



“Italy is committed to reaching 0.7% ODA/GNI by 2030 ... As we are not in a position to fill the gap within a short time, we are committed to a steady change of course, not only for solidarity reasons but also to strengthen Italy’s role at the global level.”

– Marina Sereni, Deputy Minister for Foreign Affairs, in *l’Avvenire* newspaper, 1 April 2021

MAIN CHANGES IN 2020

In 2020, Italy was one of the first countries to be severely hit by the COVID-19 pandemic and to implement a nation-wide lockdown. Under these difficult conditions, the dialogue process continued between the Ministry of Foreign Affairs, the Italian Agency for Development Cooperation and national development CSOs. This was consistent with the sectoral legislation, Law 125/2014, and the findings from the 2019 DAC Peer Review,¹ which acknowledges Italy’s support for multi-stakeholder approaches. This made it possible, despite the challenges of the pandemic, to discuss several policies that were then officially adopted, including guidelines on Italy’s role in the global response to COVID-19, sectoral frameworks and the new policies on CSOs’ access to public funds, which paved the way for a new funding round in December 2020.

TRENDS AND PROJECTIONS FOR 2021 AND BEYOND

Mario Draghi became prime minister in February 2021, and the new cabinet confirmed the same leadership in both the Ministry of Foreign Affairs and Development Cooperation and the Italian Agency for Development Cooperation. This gave a continuity that has helped facilitate multi-stakeholder dialogue and participation.

ODA levels remain a major challenge. The standing ask from the Italian CSO community is to increase Italy’s development funding significantly. The Budget Law for 2021/2023 will not achieve the desired results: the aid levels endorsed in the parliament are inflated by the numbers submitted by the Ministry of the Interior for in-country refugee costs, which are in reality much lower according to OECD DAC. We cannot expect Italy’s aid performance to improve over the next few years, as official commitments are stagnating. One bright spot is Prime Minister Draghi’s announcement of “300 million [euros] more for poor countries for vaccines and 200 [million] more for climate and health in poor countries”,² which is a great improvement on the USD 98m that Italy spent on ODA for COVID-19 in 2020.³

CASE STUDY BOX: AN INCLUSIVE RESPONSE TO COVID 19



At the start of the pandemic, the Italian Agency for Development Cooperation and the three national networks of national development CSOs – AOI, CINI and Link 2007 – began to review together its impacts on project activities, to try and avoid major disruptions. Issues assessed ranged from the impacts of the pandemic in partner countries to the safety of development workers, and budget implications. As a result of this dialogue, ad hoc policies were endorsed, including a four-month no-cost extension⁴ and emergency resources to cover the cash components that NGOs were no longer able to match. This COVID-19 Fund provided €13m for supporting some 200 NGO projects.⁵

* ODA amounts featured on the top right and in the tables in this section for Italy are built on the OECD cash flow basis; figures in the main text are built on the OECD grant equivalent basis.

¹ <https://www.oecd.org/italy/oecd-development-co-operation-peer-reviews-italy-2019-b1874a7a-en.htm>.

² May 2021, <https://www.governo.it/it/articolo/lintervento-di-apertura-del-presidente-draghi-al-global-health-summit/16920>.

³ See OECD DAC early data for 2020, April 2021.

⁴ 27 March 2020, <https://www.aics.gov.it/news/2020/57469/>.

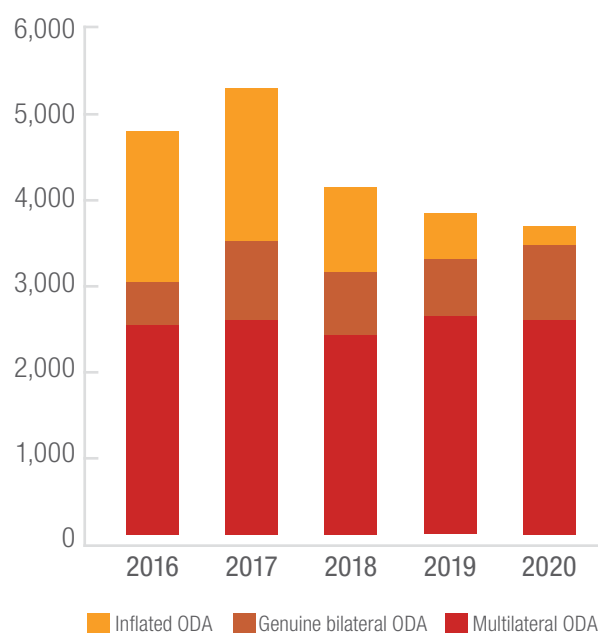
⁵ <https://www.aics.gov.it/2020/58865/>.

RECOMMENDATIONS TO THE ITALIAN GOVERNMENT

- Increase ODA levels towards the internationally agreed commitments by endorsing a credible timeline to raise aid volumes from the current 0.22% to at least 0.30% by 2024; to avoid endorsing unrealistic projections, members of parliament should seek clarification on officially declared refugee costs.
- Further implement multi-stakeholder approaches to development cooperation to bring more non-executive actors into decision making; fully implement the relevant provisions on transparency and participation introduced in the sectoral legislation, Law 125/2014.
- Secure the comprehensive and inclusive implementation of the most recent DAC recommendations on enabling CSOs.
- Implement the 2019 effectiveness plan and complement it with a whole-country effectiveness framework.

ITALY – GENUINE AND INFLATED ODA

(€ million, constant 2019)



ODA TO LDGS (€ million, constant 2019)

LDC	ODA to LDGS	ODA to LDGS (% GNI)	ODA to LDGS (% total ODA)
2016	868.81	0.05	18.20
2017	1,046.60	0.06	19.93
2018	1,013.66	0.06	24.56
2019	1,081.78	0.06	28.43

ODA TO DRM (€ million, constant 2019)

DRM	ODA for DRM	DRM (% bilateral)	DRM (% total ODA)
2016	0.17	0.01	0.00
2017	0.25	0.01	0.00
2018	0.48	0.03	0.01
2019	0.31	0.03	0.01

AID MODALITY (€ million, constant 2019)

Year	Bilateral gross	Grants	Loans	Loans (% of gross bilateral)
2016	2,337.53	2,270.38	67.15	2.87
2017	2,875.40	2,609.44	265.95	9.25
2018	1,819.68	1,748.09	71.59	3.93
2019	1,310.68	1,206.42	104.26	7.95

ODA TO SUPPORT GENDER EQUALITY (€ million, constant 2019)

Gender focus	Bi allocable	Total Screened	Not Screened	None	Significant	Principal	Significant (% of screened)	Principal (% of screened)
2016	618.06	534.30	83.75	321.80	197.37	15.13	36.94	2.83
2017	1,031.62	743.46	288.16	365.11	352.23	26.13	47.38	3.51
2018	850.73	634.91	215.82	273.23	308.98	52.69	48.67	8.30
2019	832.18	686.32	145.86	338.20	291.30	56.82	42.44	8.28

ODA TO SUPPORT CSOs (€ million, constant 2019)

CSO support	Non-CSO	Donor-CSO-Earmarked	International-CSO-Earmarked	Recipient-CSO-Earmarked	Donor-CSO-Core	International-CSO-Core	Recipient-CSO-Core	Total bilateral CSO support, % bilateral	Total bilateral CSO support, % total ODA	Core bilateral CSO support, % bilateral	Core bilateral CSO support, % total ODA
2016	2,089.88	32.17	6.74	0.05	128.84	12.97	0.01	7.96	3.79	6.25	2.97
2017	2,472.42	69.29	9.69	0.02	32.83	6.57	77.61	7.35	3.73	4.38	2.23
2018	1,505.69	91.70	13.17	0.34	30.73	6.72	83.75	13.07	5.49	7.00	2.94
2019	970.18	81.18	9.53	0.02	29.42	6.50	84.82	18.43	5.56	10.52	3.17