Newton-Mosharafa PhD Programme for 19/20
Guidelines for Applicants

June 2019 Version 0.1

Background

The Newton Fund builds research and innovation partnerships with 17 active partner countries to support their economic development and social welfare, and to develop their research and innovation capacity for long-term sustainable growth. It has a total UK Government investment of £735 million up until 2021, with matched resources from the partner countries.

The Newton Fund is managed by the UK Department for Business, Energy and Industrial Strategy (BEIS), and delivered through 7 UK delivery partners, which includes UK Research and Innovation (comprising the 7 research councils and Innovate UK), the UK Academies, the British Council and the Met Office.

For further information visit the Newton Fund website (www.newtonfund.ac.uk) and follow via Twitter: @NewtonFund Tackling global challenges – such as extreme weather conditions, urbanisation, access to affordable health care, food and energy security, and meeting the social and economic needs of a growing population – requires an integrated research and innovation approach, bringing together communities from different disciplines, sectors, and countries in high-quality collaborations.

Ethics and research governance

It is essential that all legal and professional codes of practice are followed in conducting work supported under this Programme. Applicants must ensure the proposed activity will be carried out to the highest standards of ethics and research integrity. Specifically, applications that involve research on animals, human participants, human tissue or patient/participant data must be accompanied by necessary permission certificates from the relevant local ethical review committees/authorities in the UK and the partner country, or an undertaking to obtain this permission in advance of the activity commencing. Failure to do so will result in applications being rendered ineligible and any funding already committed through this Programme being rescinded.
Please refer to the Research Councils UK 'Policy and Guidelines on Governance of Good Research Conduct' (http://www.rcuk.ac.uk/Publications/researchers/grc/), the InterAcademy Partnership report 'Doing Global Science: A Guide to Responsible Conduct in the Global Research Enterprise' (http://www.interacademycouncil.net/24026/29429.aspx) or contact us at Newton-Mosharafa@britishcouncil.org for further guidance.

Call for Applications

The UK Department of Business, Energy and Industrial strategy (BEIS), the British Council and the Central Department of Missions at the Egyptian Ministry of Higher Education are pleased to invite applications for funding to support Egyptian students to do part or all of their PhD at UK institutions.

1. The PhD Programme will sponsor:
    a. **Full Scholarships**- full three-year PhD with degree awarded by a British Higher Education institution
    b. **Joint Supervisions**- the opportunity to spend a year doing research at a British Higher Education institution as part of a PhD at an Egyptian university

NB: scholars should endeavour to complete their research within 3 years if awarded a full scholarship, and 1 year if awarded a joint supervision scholarship. Extensions **are not allowed** under any circumstances.

2. Please note, **there are no appeals** for the Newton-Mosharafa PhD scholarship programme and by applying you explicitly accept these terms and conditions of the scholarship

3. Applicants **cannot** change their mission type from one mission to another (General Mission to Joint supervision or from Joint supervisions to General Mission) after submitting their application. Applicants will need to withdraw and re-apply in the next call if they decide they would change to other mission.

4. Applicants must be employed by a university or research Centre which is part of the Central Department of Missions plan. For a full list of eligibility criteria, please see appendix 1 pages 11- 12.

5. The Newton-Mosharafa PhD Scholarship will cover all living expenses and travel costs, as well as tuition and bench fees. The Fund will not cover the cost of dependents. If scholars wish to travel with dependents they will have to accept the associated costs themselves.

6. Students will need to begin their study within one year from the announcement of award, the exact date will depend on the applicants' host university. If the applicant anticipates any delay in beginning of their studies, they should contact the Central Department of Missions in the first instance to discuss their case, you can send directly to Central Department of Missions Newton.Mosharafa@cdm.edu.eg

7. Research will need to focus on one of the following areas (further details on page 4):
   a. Sustainable Water Management;
   b. Renewable Energy;
   c. Sustainable Food Production;
   d. Affordable and Inclusive Healthcare

8. Egyptians wishing to apply for full PhD scholarships or one-year PhD placements may apply on the British Council website (check website)

9. The deadline for applications for both of these schemes is **on 8th August 2019**. Interviews will be held in **October/November 2019** and decisions are intended to be announced by **February 2020**.

10. Applicants must submit Their **online application (here)** no later than 04:00 pm Cairo time on **8th August 2019.**

11. Applicants have to submit all the required documents to the Central Department of Missions office in (4 Ibrahim Najib Street - Garden City - second floor) before the deadline of **8th August 2019 at 02:30** pm otherwise your application will be ruled ineligible. A full list of required documents can be found in Appendix 1 of this document (page 12 - 13).

12. Please note that the deadline for submission of the IELTS Certificate and the university offer letter is by the end of September 2019.

13. A full list of eligibility criteria can be found in Appendix 1 of this document (page 11- 12).

Context

14. The Newton-Mosharafa Fund aims to bring together the British and Egyptian scientific research and innovation sectors to find joint solutions to the challenges facing Egypt in economic development and social welfare.

15. In Egypt, the Fund is worth £50 million GBP over seven years and is supported by the British and Egyptian governments through a ministerial agreement.

16. The PhD Scholarship fund is managed by the British Council and the Central Department of Missions.

17. The funding on the UK side comes from the Department of Business, Energy and Industrial Strategy, with the British Council also serving as a contributing partner.

18. The funding on the Egyptian side comes from the Ministry of Higher Education and Scientific Research.

19. The UK's Newton Fund money is classed as **Official Development Assistance (ODA).** Newton Fund activities need to demonstrate that they aim to generate lasting benefits or improve the economic and social welfare of Egypt. Applicants should ensure that their research adheres to ODA eligibility criteria before they apply (full information about ODA can be found in Appendix 2 of this document page 15-17).

Aims

20. The aim of the Programme is to facilitate the capacity building of individuals through full PhD scholarships and one year PhD placements. These will be focussed on research areas which have been identified at the country level as important for fulfilling the Fund goals. Please refer to the section on priority sectors.

21. The approach will be student centred to ensure that the best possible development experience is provided for each student.

22. The PhD programme will enable students to:

- Learn valuable new skills or techniques;
- Access facilities or resources not readily available in their home country;
- Build relationships with potential new collaborators, including industry partners where relevant;
- Advance complementary collaborative research;

23. Supervisors are encouraged to engage and participate in the programme to ensure that an appropriate research environment for the student is accessible at host institutions, and to encourage the development of sustainable relationships between institutions.

Outcomes

24. The primary outcomes of the Newton Mosharafa PhD programme will be the following:

- Development of individual capacity through international training and development opportunities.
- Highly trained researchers in Egypt with international experience, able to contribute to the absorptive capacity for research and innovation and thus bring about economic and social benefits.
- Participation of Egyptian PhD students in international intellectual networks, building cultural understanding, and fostering long-term sustainable research collaborations.
- Development of international joint training pathways.
- Awareness of the research strength of the UK and Egypt.

Priority sectors

25. Applications are welcome in any subject or research area that is relevant to following four priority themes:
    a. Sustainable water management
    b. Energy
    c. Sustainable food production
    d. Affordable and inclusive healthcare
26. The overall goal of Newton-Mosharafa is the economic development of Egypt. Applicants will need to be able to demonstrate how their PhD research contributes to the economic development of Egypt.

27. If the number of candidates in one particular field or specialisation is high, then we reserve the right to apply quotas at our discretion to ensure that scholarships awarded support the national interest/Egypt Vision 2030.

28. Applications under the priority theme: cultural heritage and archaeology won't be accepted as part of the programme this round.

Eligibility

29. A full list of eligibility requirements can be found at the end of this document in appendix 1 pages 11- 12.

Funding arrangements

30. In 2019/2020 the Newton-Mosharafa Fund will grant roughly 25 full scholarships and one-year placements. The programme will run again next year subject to funding availability from both partners.

31. Funding from the UK Department for Business, Energy and Industrial Strategy, via the British Council, will cover tuition, research and bench fees at UK universities.

32. The upper limit for the tuition and research fees for the general mission is £25,000 GBP per annum.

33. While the upper limit for joint supervision is £10,000 GBP per annum – please note, the Fund doesn't pay tuition fees for joint supervision.

34. The amount of tuition and/or bench fees requested by the hosting institution will be taken into consideration by the review panel when making the final decision on which applicants to fund. Acceptance letters from the University should specify the tuition fees (if applicable) and bench fees to be charged, including a brief breakdown of costs for bench fees which shall be submitted by the interview day be beginning of September.

35. The Central Department of Missions will cover travel and living expenses, including flights (economy), accommodation allowance, living stipend, insurance and visa costs according to the regulations of the Central Department of Missions.

The table below provides a detailed breakdown of the living costs offered to the PhD scholar:

Item	**Amount in £ Pounds Sterling**	**Frequency**
Arrival allowance	440	Once
Monthly stipend	1100	Monthly (Inside London)
Housing allowance	165	
Monthly stipend	880	Monthly (Outside London)
Housing allowance	132	
Book allowance	880	Yearly
Clothes allowance	880	Yearly

36. The Fund will not cover the cost of dependents. If scholars wish to travel with dependents, they will have to accept the associated costs themselves.

37. The Fund will not cover conferences fees or purchasing equipment.

Eligibility criteria

38. The applicants should ensure their applications meet the criteria set out below. The principles underlying the assessment of applications will be:

- All questions on the Application Form are answered;
- All eligibility conditions are met and requested documents are submitted where Central Department of Missions will carry out the eligibility checks (A full list of eligibility conditions and documents required be found at the end of this document in appendix 1 pages 11-13)
- The research area is relevant to the Newton-Mosharafa Fund priorities which are:
    - Sustainable water management
    - Energy
    - Sustainable food production
    - Affordable and inclusive healthcare
- The research area is **ODA eligible;** (see Appendix 2 pages 15-17)
- The activities are planned to deliver the outcomes in the most effective way. If the applicant applies for a mission and it is deemed by the reviewers that it could be completed more appropriately with different mission, the application will be ruled ineligible. Yet, the scholar can apply again the following year for the recommended mission by the interview panel.
- The mobility programme will contribute towards developing a long-term sustainable partnership between UK and Egyptian universities.

Evaluation process

39. Applications will be screened for their relevance to the country priorities.

40. The British Council will conduct initial screening and will conduct a peer review process to select an initial list of potential candidates. This list will be submitted to the British Council's and Central Department of Mission's pool of scientific expert reviewers who will assess the proposals.

41. The British Council will screen all proposals to ensure that they adhere to ODA principles.

42. After the ODA review and the panel reviews, the British Council and Central Department of Missions will then conduct interviews with those on the short-list to come up with the final list of successful candidates.

Contracting and Financial Arrangements

43. The Egyptian Cultural Bureau in London will be responsible for arranging the academic bookings for all successful selected scholars and will be responsible for negotiations with the host institute regarding fees.

44. The host institution will be responsible for:
    - Provision of financial accounts to detail how Newton-Mosharafa funds have been spent on each PhD student over the reporting periods by the end of March in each year of the scholarship.
    - Alerting the British Council to any substantive changes that will impact on project outcomes.

45. For three-year scholarships, funding for each year will be dependent on successful completion of the previous year's study.

Support to students

46. The Newton-Mosharafa PhD Programme expects that the host institution offers high standards of supervision, management and mentoring to full scholarship and placement students. In your proposal, you might want to consider the following:

    - The host institution's standards of supervision, management and mentoring.
    - Support and training supervisors receive so that they provide the highest-quality supervisory support for their doctoral students
    - Mechanisms that are in place to assess, provide for and monitor individual doctoral student needs and offer the student appropriate development opportunities
    - Professional and transferable skills training offered to doctoral students, including training in the principles of good research conduct in their discipline and in the relevant ethical, legal and professional frameworks
    - Learning and training opportunities available to doctoral students to raise awareness of the broader context of their research area, particularly in reference to societal and ethical issues, and the importance of engaging the public with research

For further information on UK standards for doctoral training, please refer to the 'Statement of Expectations for Doctoral Training' http://www.rcuk.ac.uk/RCUK-prod/assets/documents/skills/statementofexpectation.pdf

Prospective applicants from participating countries currently without UK collaborators should note that Universities UK International (UUKi) is offering match-making service to help connect Newton partner country researchers to potential UK partners. Applicants wishing to use this service should complete UUKi's Partner Request Form. Their partnership request will also be included in UUKi's Opportunities for Collaboration webpage.

Reporting and Monitoring

47. Each PhD student and supervisor will submit a report, detailing training progress and financial accounts, to the Egyptian Cultural Bureau in London as per their procedures and guidelines for each year of the scholarship or placement.

Diversity

48. The British Council is committed to equal opportunities and diversity in all our activities. This includes avoidance of bias due to gender, disability, racial or ethnic origin, sexual orientation, or religious belief.

For more on the British Council's approach, see our Equality Policy at: https://www.britishcouncil.org/about-us/how-we-work/policies/equality-diversity-inclusion

Data protection

How we use your information

49. The British Council will use the information that you are providing for the purposes of processing your application, making any awards, monitoring and review of any award.
50. We shall share any necessary data on your application with the UK Department for Business, Energy and Industrial Strategy, and with our funding partners in your country in order to assist with management of the application process; any decisions on grants will be made in collaboration with them.
51. Organisation details, where collected, are used for monitoring and evaluation and statistical purposes. Gender information, where collected, is used solely in preparing statistical reports.
52. The British Council collects country of origin for reporting and statistical purposes and to contact you within your own country.
53. Under UK Data Protection law you have the right to ask for a copy of the information we hold on you, and the right to ask us to correct any inaccuracies in that information. If you want more information about this please contact your local British Council office or the Data Protection Team inforgovernance@britishcouncil.org or see our website: https://www.britishcouncil.org/privacy-cookies/data-protection.

Key dates (please note that these dates may be subject to change):

Activity	Date (please note that these dates are estimates and might be slightly changed)
Call Open	10th June 2019
Closing Date	8th August 2019 2:30 pm Cairo Time for submission of hard copy files to Central Department of Missions 04:00 Pm for submitting the online application
Shortlisting of the candidates	September 2019
Final Interviews	October – November 2019
Deadline for submission of IELTS results Deadline to submit university offer letter	End September 2019
Successful candidates notified	Feb 2020

Contact point

If you have any enquires or faced any technical problems when uploading your application, please send an email to:

Newton.Mosharafa@britishcouncil.org

Annex 1: Details on eligibility requirements, supporting documents to submit, and other important information for all applicants.

General Conditions for General Mission

1. Scholarship should be in a UK institution for higher education
2. Study should in one of the four themes of Newton-Mosharafa (check page 3) apart for the clinical research (Medical and dentistry), applications that will be applied in clinical research will not be accepted.
3. Applicant must be an assistant lecturer or a research assistant in one of the bodies listed in the Central Department of Missions' plan who has been appointed for no less than two years by the application date.
4. Applicant's age should not exceed 30 years by the date of the Call for Application, according to clause (11) in Central Department of Missions law number (112) for year 1959,also the clause permitted for the executive committee after taking opinion of home Institute to grant an extension of a maximum of two years beyond the limit of 30 for circumstances related to general good (Contact the Central Department of Missions for more details).
5. Applicants should have obtained a master's degree in the Mission's discipline.
6. General Estimate of the Applicant's first-level university degree should be "Very Good", at least.
7. If the applicant has already registered for the PhD degree, then the registration date should not be exceeding one year by the date of the Call for Application. And if the applicant didn't register for PhD, the date of receiving his/her Master's degree date shouldn't exceed two years.
8. Applicant should have obtained an IELTS score of 6 as a requirement for applying. **Higher levels of language proficiency required by the potential host university shall take precedent** (presuming they are at least a minimum of IELTS score of 6). See page 14 for more details.
9. Applicant should have finished his military service or exempted.
10. Applicant shouldn't have received a scholarship or grant from government to have the PhD before. In case the applicant has received a scholarship from government or through a programme funded by Central Department of Missions then he has to implement it and his recommendation for this Newton Mosharafa scholarship will be cancelled
11. The Data Form should be signed and stamped by the home institution.

General Conditions for joint supervision

1. Scholarship should be in a UK institution for higher education.
2. Study should in one of the four themes of Newton-Mosharafa (check page 3).
3. Applicant must be an assistant lecturer or a research assistant in one of the bodies listed in the Central Department of Missions' plan who has been appointed for no less than two years by the application date
4. General Estimate of the Applicant's first-level university degree should be "Very Good", at least.

5. Applicant's age should not exceed 35 years by the date of the Call for Application.
6. The Applicant should have registered for the PhD degree as a requirement for travel. Registration should not be exceeding two years by the date of the Call for Application.
7. Applicants should have obtained a master's degree in the Mission's discipline.
8. Applicant should have obtained an IELTS score of 6 as a requirement for applying. **Higher levels of language proficiency required by the potential host university shall take precedent** (presuming they are at least a minimum of IELTS score of 6). See page 14 for more details.
9. Applicant should have finished his military service or exempted.
10. Applicant shouldn't have received a PhD mission or scholarship before. In case the applicant has applied for a scholarship and his/her application was not decided on by the date of the Call for Application, the applicant should be dispatched to the scholarship in case his/her application is accepted and the nomination for the mission should be cancelled.
11. Data form should be approved from the sending Institution (certified and stamped by college and university).
12. The joint supervision mission shall be implemented within one year of results announcements

Documents:
Required Documents and conditions for General Mission Applicants

1. Accredited certificate of the first-level university degree and General Estimate in English
2. Accredited Certificate with the estimates of all the different subjects in all academic years as well as the General Estimate for each academic year separately.
3. Certificate for Master's degree or its equivalent.
4. A Certificate with the Ph.D. registration date: accredited and stamped by the faculty council, in case the applicant has registered the PhD.
5. The applicant should have attained master's degree in the Mission's Specialization.
6. Valid Language certificate on date of application with 6 on IELTS or the higher IELTS score required by Host University, the certificate should be valid for two years from exam date. (See page 14 for more details)
7. A certified statement verifying that the applicant did not receive a mission or scholarship or a scientific mission through mission sector before. (Joint supervision, internal mission, foreign mission, scientific mission, a state one of the programs missions expenses, or any other program funded by Central Department of Missions).
8. Approved, signed and stamped PhD study plan in no more than 3 pages from head of Department of home university and dean of the faculty or the Head of the research centre the study plan and the cover of it must not have any personal data.
9. A certificate verifying the applicant's Military Service Status.
10. Preliminary approval of the research plan from the host UK professor (acceptance letter).

11. Approval of the employer to apply for the mission accredited by the Vice President for Post Graduate Studies and Research (endorsement letter: template can be found on British Council website).
12. Three different professors' names that can be referred to them when there is a need and their contact details.
13. Dara data form approved and stamped by college and University (attached the template on British Council website)
14. Copy of ID

Required Documents and conditions for Joint Supervision Applicants

1. Accredited English certificate of the first-level university degree and General Estimate.
2. Accredited English Certificate with the estimates of all the different subjects in all academic years as well as the General Estimate for each academic year separately.
3. Accredited Certificate for Master's degree or its equivalent.
4. The applicant should have attained master's degree in the Mission's Specialization.
5. Valid Language certificate on date of application with 6 on IELTS or the higher IELTS score required by Host University, the certificate should be valid for two years from exam date. (See page 14 for more details)
6. A certified statement verifying that the applicant did not receive a mission or scholarship or a scientific mission through mission sector before. (Joint supervision, internal mission, foreign mission, scientific mission, a state one of the programs missions expenses, or any other program funded by Central Department of Missions).
7. Approved, signed and stamped PhD study plan in no more than 3 pages from Department or section of home university and dean of the faculty and the university vice president or the Head of the research centre (English / Arabic), the study plan and the cover of it must not have any personal data.
8. Certificate with Date of PhD registration approved by the employer (university approval for registration).
9. Preliminary approval of the research plan from the host UK professor.(acceptance letter)
10. Approval of the employer to apply for the mission accredited by the Vice President for Post Graduate Studies and Research (Endorsement letter template attached on the British council website)
11. Three different professor's names that can be referred to them when there is a need and their contact details.
12. Accredited data forms from home institution (certified and stamped from the college and university).
13. Copy of ID

General condition for applying:

Each applicant shall submit:

Endorsement letter from the home Institution to confirm the home university approval to apply for the mission accredited by the Vice President for Post Graduate Studies and Research (Endorsement letter template can be found here) deadline for the submission of the Endorsement letter from home university is by **8th August 2019**.

Acceptance letter from the host supervisor**:**to confirm his/her acceptance for hosting the PhD scholar and confirmation of title and the research proposal they agreed on, mission type and duration of the stay, deadline for the submission of the acceptance letter from host supervisor is by **8th August 2019.**

Offer letter from the host Institution, which confirm that the host institution and the supervisor in this institution are willing to host the PhD student and determine the duration of the stay and the fees required. Deadline for submission of the UK university offer letter is by the **end of September 2019**.

IELTS (for both General Mission and Joint Supervision):
For acceptance on to the scholarship, we require a minimum of IELTS 6

Please note, your university could well have different language requirements.
If your university requires a higher IELTS score than 6, then you will need to have attained this by the language score by the end of September 2019.

IELTS 6 is our minimum requirement; if your university requires lower than this, you will still need at least 6 for entrance onto the scholarship scheme and shall submit it the required score to your university to get your host university acceptance offer letter by the end of September 2019.

Appendix 2: ODA (Official Development Assistance) Eligibility Criteria



This note helps donors to decide whether a particular expenditure qualifies as official development assistance (ODA). It supplements the Development Assistance Committee (DAC) Statistical Reporting Directives.

Further guidance on ODA eligibility of expenditures in the field of conflict, peace and security is available in the DAC's "ODA Casebook on Conflict, Peace and Security Activities."

IS IT ODA?

DAC Members occasionally request the Secretariat's view as to whether a particular expenditure should be reported as official development assistance (ODA). This paper outlines the reasoning the Secretariat uses to answer such enquiries, and discusses some specific cases. It should not be taken as a definitive guide to ODA eligibility, since only the DAC may determine such eligibility. Further details are provided in the Statistical Reporting Directives (available at *www.oecd.org/dac/stats/dac/directives*).

Official development assistance is defined as those flows to countries and territories on the DAC List of ODA Recipients (available at *www.oecd.org/dac/stats/daclist)* and to multilateral development institutions which are:

i. provided by official agencies, including state and local governments, or by their executive agencies; and

ii. each transaction of which:

a) is administered with the promotion of the economic development and welfare of developing countries as its main objective; and

b) is concessional in character and conveys a grant element of at least 25 per cent (calculated at a rate of discount of 10 per cent).[1]

1. This calculation helps determine whether a loan is concessional. If the loan satisfies the ODA criteria, then the whole amount is reported as ODA. The grant element itself is not reportable as a flow. Reporting is on a cash (nominal) basis, except for Paris Club debt service reduction (see under "Flows" below).

www.oecd.org/dac/stats IS IT ODA? OECD

ECONOMIC DEVELOPMENT AND WELFARE AS THE MAIN OBJECTIVE

This is often the decisive criterion for determining ODA eligibility. In the final analysis it is a matter of intention. But in order to reduce the scope for subjective interpretations and promote comparable reporting, Members have agreed to limits on ODA reporting, *e.g.*:

- **Exclusion of military aid** - The supply of military equipment and services, and the forgiveness of debts incurred for military purposes, are not reportable as ODA. On the other hand, additional costs incurred for the use of the donor's military forces to deliver humanitarian aid or perform development services are ODA-eligible.
- **Peacekeeping** - The enforcement aspects of peacekeeping are not reportable as ODA. However, ODA does include the net bilateral costs to donors of carrying out the following activities within UN-administered or UN-approved peace operations: human rights, election monitoring, rehabilitation of demobilised soldiers and of national infrastructure, monitoring and training of administrators, including customs and police officers, advice on economic stabilisation, repatriation and demobilisation of soldiers, weapons disposal and mine removal. (Net bilateral costs means the extra costs of assigning personnel to these activities, net of the costs of stationing them at home, and of any compensation received from the UN.) Similar activities conducted for developmental reasons outside UN peace operations are also reportable as ODA, but not recorded against the peacekeeping code. Activities carried out for non-developmental reasons, e.g. mine clearance to allow military training, are not reportable as ODA.
- **Civil police work** - Expenditure on police training is reportable as ODA, unless the training relates to paramilitary functions such as counter-insurgency work or intelligence gathering on terrorism. The supply of the donor's police services to control civil disobedience is not reportable.
- **Social and cultural programmes** - As with police work, a distinction is drawn between building developing countries' capacity (ODA-eligible) and one-off interventions (not ODA-eligible). Thus, the promotion of museums, libraries, art and music schools, and sports training facilities and venues counts as ODA, whereas sponsoring concert tours or athletes' travel costs does not. Cultural programmes in developing countries whose main purpose is to promote the culture or values of the donor are not reportable as ODA.
- **Assistance to refugees** - Assistance to refugees in developing countries is reportable as ODA. Temporary assistance to refugees from developing countries arriving in donor countries is reportable as ODA during the first 12 months of stay, and all costs associated with eventual repatriation to the developing country of origin are also reportable.
- **Nuclear energy** - The peaceful use of nuclear energy, including construction of nuclear power plants, nuclear safety and the medical use of radioisotopes, is ODA-eligible. Military applications of nuclear energy and nuclear non-proliferation activities are not.
- **Research** - Only research directly and primarily relevant to the problems of developing countries may be counted as ODA. This includes research into tropical diseases and developing crops designed for developing country conditions. The costs may still be counted as ODA if the research is carried out in a developed country.
- **Anti-Terrorism** - Activities combatting terrorism are not reportable as ODA, as they generally target perceived threats to donor, as much as to recipient countries, rather than focusing on the economic and social development of the recipient.

ODA ELIGIBILITY OF AID TO MULTILATERALS AND NGOS

Annex 2 of the Statistical Reporting Directives lists those international agencies contributions to which are reportable as ODA. ODA coefficients are provided for United Nations agencies which conduct part of their activities in favour of development. These coefficients are revised every few years in consultation with the agencies concerned.

United Nations agencies have established many specific-purpose funds. These are too numerous, and arise and disappear too quickly, to be listed in the Directives. The same applies to national non-governmental organisations. In both cases, Members must use their judgement as to whether contributions have an ODA character[2]. When in doubt, they may consult the Secretariat, at *dac.contact@oecd.org* providing details of the fund in question.

The Directives also list the main international non-governmental organisations (INGOs) contributions to which are reportable as ODA. These are increasingly numerous. Where Members have contributed to INGOs not on this list, they should assess their ODA character in the light of the INGOs' aims, programmes and membership. If they believe the contribution should be counted as ODA, they should inform the Secretariat so that Members can consider the INGO in the annual review of Annex 2.

2. The coefficient established for an agency partly active in development does not normally apply to specific-purpose funds it sets up, the ODA character of which should be assessed individually. For example, 70 per cent of contributions to WHO's core budget are reportable as ODA. But contributions to WHO's bilharzia programme are 100 per cent ODA-reportable, while contributions to its International Agency for Research on Cancer are not ODA-reportable.

www.oecd.org/dac/stats

OFFICIAL AGENCIES

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). Official agencies include federal, state and local departments and agencies. The market-based transactions of central monetary authorities, however, do not enter into the statistics.

Sometimes one official agency subsidises another. Since the subsidy is internal to the official sector of the donor country, it is not reported as a flow. Rather, the transaction recorded is that between the subsidised agency and the developing country. If this transaction meets the other ODA criteria described in this paper, it is recorded as ODA.

Official subsidies to private firms may be recorded as other official flows (OOF). They are not considered to meet the tests of ODA, since by definition they support activities with a primarily commercial objective.

Official subsidies to private not-for-profit organisations (''non-governmental organisations'') that are active in development are reportable as ODA.

FLOWS

Flows are transfers of resources, either in cash or in the form of commodities or services. Since DAC statistics concentrate on transactions likely to have a development impact, loans for one year or less are not counted. Repayments of the principal of ODA loans count as negative flows, and are deducted to arrive at net ODA, so that by the time a loan is repaid, the net flow over the period of the loan is zero. Interest is recorded, but is not counted in the net flow statistics. Where official equity investments in a developing country are reported as ODA because of their development intention, proceeds from their later sale are recorded as negative flows, regardless of whether the purchaser is in a developed or a developing country.

Disbursements are measured on a cash basis, not an accruals basis, except that:

- wherever contributions to multilateral development banks and funds are made in the form of promissory notes, the full amount of the note is recorded at the time of deposit; and
- the net present value of debt relief provided by implementing a Paris Club debt reorganisation through debt service reduction is reportable as an ODA grant in the year of the reorganisation.

Some transactions not recorded as transfers in balance of payments statistics are nevertheless eligible to be recorded as ODA, since they represent an effort by the official sector in favour of development. These include the costs of developmentally relevant secondary and tertiary education and vocational training (including stipends and travel) provided to developing country nationals in the donor country, the administrative costs of ODA programmes, subsidies to non-governmental organisations, in donor refugee costs and programmes to raise development awareness in donor countries.

Capital investment in the donor country is not regarded as a flow and is therefore not eligible to be reported as ODA. This applies even to the construction and equipment of training and research facilities related to development issues. The running costs of such facilities may, however, be counted as ODA.

CONCESSIONAL IN CHARACTER

From the earliest discussions of the concept of ODA, Members agreed that it should represent an effort in favour of developing countries by the official sector. Loans at market terms were excluded. When in the early 1970s interest rates began rising sharply, it was further specified that loans could only be reported as ODA if they had a grant element of at least 25 per cent, calculated against a notional reference rate of 10 per cent per annum.

These elements remain today. In recent years, long-term interest rates in most OECD Member countries have fallen well below 10 per cent, so the 25 per cent grant element level has become easier to attain. But to qualify as ODA, loans must still be concessional in character, i.e. below market interest rates.

Where concessional and non-concessional financing are combined in so-called ''associated financing packages'', the official and concessional elements may be reported as ODA, provided they have a grant element of at least 25 per cent. Such contributions must also meet the special concessionality tests for associated financing, which are based on market interest rates and set out in the Arrangement on Guidelines for Officially Supported Export Credits (OECD, 2008 Revision).