

FOREWORD

Introduction

This is the 39th edition of *Statistics on International Development (SID)*, formerly known as *British Aid Statistics*, which is produced annually. It reports on development progress in individual aid recipient countries and on the deployment of official UK financial resources to support such progress.

2. The White Papers on International Development published in 1997 and 2000 made the elimination of poverty the central focus of DFID's work and committed us to the pursuit of internationally agreed targets to this end. *SID* has been developed to reflect the evolving development agenda and DFID's role within this.

3. *SID* provides details of total external assistance, both bilateral and through multilateral agencies, from all official UK sources. Although DFID has moved to resource accounting, *SID* continues to be produced on a cash basis in line with international reporting practices.

4. The statistics are presented mainly on a financial year (April-March) basis, with the exception of the international comparisons, which are based on Development Assistance Committee (DAC) tables prepared on a calendar year basis. Most of the tables cover a five-year period with longer time series of the main aid aggregates shown in Table 2. A consistent

back series is available from Statistical Reporting and Support Group for those tables showing only a five-year run.

5. This edition incorporates new statistics, mainly covering the 2003/04 financial year and calendar year 2003. As a result of the Spending Review announced in July 2004, the development programme budget is set to rise to £5.3 billion in 2007/08. The Government has also undertaken to ensure that the ratio of official development assistance to GNI will rise to 0.47 per cent by the same year. At this rate of progress, the UK will reach the UN target of 0.7 per cent by 2013.

Indicators of development progress

6. The Millennium Development Goals (MDGs) provide a set of internationally agreed objectives for development. The individual goals are derived from a series of United Nation conferences held during the 1990s. These were brought together as the MDGs in the Millennium Declaration, signed by 189 nations in September 2000. There are 8 goals with 18 targets and 48 proposed indicators for monitoring progress (listed on pages 23-24). Of these, 32 are outcome indicators against the first 7 goals, which focus on development priorities within developing countries. The eighth goal has 16 indicators, many reflecting actions required by developed countries in forming a "global partnership for development".

Available information for most of the indicators for the first seven goals is given in Table 1 and the “Indicators of Development Progress” section in *SID*. Any new indicators will be incorporated into future editions as appropriate.

7. Table 1 contains nine sub tables (Tables 1.1-1.9). The first eight cover Income Poverty, Hunger and Population, Education, Maternal and Child Health, HIV/AIDS and TB, Gender, Environment and Infrastructure, International Linkages and Other Economic Indicators. The tables are similar to those in last year’s edition with the main change being the inclusion of an indicator for undernourishment in Table 1.1. Where possible, trend data are included to show progress from 1990, the baseline date for the MDGs, to the current date.

8. For Goal 8, Table 1.9 provides details of DAC donors’ assistance to individual countries while Tables 16-18 give global figures. The figures in Table 1 are the most comprehensive and comparable data available and come from reputable sources such as the World Bank, UN and OECD. The section also contains a short commentary on progress against the MDGs with a focus on the health goals.

Other changes to this edition

9. In line with DAC guidance we have moved to new **income group** classifications based on 2001 data (see glossary for details). The main change is that China is now classified as a lower middle income country. This, together with our support to

Iraq (another middle income country) in 2003/04, resulted in the proportion of our country specific assistance, excluding humanitarian assistance, going to low income countries falling to 74 per cent. If the support to Iraq had been spent in low income countries, the proportion would have increased to 82 per cent.

10. Two new tables have been included on **Poverty Reduction Budget Support** (PRBS). Table 10.1 gives details of expenditure by region and 10.2 contains a breakdown by broad sector. Only four years of data are currently available but the tables will show a five year run in future.

11. Since October 2002, it has been possible to classify projects, including PRBS, with up to six **sector codes**. Tables 9 and 9.1, which show sector breakdowns, are now on this new basis. For this year only, we have included a comparison table (9.2) which shows the changes in broad sector classification that have occurred as a result of the new system. In particular, the amounts recorded against Health and Governance have increased and that for Economic has fallen.

Policy Information Marker System (PIMS)

12. PIMS has a set of markers which are focussed on the MDGs. A new table on page 188 of the PIMS section shows how DFID commitments in 2003/04 targeted the first 7 goals.