

SUMMARY ANNUAL REPORT ON THE IMPLEMENTATION OF DEVELOPMENT COOPERATION POLICY 2020

Article 12 of Law No 125/2014 stipulates that “the Minister of Foreign Affairs and International Cooperation, in conjunction with the Minister for the Economy and Finance, shall prepare a report on the development cooperation activities carried out in the previous year”. The report:

- a. “shall give an account of the development cooperation activities carried out by all public administrations, and of Italy’s participation in development banks and funds and in multilateral organisations”;
- b. subject to approval by the Interministerial Committee for Development Cooperation, “it shall be sent to the Parliament and to the Unified Conference as an attachment to the outline of the three-year planning and policy document”.

The salient aspects of the **2020 Report** are as follows:

- The total amount of Official Development Assistance (ODA) was **3.73 billion euros**, corresponding to **0.22%** of the Gross National Income (GNI).
- The final value of Italian ODA was determined on the basis of the disbursements reported by 63 organisations, including nine central government administrations, six regions, the Autonomous Province of Bolzano, ten local authorities, 29 state universities and research institutes and seven organisations benefiting from a share of the tax revenue (0.8%).
- The largest contributor to Italian ODA was the Ministry for the Economy and Finance: with disbursements equal to 2.167 billion euros, the MEF contributed 54.94% of total ODA. The figure includes both the amounts pertaining to Cassa Depositi e Prestiti and SACE, and the Italian share of the European Union budget allocated to development cooperation initiatives.
- The Ministry of Foreign Affairs and International Cooperation (MAECI), along with the Italian Agency for Development Cooperation (AICS), has allocated 1.308 billion euros to development cooperation, equal to 33.18% of ODA.
- The Ministry of the Interior has allocated 205.84 million euros, equal to 5.22% of total ODA. This amount was allocated primarily to temporary assistance for refugees and asylum seekers in Italy.
- The remaining 6.65% of Italian ODA, equivalent to approximately 265 million euros, is the sum of the disbursements of other central and local government administrations and universities, and the beneficiaries of the “8 per thousand” tax revenue where it has been allocated to international development cooperation interventions, and the development cooperation bodies that are recipients of the “5 per thousand” tax revenue.
- With reference to **intervention channels**, multilateral channels currently represent 68.74% of total ODA. In particular, multilateral contributions amount to approximately 2.712 billion euros, of which 1.76 billion euros are contributions to the budget of the European Union (the portion reportable as ODA) and to the European Development Fund (EDF).

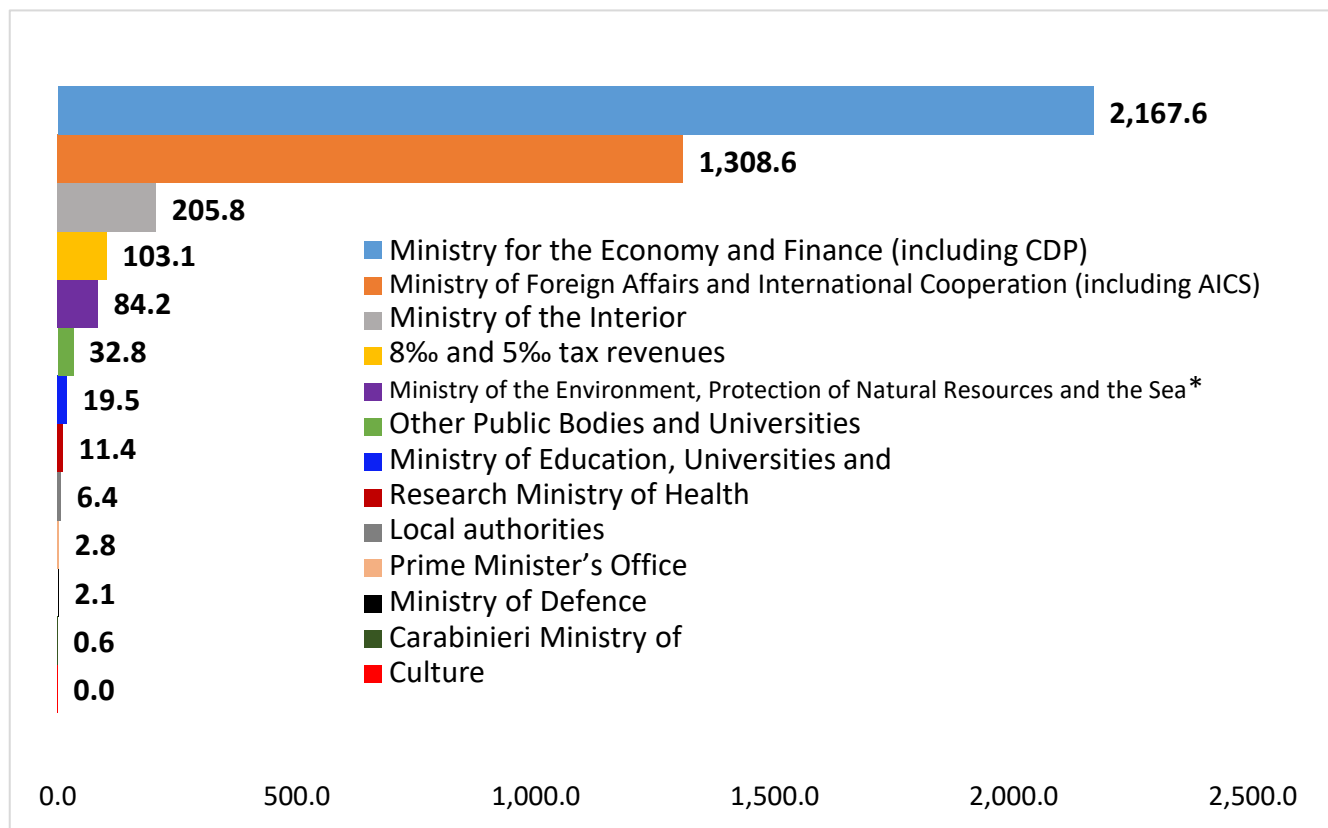
- Bilateral aid represents the remaining 31.26% of total ODA, which corresponds to approximately 1.233 billion euros, of which over 835.4 million euros represents donations and 143.2 million euros aid credits.
- As for the **geographical distribution** of bilateral aid, the disbursements made in 2020 – equal to 438.38 million euros – confirm the priority that the Italian Cooperation system assigns to Africa, an area that absorbs 50.2% of the gross bilateral disbursements that can be geographically distributed, followed by the Balkans and Middle East (19.9%), the Americas (17.2%) and Asia and Oceania (12.7%).
- By **sector**, the greatest commitment was in “education” (15.5%), “health and reproductive policies” (14.5%), “rural development, agriculture and food security” (14.1%), and “governance, peace, rights, other social services” (13.7%). Smaller-scale interventions were made in the sectors “environment and energy” (10.1%), “water and sanitation” (3.1%) and finally in the sector “other, multisectoral” (29.0%).

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Table A – Value of Official Development Assistance (in million €) and ODA/Gross National Income ratio²

TOTAL ODA	ODA/GNI ratio
3,737.8	0.22

Figure 1 – ODA by contributor (in million €)³



*since 2022: Ministry of the Environment and Energy Security (MASE)

Figure 2 – ODA by intervention channel (%)³

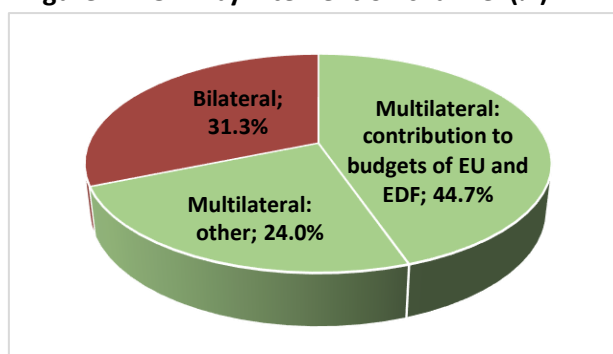


Figure 3 – Geographical distribution of bilateral ODA (%)³

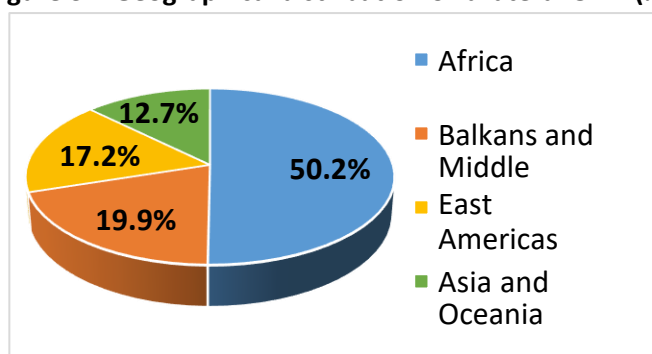
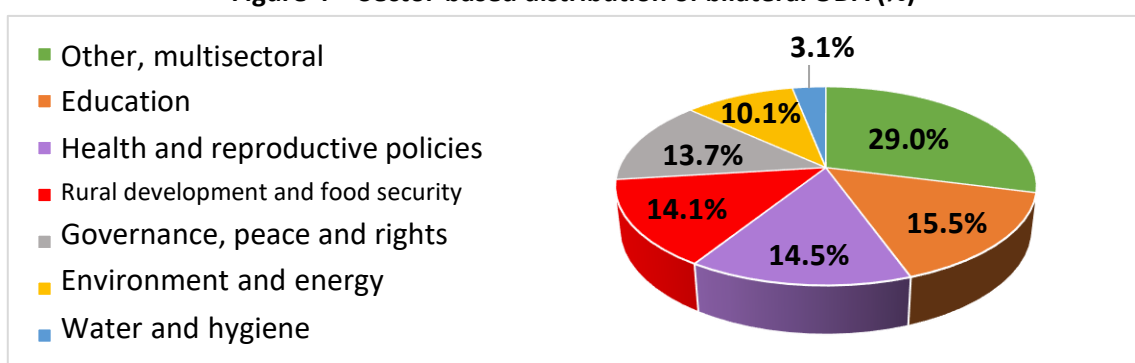


Figure 4 – Sector-based distribution of bilateral ODA (%)³



Notes

1. *The calculations contained in the Report on Development Cooperation Activities carried out in 2020 and in the related summaries and graphics have been prepared using data submitted to the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD) in August 2021. The final figures for Official Development Assistance are published by the Organisation for Economic Co-operation and Development (OECD) on the website: <https://data-explorer.oecd.org/>. There may be slight differences between the data contained in the abovementioned Report and the amounts indicated in the OECD database due to the continuous statistical updating carried out by the OECD.*
2. *The value of Official Development Assistance (ODA) and the ratio of ODA to Gross National Income (Table A) are calculated based on the OECD/DAC methodology for calculating ODA using the “grant equivalent”, introduced in 2018. This methodology allows loans to be converted into donations according to criteria that take into account the income of the recipient country and certain characteristics of the loan (term, grace period, interest rate).*
3. *The data shown in Figures 1, 2, 3 and 4 are based on the gross disbursements of the various funding agencies for Italian ODA. Therefore, the total amount of 6,593.4 million euros in gross disbursements (obtained by adding the ODA contributions of the various financing organisations shown in Figure 1) corresponds to 6,327.2 million euros expressed in grant equivalent in Table A.*