
Mark Pont, Assessment Programme Lead

Sian Rasdale
Chief Statistician
Foreign, Commonwealth and Development Office
(by email)

22 August 2023

Dear Sian

Official Development Assistance Statistics

We recently completed our compliance check of FCDO's [Official Development Assistance \(ODA\) Statistics](#) against the [Code of Practice for Statistics](#). These are important statistics that measure aid flows by UK official agencies or their executive agencies (including but not limited to FCDO) to developing countries and multilateral organisations in line with the international definition of ODA. They include total UK spend on ODA, and as a proportion of Gross National Income (GNI) in the form of the ODA:GNI ratio. These statistics have been of significant public interest not least since 2020, when the UK government announced a temporary reduction in its target spend for ODA from 0.7 per cent of GNI to 0.5 per cent of GNI effective from 2021. More recently the statistics were referred to in the media with reporting of the FCDO's [ODA programme data](#) for its international programme for the next two years.

Our review found that the statistics demonstrate widespread compliance with the Code of Practice and should continue to be designated as National Statistics. It is clear both from the published outputs and from talking to your team how much hard work has gone into the development of these statistics and how much ambition there is to further improve them. We found a range of positive features, as well as some areas for improvement that we consider would enhance the trustworthiness, quality and value of the statistics:

- We commend your team for its responsiveness to user feedback by developing a dashboard, which aims to provide users with much greater insight. The dashboard when finalised, will enable users to interact with the data will bring greater transparency of UK aid data.
- It is also good that your team considered the public value that [Gross Public Expenditure](#) statistics provided, in response to user feedback which found these statistics no longer remained relevant or useful, discontinued their production.
- The merger of the former Foreign and Commonwealth Office and the Department for International Development resulted in the need to bring together two separate reporting accounting systems and different methods used to estimate ODA-eligible administrative costs. After reviewing these methods, against the OECD Development Assistance Committee (DAC) directives, FCDO has introduced coherence in the reporting accounting systems and an interim method to calculate

the ODA-eligible proportion of FCDO administration costs. We commend FCDO on the transparency of its [interim methodology](#).

- In 2018 OECD DAC introduced changes to the methodology used to calculate ODA, which affected the treatment of loans. To help the public understanding and address any misconceptions of what ODA includes, FCDO published clear [technical notes](#) to explain how ODA is calculated. However, to further improve the transparency, FCDO might publish additional information explaining to users where the OECD guidance can be applied directly and where it needs to be interpreted in the UK's local context.
- Using a new centralised financial information database, FCDO has recently updated information on [data sources](#), showing the wide range of other government department administrative sources used to compile the ODA statistics. The new database will also bring further opportunities to improve data collection processes. To reassure users about the quality of these sources and improved data collection processes, FCDO should consider updating its Quality Assurance of Administrative Data (QAAD) using OSR's [QAAD toolkit](#) to support this process.

Looking beyond Statistics on International Development:

- In October 2022 the Independent Commission for Aid Impact (ICAI) raised four recommendations in its [Transparency in UK Aid review](#), which included:
 1. Setting and applying standards for transparency to all aid portfolios (including arm's-length bodies)
 2. Committing to achieving a standard of 'very good' in the Aid Transparency Index by 2024
 3. Resuming the publication of forward aid spending plans, cross departmental development results and country aid priorities
 4. Working with other donors to support greater use of International Aid Transparency Initiative (IATI) data.
- In December 2022 FCDO [published a response](#) to the review, where it has:
 1. Rolled out of a single finance and HR IT system throughout the department, which has allowed all ODA programmes in the FCDO to be brought onto a single platform. This has allowed for a more unified transparency process, with systems to assess, approve and collate ODA programme data.
 2. Committed to achieving a standard of 'very good' in the Aid Transparency Index by 2024 and publish forward looking ODA allocations and is carrying out improvements to publications of country development strategies.
 3. Committed to publishing annual reports and accounts information that support accountability and describe programme allocations clearly.
 4. Committed to supporting greater use of IATI data across all recipient countries of ODA.
- To further improve transparency, it would be helpful if FCDO published its plans on how it will address the publication of arm's-length bodies information, along with a record of any significant decisions to continue, discontinue, adapt, or provide statistics through other means. These decisions should be supported and driven by user feedback.

We would like to thank you and your team for your positive engagement during this review. In order to continue complying with the Code, we ask that you report back to us with your plans for addressing our recommendations above by December 2023. Our Economy, Business and Trade domain will continue to engage with you and your team on progress in the coming months. Please do not hesitate to get in touch if you would like to discuss any aspects of this letter further.

I am copying this letter to Jane Casey, Head of ODA delivery, eligibility and reporting.

Yours sincerely



A handwritten signature in black ink, appearing to read 'Mark Pont', is written over a thin horizontal line. The signature is cursive and somewhat stylized.

Mark Pont
Assessment Programme Lead