Multilateral Shares Analysis at Department for International Development

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◎ About DFID

DFID handles the majority of the UK aid budget which is 0.7% of GDP. The statistics department are responsible for ensuring that the reports DFID produces are accurate and using the most current data from the other government departments.

💬 Objectives

The main goal of my project was to analyse the quality of the imputed multilateral shares estimates that are published by DFID. The estimates derive from the proportion of UK Official Development Assistance that is allocated to multilateral organisations and the proportion that the organisations allocate to each country or sector. DFID calculates their estimates by multiplying the UK core contribution to each multilateral organisation against the organisations' donations to each country and sector. It is important to review funding this data because ODA funding through multilaterals has increased by 47% since 2010 and accounted for 41.7% of total UK ODA in 2014, so is a substantial amount

📈 Research Methods and Focus

The main aim of this project has been to assess and review the quality of the imputed multilateral shares (IMS) data. This report intends to summarise the key findings and give an insight into the trends in the UK IMS data. It has reviewed data available for years 2010-2014 for:

The coverage of the data; distribution of UK Core funding to multilaterals. Trends of UK funding from 2010-2014.

- Distribution of UK funding
- Quality of the data reported;
- Sensitivity of the data; A Closer look at the World Bank and the European Union (EU).

Forecasting methods for country, sector, FCAS, region and income group: using three different methods including average over time, most recent years' distributions and the using the proportional funding for the current year against the most recent years distribution. Testing these methods included using MAPE, MAE and Bias.

The data that I worked with varied from the published imputed estimates to the core data that DFID used to create the estimates. As the main purpose of my project was to assess the overall quality of the estimates one of the first things that I undertook as part of my research was to calculate the estimates myself using the most recent data available.

📄 Key Findings

Multilateral data we report has an accuracy of above 80% consistently.

Inaccuracies are caused by spend being allocated to an 'unspecified' section either from DFID (as no data is available) or from the CRS itself.

No forecasting methods used were very reliable and I suggested that we cannot publish a reliable forecast for this data due to country and sector volatility. The most efficient method was using the percentage distribution of the previous year using data exported directly from the CRS and applying this to the year in question's core funding.

Funding is heavily concentrated between the EU and the World Bank. The World Bank tends to have similar funding patterns to UK bilateral aid whereas the EU's funding is more Eurocentric.

Funding has decreased to the Americas, increased to FCAS states and is still heavily concentrated in the least developed countries.

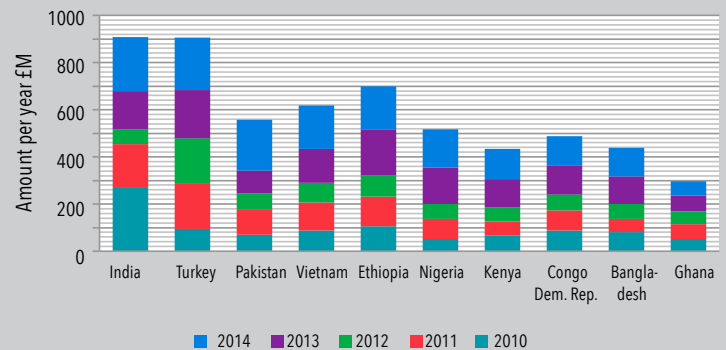For further information on the conclusions please see my email below for the full report.

Figure 1: The coverage of organisations that report to DAC CRS database at the time of original calculation.
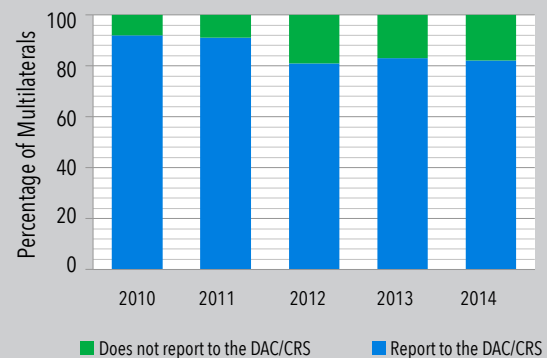

Figure 2: UK imputed estimates for countries that appear in the top 15 recipients every year from 2010-2014 as per DAC proportions at time of calculations.

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