

SUMMARY ANNUAL REPORT ON THE IMPLEMENTATION OF THE DEVELOPMENT COOPERATION POLICY 2021

Article 12 of Law No 125/2014 stipulates that “the Minister of Foreign Affairs and International Cooperation, in agreement with the Minister of 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. is subject to approval by the Interministerial Committee for Development Cooperation, after which “it shall be sent to the Parliament and to the Unified Conference as an attachment to the outline of the three-year Programming and Policy Planning document”.

The salient aspects of the **2021 Report** are as follows:

- The total amount of Official Development Assistance (ODA) was **5.16 billion euros**, corresponding to **0.29%** of the Gross National Income (GNI).
- The value of Italian ODA was determined on the basis of the disbursements reported by 64 organisations, including nine central administrations, six regions, the Autonomous Province of Bolzano, nine local authorities, 27 State universities, two regional organisations supporting the right to education and four organisations benefitting from a portion of tax revenues (“8 per thousand”).
- The largest contributor to Italian ODA was the Ministry of Economy and Finance (MEF): with disbursements equal to 3.3 billion euros, the MEF contributed 59.60% of total ODA. The figure includes the amounts pertaining to Cassa Depositi e Prestiti (CDP) and Italy’s Export Credit Agency and insurance & finance group (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), allocated 1.3 billion euros to development cooperation, equal to 23.36% of ODA.
- The Ministry of the Interior allocated 473.01 million euros, equal to 8.53% of total ODA. This amount was allocated primarily to temporary assistance for refugees and asylum seekers in Italy.
- The remaining 8.51% of Italian ODA, equivalent to approximately 471.82 million euros, is the sum of the disbursements of other central and local administrations and universities, and the beneficiaries of the “8 per thousand” tax revenue portion when allocated to international development cooperation interventions, and the development cooperation bodies receive the “5 per thousand” tax revenue portion.
- With reference to **allocations**, multilateral organisations receive 58.65% of total ODA. In particular, multilateral contributions amount to approximately 3.25 billion euros, of which 1.85 billion euros are contributions to the budget of the European Union (the portion reportable as ODA) and to the European Development Fund (EDF).

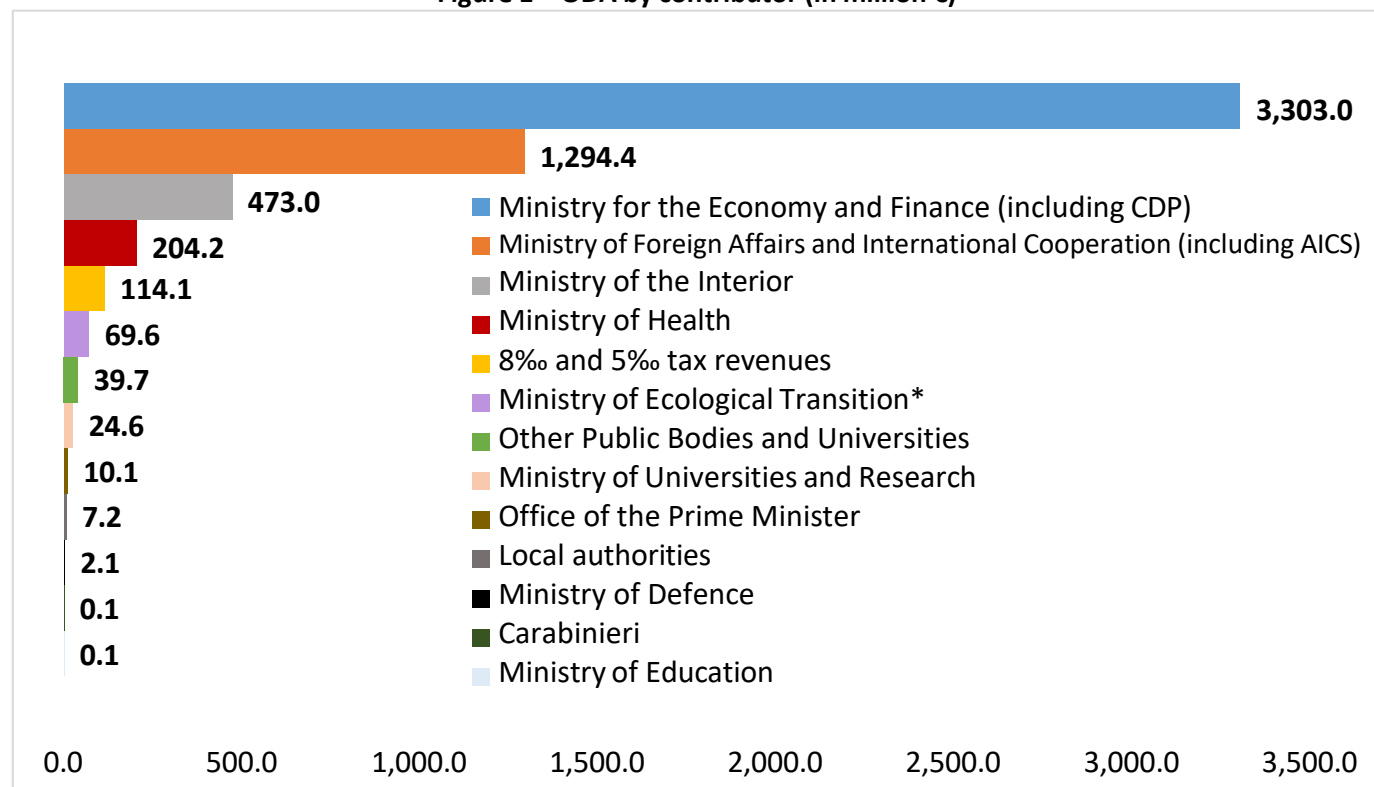
- Bilateral assistance represents the remaining 41.35% of total ODA, which corresponds to approximately 2.29 billion euros, of which over 1.4 million euros represents donations and 847.25 million euros aid credits.
- As for the **geographical distribution** of bilateral assistance, the disbursements made in 2021 – equal to 1.007 billion euros – confirm the priority that the Italian Cooperation system assigns to Africa. This area that absorbs 68.5% of the gross bilateral disbursements that can be geographically allocated, followed by the Balkans and the Middle East (12.6%), the Americas (10.3%) and Asia and Oceania (8.6%).
- By **sector**, the greatest disbursements were in “health and reproductive policies” (28.53%), followed by “education” (17.98%), “governance, peace, rights, other social services” (14.73%), “environment and energy” (13.69%), “rural development, agriculture and food security” (13.01%), indicated as priority sectors in the year Programming and Policy Planning document 2021-2023. Small-scale interventions were allocated in the “multisectoral, other sectors” (8.30%) and “water and sanitation” (3.75%) sectors.

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

TOTAL ODA	ODA/GNI ratio
5,158.7	0.29

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

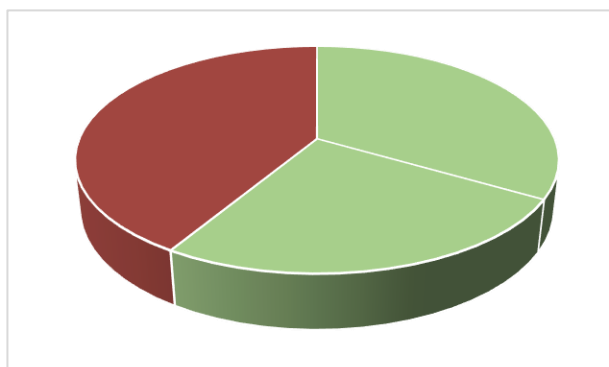


Figure 3 – Geographical distribution of bilateral ODA (%)³

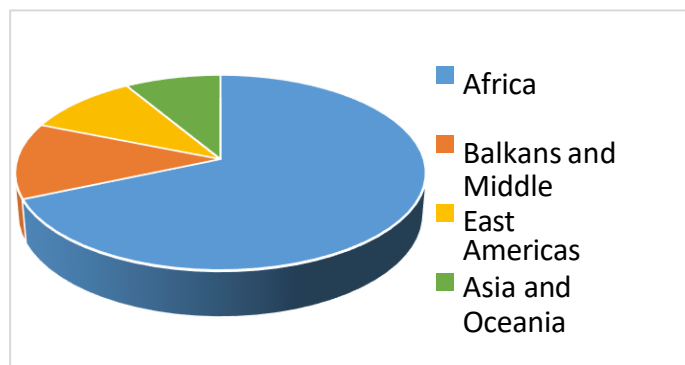
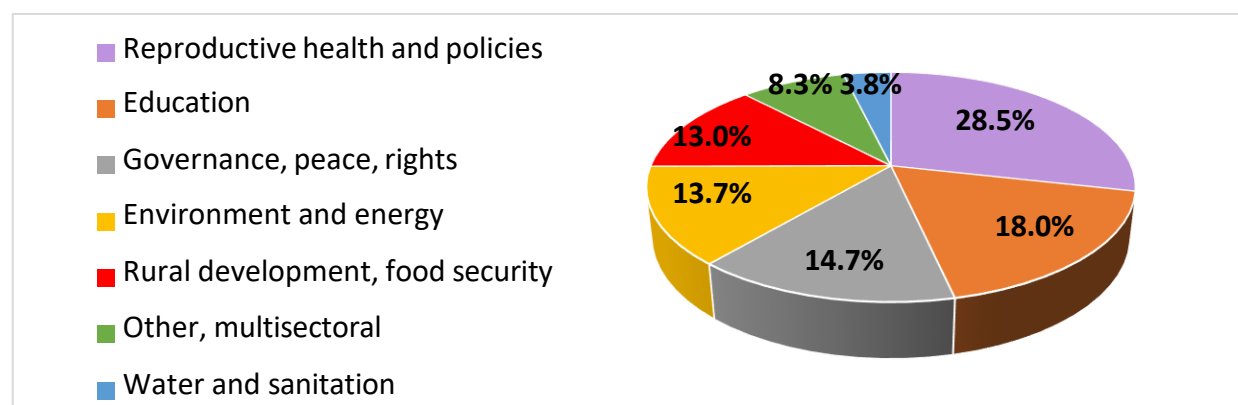


Figure 4 – Sector-based distribution of bilateral ODA (%)³



Notes

1. *The calculations contained in the Report on Development Cooperation Activities carried out in 2021 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 July 2022. 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 5,542.2 million euros in gross disbursements (obtained by adding the ODA contributions of the various financing organisations shown in Figure 1) corresponds to 5,158.7 million euros expressed in grant equivalent in Table A.*