10. In addition to the 14 operations listed, two others, UNTSO and UNMOGIP, are led by UNDPKO, but are financed outside the UN peacekeeping budget through UN regular resources [these two operations are fully military, and not ODA-eligible, see DCD/DAC/STAT(2007)8]. The UN peacekeeping budget of USD 7.5 billion includes support to the African Union Mission in Somalia (USD 214 million) which is not ODA-eligible (the exclusion from ODA is mentioned on the Annex 2 of the DAC Directives).

11. The calculation of the ODA coefficient involves, first, identifying the ODA-eligible components in the budget documentation, and secondly, estimating the staff and operational costs associated with these components⁴. Finally, the total estimated ODA-eligible costs are divided by the total costs of the operation. The analysis depends on data provided by UNDPKO and needs to be carried out on a mission-by-mission basis.

12. As noted above, the calculation follows the methodological principles agreed in the past. However, UNDPKO explained it had made one change to the selection of ODA-eligible components and used a slightly different method for estimating the ODA-eligible operational costs. The steps in the calculation are listed below (described in detail in Annex).

- *Step 1 – identification of ODA components:* Original analysis carried out in 2006 by the Secretariat in consultation with UNDPKO, and confirmed in 2007. The present analysis excludes the “Office of the Police Commissioner” previously considered as ODA.
- *Step 2 – estimation of ODA-eligible staff costs:* Calculated by UNDPKO using the same method as in 2007.
- *Step 3 – estimation of ODA-eligible operational costs:* Calculated by UNDPKO separately for each component, using a slightly different method from that used in 2007. (Including operational costs directly attributable to ODA-eligible activities; pro rata based on number, instead of costs, of staff.)
- *Step 4 – calculation of total estimated ODA-eligible costs:* Summing the results of steps 2 and 3.
- *Step 5 – derivation of the ODA coefficient:* UNDPKO provided information on total costs per operation, so that the Secretariat could derive the ODA coefficient.

13. Results are shown in Table 1 below. The small coefficient reflects the predominance of military personnel, and the small overall share of personnel assigned to ODA-eligible tasks. The bulk of operational costs also relates to the military aspects of the operations.

Table 1. Methodology for calculating the UNDPKO ODA coefficient

Main steps and results obtained

	UNAMID	MONUC	UNMIS	MINURCAT	MINUSTAH	Total
Step 1 - Isolation of ODA components						
Step 2 - Estimated ODA-eligible staff costs	36738	37148	52166	12291	28329	166672
Step 3 - Estimated ODA-eligible operational costs	23772	22049	84093	12401	13887	156201
<i>Step 4 - Total estimated ODA-eligible costs</i>	<i>60510</i>	<i>59197</i>	<i>136258</i>	<i>24692</i>	<i>42215</i>	322873
Total costs of the operations (proposed budget)	1789411	1428124	980561	768190	618624	5584910
Step 5 - ODA coefficient	3%	4%	14%	3%	7%	6%

14. On the basis of this calculation, members are invited to approve an ODA coefficient of 6% for their multilateral contributions to UNDPKO operations to take effect in 2010 reporting on 2009 flows.

4. The budget documentation does not provide financial information at component level, which would enable a direct calculation of the costs associated to the identified ODA-eligible components. Instead, ODA staff costs and ODA operational costs need to be assessed separately for each of these components.

15. At the WP-STAT Workshop in Vienna, members suggested naming in Annex 2 of the DAC Directives, the individual operations to which the UNDPKO coefficient could be applied. On this basis, the entry for UNDPKO in Annex 2 will read as follows:

<i>Acronym</i>	<i>Coef- ficient</i>	<i>Full name</i>	<i>DAC 2a/3a code</i>	<i>Channel code</i>
UNDPKO	6%	United Nations Department of Peacekeeping Operations (only UNIFIL, MINURSO, UNOMIG, UNMIK, MONUC, UNMIL, UNOCI, MINUSTAH, UNMIS, UNMIT, UNAMID, MINURCAT). Report contributions mission by mission in CRS++.	943	41310

Future considerations

16. In the course of reviewing the coefficient, and in the context of a broader reflection on the ODA reporting of peacekeeping expenditures [DCD/DAC/STAT(2010)8], the Secretariat has noted a number of questions that merit further investigation, and has identified areas where the coefficient methodology might be reviewed. The Secretariat has also examined ways of deriving a coefficient based solely on data readily available from budget documentation, so as to reduce dependency on UNDPKO and speed up the process⁵. Due to time pressures, it has not been possible to discuss these points in detail with UNDPKO. However, later this year, the Secretariat will pursue this work, and issue a note setting out possible improvements to the methodology, e.g. on the treatment of *Support* staff costs, for members' consideration. Also, there may be scope for simplifying the calculation in a way that would facilitate members' assessment of the ODA-eligible share of their *bilateral* participation in peacekeeping operations (in the case of contributions in pursuit of a mandate).

5. The first request concerning the 2010 review of the ODA coefficient was sent by the Secretariat to UNDPKO in September 2009. Due to changes in personnel and workload at UNDPKO, and after several reminders and a mission by the Secretariat to UNDPKO offices, information was only obtained in mid-April.

Annex. Detailed description of the methodology for calculating the UNDPKO ODA coefficient

Step 1/ Isolation of ODA-eligible components

1. Table A1 illustrates the components of the five peacekeeping operations under review. Not all components exist for all operations, and their titles and composition may vary from one operation to another [for example: only three components exist for MINURCAT; the *Disarmament, demobilisation and reintegration (DDR)* sub-component is within the *Humanitarian* component for UNMIS]. The components deemed ODA-eligible in consultation with UNDPKO (as agreed in 2006) have been shaded. To give an overview of the ODA-eligibility of the operations, the components may be categorised as follows:

- **Fully ODA-eligible**
 - *Rule of law, governance, and human rights*
 - *Humanitarian assistance*
- **Partly ODA-eligible**
 - *Peace process*
- **Mostly non ODA-eligible**
 - *Security* (within that component, only *Disarmament, demobilisation and reintegration* is considered as ODA eligible)

In addition, for each operation, a component is dedicated to *Support* services. These functions are carried out by civilian staff, and serve the whole operation – both ODA and non-ODA activities – indistinguishably.

2. All activities deemed ODA-eligible are exclusively carried out by civilian staff. The *Security* component, mostly carried out by military and police staff, is excluded from ODA, with the exception of the DDR activity (carried out by civilian staff only). Costs associated with military or police personnel are therefore entirely excluded from the ODA-eligible amounts.⁶

3. Table A1 also shows how the human resources of a peacekeeping mission are attributed to individual components in the budgetary documentation. This information allows determination of the total number of civilian personnel (international staff, national staff, UN volunteers) working on ODA-eligible activities in the operation.

4. Compared to the two previous iterations of the ODA coefficient calculation, there is one change under *Step 1*. It relates to the “civilian police” component (or “Office of the Police Commissioner”) which used to be counted as ODA, given its role in building capacity in the national police institutions. UNDPKO has now advised us to exclude this component from the calculation, as it is comparable to other UN police activities which they agree should be entirely excluded from ODA-eligible costs.

6. Note that UN police personnel are assigned to a *Governance* component in the case of UNMIS, not *Security*. Associated costs were excluded likewise from ODA.

Table A1. Components of peacekeeping operations and staff requirements

COMPONENTS (ODA-eligible components are shaded)	NUMBER OF STAFF PER CATEGORY										Total
	Military staff				Civilian staff						
	Military observers	Military contingents	UN police	Formed police units	International staff	National staff	Temporary position	UN volunteers	Govt-provided personnel		
Executive direction and management: overall mission direction and management					X	X	X	X	X		X
1 - Peace process: advice on mediation, promotion of dialogue and reconciliation, civic education, electoral assistance, strengthening civil society					X	X	X	X	X		X
Political affairs											
Communication and public information											
Civil affairs											
Liaison											
Mediation											
Support and coordination mechanism											
2 - Security: military operations to maintain ceasefire, and ensure security; disarmament, demobilisation and reintegration of ex-combatants (DDR)	X	X	X	X	X	X	X	X	X		X
Military observers											
Military contingents											
UN police											
Formed police units											
Office of the Force Commander											
Civilian police											
DDR											
3 - Rule of law, governance, and human rights: assistance to rule of law institutions, including prison systems, promotion and protection of human rights			X		X	X	X	X	X		X
Rule of law, judicial system and prison											
Electoral assistance											
Human rights											
Child protection											
Gender affairs											
4 - Humanitarian assistance: policy advice to all stakeholders on humanitarian issues; return and reintegration of internally displaced persons					X	X	X	X	X		X
Humanitarian assistance and affairs											
Return, recovery and reintegration of displaced people											
Development coordination											
Civilian mine action											
5 - Support: logistical, administrative and security support to the operation					X	X	X	X	X		X
Conduct and discipline											
HIV/AIDS											
Mission support											
Administrative services											
Procurement & contracts mgmt services;											
Communications and IT services;											
Security and safety section.											

Step 2/ Calculation of ODA-eligible staff costs

5. The costs of personnel carrying out the ODA-eligible activities identified in *Step 1* are calculated by multiplying, for each category of staff, the cost per staff member by the number of staff⁷. This information is readily available from budget documentation and the data provided by UNDPKO could be cross-checked by the Secretariat.

6. The *Support* component (see component 5 in Table A1) serves the whole operation, both ODA and non-ODA activities. It is not possible to isolate *Support* staff that would be associated exclusively with ODA-eligible activities, and two different options were followed in the past for the treatment of staff costs associated to this *Support* component: in 2006, *Support* staff costs were prorated to ODA-eligible

7. The calculation needs to be done for three different categories of civilian personnel (international, national, and volunteers).

activities, while in 2007 they were entirely excluded from ODA-eligible costs. For the purposes of this calculation, they are excluded.

Step 3/ Calculation of ODA-eligible operational costs

7. In addition to staff costs, the budget for peacekeeping operations covers operational costs. The financial requirements for operational costs are not presented at the component level in the budget documentation, but rather on an overall basis (Table A2). These overall operational costs cover supplies, equipment and services that serve the whole operation (*Facilities and infrastructure, Transport, Communications, Information technology, Medical, etc...*). The budget documentation does not provide the necessary level of detail to isolate operational costs that could be assigned specifically to ODA-eligible components. Therefore, the Secretariat cannot cross-check the calculation conducted by UNDPKO, which is described as follows:

- a) Operational costs directly affecting the ODA components (e.g. training) are identified. (Their full amount is taken into account.)
- b) Purely military costs (e.g. military equipment) are excluded.
- c) For the remainder of operational costs, the ODA-eligible share is calculated pro rata, using as a basis the share of the number of staff assigned to ODA-eligible components in the total number of staff of the operation.

8. The treatment of operational costs varied in the past. Purely military operational costs were always excluded. Operational costs directly affecting ODA components were not accounted for in previous assessments. The pro rata method described in c) above was not used in 2006 (only purely military costs and 50% of transport costs were excluded from ODA). In 2007, a pro rata approach was taken, but the calculation was based on staff costs instead of numbers.

Table A2. Overall financial resources of peacekeeping operations

typical presentation in UN budget documentation

		Cost estimates for fiscal year 2009/10
STAFF COSTS	Military and police personnel	
	Military observers	amount in USD
	Military contingents	amount in USD
	United Nations police	amount in USD
	Formed police units	amount in USD
	Civilian personnel	
	International staff	amount in USD
National staff	amount in USD	
United Nations Volunteers	amount in USD	
General temporary assistance	amount in USD	
OPERATIONAL COSTS	Operational costs	
	Government-provided personnel	amount in USD
	Civilian Electoral Observers	amount in USD
	Consultants	amount in USD
	Official Travel	amount in USD
	Facilities and Infrastructure	amount in USD
	Ground Transportation	amount in USD
	Air Transportation	amount in USD
	Naval Transportation	amount in USD
	Communications	amount in USD
	Information technology	amount in USD
	Medical	amount in USD
	Special Equipment	amount in USD
	Other supplies, services and equipment	amount in USD
Quick-impact projects	amount in USD	

Step 4/ Calculation of total ODA costs for the five operations selected: obtained by adding the results of Steps 2 and 3.

Step 5/ Calculation of the ODA coefficient: obtained by dividing the result of *Step 4* by the total costs for the five missions.

Annex. UN peacekeeping operations covered by UN peacekeeping budget, and resources approved for the period from 1 July 2009 to 30 June 2010

UNFICYP Since March 1964

United Nations Peacekeeping Force in Cyprus

USD 55 897 million – not ODA-eligible and therefore not covered by the UNDPKO ODA coefficient

UNDOF Since June 1974

United Nations Disengagement Observer Force

USD 45 030 million - not ODA-eligible and therefore not covered by the UNDPKO ODA coefficient

UNIFIL Since March 1978

United Nations Interim Force in Lebanon

USD 589 799 million

MINURSO Since April 1991

United Nations Mission for the Referendum in Western Sahara

USD 56 577 million

UNOMIG Since August 1993

United Nations Observer Mission in Georgia

USD 10 946 million – terminated in June 2009

UNMIK Since June 1999

United Nations Interim Administration Mission in Kosovo

USD 46 809 million

MONUC Since November 1999

United Nations Organization Mission in the Democratic Republic of Congo

USD 1 351 539 million

UNMIL Since September 2003

United Nations Mission in Liberia

USD 561 032 million

UNOCI Since April 2004

United Nations Operation in Côte d'Ivoire

USD 491 774 million

MINUSTAH 1 June 2004

United Nations Stabilization Mission in Haiti

USD 611 751 million

UNMIS Since March 2005

United Nations Mission in the Sudan

USD 958 350 million

UNMIT Since August 2006

United Nations Integrated Mission in Timor-Leste

USD 205 939 million

UNAMID Since July 2007

African Union/United Nations Hybrid operation in Darfur

USD 1 598 942 million

MINURCAT Since September 2007

United Nations Mission in the Central African Republic and Chad

USD 690 753 million