

Defining & Measuring Development Assistance from GCC Countries

A Methodological Note

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Introduction

The foreign aid apparatus that Gulf Cooperation Council (GCC) countries have put in place has unique features that create challenges and ambiguities when seeking to apply formal definitions and measurement criteria for Official Development Assistance (ODA). In recognition of the importance of GCC donors and their distinctive aid delivery methods and mechanisms, we seek here to develop a working methodology for defining ODA and other kinds of development finance in GCC countries that takes into consideration the unique features and institutional framework of GCC country aid.

This methodology is based on the OECD-DAC's existing framework for ODA and OOF, but there are several points (highlighted in yellow in Section One) where we expand or adapt the OECD-DAC criteria to address the unique components of GCC country aid. In particular, we have created additional categories of aid that we think help provide a more comprehensive description of GCC country aid, including Official Religious Aid (ORA) and Non-Governmental Development Assistance (NGDA). For clarity, we have also added a category to capture other flows outside of these categories (Other International Flows). The first section defines these different categories and their criteria. In the second section of this methodology, we apply these criteria to specific types of aid that are common in GCC countries. We will build on this section and add more detail as our data collection activities continue.

In developing this methodology, we rely on the valuable work that the United Arab Emirates (UAE) has undertaken (through the Ministry for International Cooperation and Development (MICAD)) to link its foreign aid reporting framework with other international bodies like the Organization for Economic Cooperation and Development (OECD) and the United Nations.

In this effort, we are seeking common ground for reporting that will help enhance understanding of the major role that GCC donors play in development cooperation and humanitarian assistance. We hope that it can be a useful resource as relevant stakeholders engage in efforts to further develop such common standards.

Section One: Overview of Aid Classifications:

ODA, OOF, Official Religiously-Affiliated Aid (ORA), Non-Governmental Development Assistance (NGDA), and Other Flows

Official Development Assistance

Source of Funds	Description
Governmental	“Official flows comprise transactions undertaken by the official sector (i.e. Government) at their own risk and responsibility, regardless of the source of funds (taxation of or borrowing from the private sector)” ¹
Official multilateral organizations	<p>The OECD maintains a list of multilateral agencies that can be considered sources of ODA. However, this list does not include most multilaterals based in Arab countries despite their adherence to OECD DAC criteria for eligible international organizations (see Annex 1). For this reason, we will determine the eligibility of multilateral organizations based on these criteria, rather than exclusively using the OECD’s existing list (see Section 2, Source of Funds, Multilaterals).</p> <p>While earmarked contributions to multilateral organizations are counted as bilateral aid, core contributions are counted as multilateral aid.²</p>
Individuals in Royal Family with Official Decision-Making Power	<p>This is an extension of the decision in the UAE reporting framework, endorsed by the OECD-DAC, to count donations from Emirs as official funding,³ as well as a US Department of Justice ruling that sets out specific criteria for defining royal figures as ‘official’:</p> <ol style="list-style-type: none"> 1. Has an official role/title in the government (past roles are considered relevant here) 2. Has influence over government decision-making, financing, etc. 3. Has ability to ascend to a government position due to royal status 4. Receives material benefits for being a royal family member 5. Acts in some capacity as a representative or on behalf of the royal family.⁴

Purpose of Funds	Description
Economic development or welfare in the developing country is the primary purpose	This excludes funds to promote the donor-country government and its culture. Such funds could be classified as Other Official Flows (OOF) (see OOF Criteria, below). In accordance with existing OECD criteria, it does include funding that builds recipient capacity for social and cultural activities (construction of museums, sports training, etc.), but not one-off interventions (sponsoring a cultural festival). ⁵

¹ OECD, “Is it ODA Factsheet,” November 2008. <http://www.oecd.org/investment/stats/34086975.pdf>, p. 3

² OECD, “Annex 2 List of ODA-eligible international organisations.” July 2014. <http://www.oecd.org/dac/stats/annex2.htm>

³ United Arab Emirates (UAE) – Ministry of International Cooperation and Development (MICAD), “Foreign Aid Reporting Framework of the United Arab Emirates,” 2013, p.11

⁴ See Crowell Moring, “Are Members of Royalty “Foreign Officials” Under the FCPA? Not Always, But Tread Carefully in the Arabian Gulf States,” All News and Alerts, 20 Nov 2013, <http://www.crowell.com/NewsEvents/AlertsNewsletters/all/Are-Members-of-Royalty-Foreign-Officials-Under-the-FCPA-Not-Always-But-Tread-Carefully-in-the-Arabian-Gulf-States>

⁵ OECD, “Is it ODA Factsheet,” November 2008. <http://www.oecd.org/investment/stats/34086975.pdf>, p. 2

This category can also include tied aid, as long as it is still concessional in nature and primarily serves development purposes.⁶

Please see below (Official Religiously-Affiliated Aid) for classification of aid that is linked to religious purposes. We will categorize aid within the ORA-3 category as ODA, given that it primarily serves a development purpose, and that – practically – it is difficult to separate from regular ODA if it is not explicitly identified as religious aid by the donor organization.

Please note, inclusion of the ORA-2 and ORA-1 in OOF or other categories should be decided pending further discussion among GCC donors and other development institutions.

Nature of Funds	Description
Is Concessional	Must have a grant element of at least 25 percent, calculated against a notional reference rate of 10 percent per annum. In the face of falling interest rates (which have been significantly below 10 percent in member countries), loans must still be below market interest rates to be considered concessional. ⁷
Recipient of Funds	Description
Countries below the high-income level, according to the OECD-DAC List of ODA Recipients	This criterion is based on per-capita GNI as published by the World Bank. Every three years, the DAC revises the list of ODA-eligible recipient countries. Countries that exceed the high-income threshold for three consecutive years lose their eligibility for ODA. ⁸
Eligible international agencies, specific-purpose funds, and eligible NGOs	<p>The OECD has a list of ODA-eligible international organizations, including multilateral organizations, international NGOs, networks, and PPPs (see Annex 2 of the Statistical Reporting).⁹ However, this list excludes many development organizations operating in the Middle East despite their adherence to the eligibility criteria (see Annex 1 below).</p> <p>The OECD Recommends that donors use their own judgment when determining whether assistance allocated to specific-purpose funds and national NGOs are ODA eligible based on the nature of such funds/NGOs.¹⁰</p> <p>For these reasons, we will actively generate a list of proposed ODA-eligible international agencies, international NGOs, national NGOs, and other funds as part of our data collection activities. Earmarked funding or subsidies to these organizations will be considered as bilateral aid.</p>

⁶ OECD, Trade And Agriculture Directorate, “Arrangement On Officially Supported Export Credits,” January 2014, TAD/PG(2014)1, p. 19

⁷ OECD, “Is it ODA Factsheet,” November 2008. <http://www.oecd.org/investment/stats/34086975.pdf>, p. 3

⁸ OECD-DAC. “DAC List of ODA Recipients: Factsheet January 2012,” <http://www.oecd.org/dac/stats/49483614.pdf>

⁹ OECD Development Cooperation Directorate, “Converged Statistical Reporting Directives For The Creditor Reporting System (CrS),” DCD/DAC(2013)15/ADD1/FINAL, 11 June 2013, [http://www.oecd.org/dac/stats/documentupload/DCD-DAC\(2013\)15-ADD1-FINAL-ENG.pdf](http://www.oecd.org/dac/stats/documentupload/DCD-DAC(2013)15-ADD1-FINAL-ENG.pdf)

¹⁰ OECD, “Annex 2 List of ODA-eligible international organisations.” July 2014. <http://www.oecd.org/dac/stats/annex2.htm>

Other Official Flows (OOF)

OOF face the same restrictions as ODA regarding the source of funds (to avoid repetition, these criteria are not included below), but are more flexible regarding the purpose and concessionality of flows. In the past, the OECD-DAC list of OOF recipients was more inclusive than for ODA; in particular, it included More Advanced Developing Countries and Territories (MADCTs)¹¹ and Eastern European bloc countries.¹² While the OECD-DAC has not tracked OOF to these countries in recent years, we have decided to include them as recipients of OOF given the historic precedent, and because this is more consistent with GCC donor practices.

Purpose of Funds	Description
Funds that meet the ODA requirements for concessionality but do not serve a primarily development purpose	Concessional loans or grants to developing countries for representational or essentially commercial purposes, such as export support and associated financing, or aid that promotes the donor country and its culture. ¹³

Nature of Funds	Description
Loans that serve a primarily developmental purpose, but do not meet ODA requirements for concessionality	Does not have a grant element of at least 25% ¹⁴

Recipient of Funds	Description
Countries below the high income level, MADCTs, and Eastern European countries	In addition to ODA-eligible countries, we include ‘more advanced’ developing countries like Eastern European countries and MADCTs as OOF recipients. ¹⁵

Official Religiously-Affiliated Aid (ORA)

¹¹ OECD, “OECD Linked Data – MADCTS.”

http://oecd.270a.info/code/1.0/CL_REF_TOTALOFFICIAL_DAC_RECIPIENT/10025.html

¹² OECD, “History of DAC Lists of aid recipient countries.”

<http://www.oecd.org/dac/stats/historyofdaclistsfofaidrecipientcountries.htm> ; OECD Query Wizard for International Development Statistics, “Other official flows-disbursements (DAC2b).” 2013;

¹³ OECD, “Detailed aid statistics: Other official flows OOF”, OECD International Development Statistics (database), 2011, doi: 10.1787/data-00075-en.

¹⁴ OECD. “Glossary of Statistical Terms: Other Official Flows (OOF),” 2013, <http://stats.oecd.org/glossary/detail.asp?ID=1954>

¹⁵ OECD, “OECD Linked Data – MADCTS.”

http://oecd.270a.info/code/1.0/CL_REF_TOTALOFFICIAL_DAC_RECIPIENT/10025

Given the existence of official religious organizations in GCC countries and the important role that religion plays in the aid of many GCC countries, we believe that an aid reporting framework for GCC countries should include religiously-affiliated aid, but also distinguish this aid from other ODA or OOF in order capture its idiosyncrasies. The precise methodology for how these flows should be included in ODA and/or OOF should be informed by an inclusive dialogue led by GCC countries and other stakeholders. As a preliminary step and to help contribute to such a future dialogue, we have created a separate category of flows, ORA, based on the following criteria.¹⁶

It is important to note that we define Official Religiously-Affiliated Aid (ORA) by the purpose of aid alone. In other words, any official or semi-official source of aid can provide ORA and we do not assume that development financing from a given source (including official religious organizations like the Ministry of Religious Affairs or semi-official religious charities) is ORA. By applying the same criteria to all sources of aid, we can develop more nuanced and comprehensive information on ORA.

Purpose of ORA	Description
Explicitly religious activities (ORA-1)	Aid where the exclusive purpose is to facilitate religious worship or other religious activities. This could include construction of mosques, exclusively religious education (including Qur'anic schools), etc.
Aid linked to religious activities (ORA-2)	Aid that addresses religious worship or other religious objectives, but also serves other development objectives. This could include food aid during religious holidays (fast-breaking meals during Ramadan, meat donations during Eid al Adha, etc.), funding of religious schools that also provide instruction in other subject areas, etc.
Aid with a special religious meaning (ORA-3)	Aid that promotes the development and welfare of the recipient country (i.e., fits into existing ODA purpose codes) ¹⁷ but also holds special religious importance. This could include activities that are common forms of zakat or sadaqa, like aid to orphans/orphan sponsorship. <i>Note that ORA-3 will be categorized as ODA. Because it is difficult to distinguish from ODA when it is not explicitly identified as religious aid, it will not be included in the cumulative ORA figures.</i>

Non-Governmental Development Assistance

¹⁶ It should be noted that we are departing somewhat from the UAE Reporting Framework here. While the UAE has created a separate category for “Charity” aid that primarily includes religiously-affiliated aid, it does not distinguish between the religious nature of these activities (i.e., aid for ORA-3 activities are considered the same as ORA-1 activities.) Instead, their activity categories include: Seasonal Programs, Religious Education, Religious Sites, and Support to Individuals or Small Communities. We believe it is important to acknowledge the ways in which this aid overlaps with ODA or not, and so have developed a new categorization system.

¹⁷ See ‘Code List 2014,’ DAC and CRS Code Lists, Organization for Economic Cooperation and Development (OECD). <http://www.oecd.org/dac/stats/dacandcrscodelists.htm>

The Non-Governmental Development Assistance (NGDA) category seeks to capture international development assistance from non-official sources. These flows are subject to similar requirements as ODA for the purpose, concessionality, and recipient of funds. This category can also include the proportion of non-official aid coming from semi-governmental organizations, royal foundations, public campaigns, etc. (see ODA, Source of Funds, above). Given the prominence of private giving and the fact that many forms of non-official aid are closely affiliated with governmental aid or stimulated by official policies or declarations, capturing these flows is important. Further, this category is consistent with the aid reporting methods of UAE and Qatar, which both report non-official foreign aid along with official aid in their annual foreign aid reports; as such aid is still often seen as a form of national aid.

Source of Funds	Description
Non-governmental organizations, foundations, etc.	Organizations without ties to the government or royal family.
Private donors	Individual donors not acting on behalf of the government. This can include royal family members if they do not meet the Department of Justice criteria for an 'official' royal figure (see ODA Source of Funds, above).

Purpose of Funds	Description
Economic development or welfare in the developing country is the primary purpose	<p>This excludes funds to promote the donor and its culture (representational flows). Such funds could be classified as Other International Flows. However, this category can include funding that builds recipient capacity for social and cultural activities (construction of museums, sports training, etc.), but not one-off interventions (sponsoring a cultural festival).¹⁸</p> <p>This category can also include tied aid, as long as it is still concessional in nature and primarily serves development purposes.¹⁹</p> <p>This category can also include aid that promotes the development and welfare of the recipient country but also holds special religious importance (i.e., flows that correspond with ORA-3, except from non-official sources).²⁰ This could include activities that are common forms of zakat or sadaqa, like aid to orphans/orphan sponsorship.</p> <p><i>Please note that flows that serve an explicitly religious practice or that are linked to religious activities (corresponding to ORA-1 and ORA-2, except from non-official sources) should be marked as Other International Flows (although this categorization should be reviewed following discussion among relevant stakeholders).</i></p>

Nature of Funds	Description
Is Concessional	Must have a grant element of at least 25 percent, calculated against a notional reference rate of 10 percent per annum. In the face of falling interest rates (which have been significantly below 10 percent in member countries), loans must still be below market interest rates to be considered concessional. ²¹

¹⁸ OECD, "Is it ODA Factsheet," November 2008. <http://www.oecd.org/investment/stats/34086975.pdf>, p. 2

¹⁹ OECD, Trade And Agriculture Directorate, "Arrangement On Officially Supported Export Credits," January 2014, TAD/PG(2014)1, p. 19

²⁰ See 'Code List 2014,' DAC and CRS Code Lists, Organization for Economic Cooperation and Development (OECD). <http://www.oecd.org/dac/stats/dacandcrscodelists.htm>

²¹ OECD, "Is it ODA Factsheet," November 2008. <http://www.oecd.org/investment/stats/34086975.pdf>, p. 3

Recipient of Funds	Description
Countries below the high-income level, according to the OECD-DAC List of ODA Recipients	This criterion is based on per-capita GNI as published by the World Bank. Every three years, the DAC revises the list of ODA-eligible recipient countries. Countries that exceed the high-income threshold for three consecutive years lose their eligibility for receipt of development assistance. ²²
Eligible international agencies, specific-purpose funds, and eligible NGOs	We will use the ODA- eligibility criteria for international agencies, specific-purpose funds, and NGOs to determine eligible recipients of IDA (see ODA, Recipient of Funds, above).

Other International Flows

This final category captures all other international financial flows not included in the categories above. The only requirement for this category is that the flows are transferred internationally. There are no requirements for the source, purpose, nature (concessionality), or recipients of these flows.

Other International Flows can include:

- *Official flows to countries not eligible to receive ODA or OOF*
 - *Countries that are identified by the World Bank as high income (for three consecutive years), and are not MADCT or Eastern European countries*
- *Official international flows that are outside of the OOF framework*
 - *Military assistance*
- *Non-development flows from non-official sources*
 - *Representational aid or aid for one-off cultural activities from non-official sources*
 - *Religious aid corresponding to ORA-1 and ORA-2 (except from non-official sources), although this classification should be reviewed following discussions among relevant stakeholders*
 - *Flows from non-official sources that do not meet concessionality requirements*
- *Flows from non-official sources to countries not eligible to receive ODA or OOF*
 - *Countries that are identified by the World Bank as high income (for three consecutive years), and are not MADCT or Eastern European countries*

²² OECD-DAC. "DAC List of ODA Recipients: Factsheet January 2012," <http://www.oecd.org/dac/stats/49483614.pdf>

Section Two: Application in GCC Countries

This section applies the above criteria to a variety of examples of 1) funding sources, 2) types of funding (purpose), 3) concessionality terms and 4) recipients that are common among GCC donors.

It is important to note that in the classifications below, we are considering examples based on only one criterion at a time. For example, while an example of a source may be official and thus qualify for ODA, we must then examine the purpose, concessionality, and recipients of any aid coming from that source before ultimately classifying it as ODA or not.

1) Funding sources

Funding Source	Suggested Classification	Discussion
Governmental body	Official	All government agencies represent official sources of funds. This includes any religious government institutions, like the Ministry of Religious Affairs or Zakat Funds (although these may be classified as ORA instead of ODA, depending on the purpose of funds, see Section 1, Official Religious Aid)
Multilateral Organizations	Official	Key ODA-eligible multilateral organizations in which GCC countries participate include the Islamic Development Bank (IsDB), the Arab Fund for Economic and Social Development (AFESD), the OPEC fund for International Development (OFID), the Arab Bank for Economic Development in Africa (BADEA), the Arab Monetary Fund (AMF), and the Arab Gulf Program for United Nations Development Organizations (AGFUND).
De-Facto Government Organizations	Partially Official	<p>The UAE and OECD-DAC classified the UAE Red Crescent as an official aid organization because it is run by the Ruler and receives government funding.²³ The Saudi Red Crescent is similar in this respect. We will use the UAE precedent to identify other, similar institutions in GCC countries. However, we will only count funding that comes from public sources as official aid, similar to the case with Royal Foundations and Public Campaigns (below). To do so, we will:</p> <ol style="list-style-type: none"> 1. Seek out any information on annual donations from official sources and the percentage that it represents of the annual budget <ol style="list-style-type: none"> a. If official funding from the most recent year or year in question is not available, all information on official funding from the last 10 years will be considered. We will take the average percentage of official funding over those years where data is available 2. If no information on funding from official sources is available, we will apply a standard low estimation of likely official contributions. This estimate will be generated by taking the average of official contributions for other similar institutions in that country.²⁴
Public	Partially Official	Public Relief Campaigns are common in the Kingdom of Saudi Arabia

²³ UAE Reporting Framework, p.11

²⁴ The method of identifying a standard percentage used to classify similar organizations is an extension of the method used by donors in the past to determine sectoral/sub-sectoral allocation of General Budget Support (GBS), whereby average national expenditures on a sector determine the sectoral “share” of GBS. See the [Muskoka Methodology](#).

Campaigns		(KSA), and similar public campaigns exist in other GCC countries. We can apply the same criteria as with the De-Facto Government Organizations (above). Public Relief Campaigns also have a somewhat governmental character: they are initiated by the king, they are under the supervision of the Ministry of Interior, and regional governors are responsible for organizing regional funds.
Royal Foundations and charities with strong government or royal ties	Partially Official	Due to the blurred line between governmental and non-governmental organizations, we will apply the same method as De-Facto Government Organizations and Public Campaigns (above) for foundations and charities where influential royal figures (see DoJ criteria, Section 1, Source of Funds) serve both as active leaders AND contributors to the institution.
Zakat or other religiously-oriented charities with strong government or royal ties	Partially Official	Same as Royal foundations and charities (above). Note that flows from these sources are likely to be classified as ORA, depending on the purpose of funds (see Section 1, Official Religious Aid).
Any other institutions or NGOs without substantial royal funding/relationship	Not Official	These organizations cannot be considered as official sources of funding, though they may qualify as eligible recipients of ODA (See Section 1, Recipient of Funds and Annex 1) or sources of NGDA

2) Types of funding (purpose)

Purpose/Type of Funding	Suggested Classification	Discussion
Economic development or welfare in developing countries	Development Assistance	This includes ORA-3 from government agencies
Aid for cultural programs	Development Assistance	Aid that promotes cultural institutions in developing countries, like museums, libraries, art and music schools, and sports training facilities and venues counts as ODA, while aid for “one-off” activities does not (see below). ²⁵ If we lack sufficient information to determine the purpose of the project, assume that it is not ODA
Aid for refugees in donor country	Development Assistance	Aid provided to refugees resident in the donor country can be counted as ODA for the first 12 months of the refugees’ residency, or for eventual repatriation. ²⁶ Note that aid provided to other countries hosting refugees is counted as ODA to the host country, regardless of what national

²⁵ OECD, “Is it ODA Factsheet,” p. 2

²⁶ OECD, “Is it ODA Factsheet,” p. 2

		institution accepts the funds, rather than aid to the refugee country of origin. ²⁷ This is the case even with long-term refugee populations, such as Palestinian refugee populations in Jordan, Lebanon, etc.
Financing for primarily commercial purposes, including export facilitating	Not Development Assistance	This includes export support, such as The Saudi Export Program (SEP). ²⁸ This may take the form of credits given directly to an aid recipient by an official agency (official direct export credits), grants to the private sector to soften credits to developing countries, securities issued by multilateral development banks to governments or central monetary institutions at market terms, and funds supporting private investment. ²⁹ This aid is eligible for classification as OOF.
Aid for “one-off” cultural programs	Not Development Assistance	Aid to sponsor a limited-time activity like a specific concert, tour, or sport event or player ³⁰ This aid is eligible for classification as OOF.
Military assistance	Not Development Assistance	Aid to support military or paramilitary activities (including enforcement components of peacekeeping activities and counter-terrorism and anti-piracy activities) cannot be classified as OOF and thus fall within the ‘Other International Flows’ category
		In conflict situations, such as the ongoing Syrian war, it can often be difficult to differentiate between humanitarian and military assistance, especially in cases where the legitimacy of recipient organizations is not clear. We will take a conservative approach in such situations and exclude aid to groups involved in the conflict that is not explicitly identified as humanitarian aid and that is not delivered to a legitimate humanitarian wing/institution .
Aid for refugees in the host country after 12 months of residence	Not Development Assistance	See above (Aid for refugees): in cases where we lack credible information to estimate the length of residency or the refugee status of non-nationals, we will assume that it is not ODA. This is particularly relevant given the large, long-term resident non-national populations in many GCC countries.
		In such cases, the financing can no longer be considered international and thus cannot be classified within this methodology. ³¹
Aid to orphans and other	Development	ORA 3- we are currently classifying this as ODA given that it

²⁷ For an example of aid reporting for Syrian refugees, see Anna Osborne, “Humanitarian Funding to the Syrian Crisis Update-Briefing,” Global Humanitarian Assistance, January 2014, <http://www.globalhumanitarianassistance.org/wp-content/uploads/2014/01/gha-briefing-funding-Syria-13-Jan2014FINAL1.pdf>

²⁸ See The Saudi Fund for Development, “The Saudi Export Program (SEP),” presented at Trade Finance Workshop, Vienna March 2008. http://www.ofid.org/LinkClick.aspx?fileticket=IUf0HOG_QHk%3D&tabid=417&mid=2134

²⁹ OECD, “Detailed aid statistics: Other official flows OOF”, OECD International Development Statistics (database), 2011, doi: 10.1787/data-00075-en.

³⁰ OECD, “Is it ODA Factsheet,” p. 2

³¹ Although we are adhering to the traditional OECD-DAC requirements for refugee assistance, we do believe that the 12-month limit deserves to be reconsidered. This is an important issue in the Middle East, given highly entrenched populations of Palestinian refugees that cannot return, as well as increasingly entrenched Syrian refugee populations as a result of the ongoing civil war. However, this issue is less relevant for GCC countries (which have relatively smaller refugee populations) than for other countries in the region.

vulnerable groups that holds special religious significance (zakat or sadaqa)	Assistance	serves a primarily development purpose in addition to a religious purpose, and that, in practice, it is often difficult to differentiate from non-religiously affiliated aid. However, this categorization should be subject to further discussion among relevant stakeholders
Food and other aid during religious holidays, funding for joint religious and secular education	Discussion Required	ORA 2 - Could be considered for ODA or OOF, pending inclusive discussions among relevant stakeholders.
Construction of mosques, Qur'anic schools, and other aid for religious worship or other religious activities	Discussion Required	ORA 1- Could be considered for ODA or OOF, pending inclusive discussions among relevant stakeholders.

3) Concessional terms

Nature (Concessional) of Funding	Suggested Classification	Discussion
Grants	Concessional	Much of the funding from GCC donors is channeled as grants (with the exception of Kuwait). Grants clearly meet the requirement of at least a 25% grant element.
Loans with at least a 25% grant element, calculated against a nominal reference rate of 10% per annum	Concessional	<p>The main development funds in GCC countries (the Saudi Fund for Development, the Kuwait Fund for Arab Economic and Social Development, the Abu Dhabi Fund for Development) reportedly provide only concessional loans.³² For this reason, we will assume that all loans from these bilateral development funds are concessional.³³</p> <p>Loans from official institutions besides these development funds can only qualify for ODA if the necessary information to determine their concessional status is available.</p>
Governmental purchases of treasury bonds	Not concessional	Some GCC countries have purchased treasury bonds from developing countries that may not meet IMF eligibility requirements as a way to strengthen the recipient country economy. Such bond purchases do not meet requirements for concessional status and thus can only qualify as OOF.

4) Recipients

³² See Development Finance International, "Guide to Donors – Saudi Fund for Development Profile," 2008, <http://www.development-finance.org/en/services/guide-to-donors.html>, P. 3; Kuwait Fund for Arab Economic Development, "Annual Report 2011-2012," 2012, p. 18; Abu Dhabi Fund for Development, "Brief about ADFD," 2008, <http://www.adfd.ae/about/BreifaboutADFD/default.aspx>.

³³ Note that Qatar, which currently provides very few loans in their aid packages, does not currently have an active bilateral development fund, although the Qatar Development Fund is in the process of becoming active. When more is known about this institution and its activities, we will determine how to classify it here.

Recipient of Funding	Suggested Classification	Explanation
Countries below the high-income level	ODA-Eligible	See OECD-DAC list of ODA Recipient Countries ³⁴
MADCT and Eastern European Countries	OOF-Eligible	See History of DAC Lists of Aid Recipient Countries ³⁵ and List of MADCT countries. ³⁶ This list includes significant recipients of GCC aid, such as Bahrain and Oman.
Countries above the high-income level	Not ODA-Eligible	No aid – regardless of source or purpose – to high-income countries can be counted as ODA. This distinction is important, given that GCC countries do give aid to some high-income countries. These can be counted as OOF if the recipient is a MADCT or Eastern European country. Otherwise, these flows can only be counted as ‘Other International Flows’

³⁴ OECD-DAC. “DAC List of ODA Recipients: Factsheet January 2012,”

³⁵ OECD, “History of DAC Lists of aid recipient countries. “

<http://www.oecd.org/dac/stats/historyofdaclistsofaidrecipientcountries.htm>

³⁶ OECD, “OECD Linked Data – MADCTS.”

http://oecd.270a.info/code/1.0/CL_REF_TOTALOFFICIAL_DAC_RECIPIENT/10025

Annex 1: Criteria for Eligibility of Institutions

Criteria for ODA-eligible international organizations, including multilateral organizations, INGOs, Networks, and PPPs³⁷

The main objective must be promoting the economic development and welfare of developing countries. To determine this, one must:

- Examine the mandate of the organization
 - However, the mandate itself is not necessarily sufficient, as an organization may state a development mandate and not follow through, or the mandate may not be clearly development-oriented, even if the organization engages in ODA-activities.
 - “The term developmental is used to denote activities that promote the economic development and welfare of developing countries as their main objective.”³⁸
- Examine the activities of the organization
 - Via a program of work, budget, etc.
 - Steps:
 - Identify any ODA-eligible activities
 - Examine whether those activities are performed *for the benefit of ODA recipients*
 - Estimate “development share” of total program of work (Based on budget, past years’ expenditures, any other available information)
 - Research and other standard-setting or technical assistance can be vague
 - Will have to determine the share of benefit going to developing countries

Criteria for determining whether an NGO is ‘international’³⁹

- An NGO qualifies as “international” when
 - The country has an international coordinating body or extensive network of country/regional field offices
 - Internationally diversified revenue sources
 - A budget of at least 50 million USD

Criteria for ODA-eligible National NGOs

- “There is no list of ODA-eligible national NGOs, and guidance on these is available on request to reporters”⁴⁰

³⁷ Guidelines from OECD, “DAC List Of ODA-Eligible International Organisations General Methodology,” December 2011, <http://www.oecd.org/dac/stats/49194441.pdf>

³⁸ Guidelines from OECD, “DAC List Of ODA-Eligible International Organisations General Methodology,” December 2011, p.4

³⁹ OECD, “Annex 2: list of ODA-eligible Institutions,”

⁴⁰ OECD, “Annex 2: list of ODA-eligible Institutions,” 2013, <http://www.oecd.org/dac/stats/annex2.htm>