

# AIDmonitor glossary

## Organisation for Economic Co-operation and Development (OECD)

The Organisation for Economic Co-operation and Development is an intergovernmental organisation with 38 member countries, founded in 1961 to stimulate economic progress and world trade. It is a forum whose member countries describe themselves as committed to democracy and the market economy, providing a platform to compare policy experiences, seek answers to common problems, identify good practices, and coordinate domestic and international policies of its members<sup>1</sup>.

## OECD Development Assistance Committee (OECD DAC)

The OECD Development Assistance Committee is an international forum of many of the largest providers of aid, including 32 members. The overarching objective of the DAC is to promote development co-operation and other relevant policies so as to contribute to implementation of the 2030 Agenda for Sustainable Development, including inclusive and sustainable economic development, the advancement of equalities within and among countries, poverty eradication, improvement of living standards in developing countries, and to a future in which no country will depend on aid<sup>2</sup>.

## Official Development Assistance (ODA)

Official development assistance (ODA) is defined by the OECD Development Assistance Committee (DAC)<sup>3</sup> as government aid that promotes and specifically targets the economic development and welfare of developing countries. The DAC adopted ODA as the “gold standard” of foreign aid in 1969 and it remains the main source of financing for development aid. ODA flows to countries and territories on the DAC List of ODA Recipients and to multilateral development institutions are:

- i. Provided by official agencies, including state and local governments, or by their executive agencies; and
- ii. Concessional (i.e. grants and soft loans) and administered with the promotion of the economic development and welfare of developing countries as the main objective.

The DAC list of countries eligible to receive ODA is updated every three years and is based on per capita income: <http://oe.cd/dac-list>.

ODA data is collected, verified and made publicly available by the OECD at <http://oe.cd/fsd-data>.

OECD statistics are the only source of official, verified and comparable data on aid reported by 30 members of the OECD Development Assistance Committee (DAC) and about 80 other providers of development co-operation, including other countries, multilateral organisations and private foundations.

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<sup>1</sup> <https://www.oecd.org/about/>

<sup>2</sup> <https://www.oecd.org/dac/development-assistance-committee/>

<sup>3</sup> <https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/What-is-ODA.pdf>

## Creditor Reporting System (CRS)

The objective of the CRS Aid Activity database is to provide a set of readily available basic data that enables analysis on where aid goes, what purposes it serves and what policies it aims to implement, on a comparable basis for all DAC members. Data are collected on individual projects and programmes. Focus is on financial data but some descriptive information is also made available.

The AIDmonitor elaborated data from the CRS because it is the database that contains more parameters and allows a project-based approach to ODA analysis.

The complete list of CRS codes used to define agrifood systems is available in the Annex.

## Development Finance for Climate and Environment

The OECD DAC statistics track development finance in support of climate change adaptation and mitigation through two “Rio markers” that identify if climate change is the principal objective of the activity, or a significant one. The detailed methodology for Rio markers is available [HERE](#).

The [climate-related development finance statistics](#) published by the OECD also include the “climate components” reported by Multilateral Development Banks. The climate components methodology identifies the components of a project that directly contribute to or promote adaptation and/or mitigation. It is a quantitative measure expressed in USD. The components are calculated in accordance with the [joint MDB methodology for tracking climate mitigation finance](#) and the [joint MDB methodology for tracking climate adaptation finance](#).

The methodological note on the OECD DAC Climate-related development finance databases is available [HERE](#).