

Ireland ODA Budget Profile

Budget4Change

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1. Budget Process

Financial Timetable

An overview of the annual financial timetable in respect of a particular year of account (referred to below as 'year N') is set out below:

Year N-1 (i.e. the year preceding Year N):

(a) **June:** The Minister for Finance prepares a **Budgetary Strategy Memorandum (BSM)** for the Government, setting out the Department of Finance's assessment of the budgetary and economic outlook into the medium term. In this context, the Department of Finance reviews the current year (i.e. *year N-1*) and prepares projections of revenues and of expenditure involved in maintaining the existing levels of public services for each of the three subsequent years (i.e. *years N to N+2*).

(b) **Mid-October:** The Department of Finance publishes a **Pre-Budget Outlook (PBO)**, giving an updated medium-term economic and fiscal outlook for *years N to N+2*. The PBO includes detailed pre-Budget Estimates for *year N*.

(c) **Late October:** The Department of Finance holds detailed discussions with Departments on their proposed expenditure allocations for the following three years, with particular regard to *year N*. In this context, the Minister for Finance may hold bilateral discussions with Ministerial colleagues.

(d) **November:** In the light of these discussions, the Minister for Finance formulates proposals for adjustments to the pre-Budget Estimate allocations for *years N to N+2*. The Minister brings these proposals to Government for approval.

(e) **Late November/early December:** The White Paper on Receipts and Expenditure is published on the weekend before Budget Day.

(f) **Early December:** The Minister for Finance presents his annual Budget Statement to the Dáil, usually on the first Wednesday in December, setting out the Government's taxation policy, expenditure decisions and budgetary targets for year N.

All of the expenditure adjustments to the pre-Budget Estimates are published in a **Budget Estimates Volume**.

(g) **Late December:** The annual Appropriation Act is passed giving statutory effect to the Estimates, including any Supplementary Estimates, voted by the Dáil for the current year.

Year N:

(h) **February:** The annual Finance Bill is published, to give legislative effect to the tax changes proposed in the Budget Statement and to other detailed taxation measures deemed necessary. The Bill is referred by the Dáil to the Select Committee on Finance and the Public Service for detailed consideration.

The **Revised Estimates Volume** for year N is also published in February, showing the full detail of the Budget Estimates. The individual Estimates are referred by the Dáil to their relevant Select Committees for consideration, together with the **Annual Output Statements** after which the Dáil votes on the individual spending Estimates.

(i) **March - June:** The Department of Finance begins the process of formulating expenditure policy, in the context of overall economic and fiscal policy, for the 3-year period $N+1$ to $N+3$, leading up to the Budgetary Strategy Memorandum (BSM).

2. Key documents and links

Main budget documents: <http://www.budget.gov.ie/Budgets/2010/2010.aspx>

Development Aid in the budget

Irish Aid annual report: http://www.irishaid.gov.ie/publications_report.asp

3. Availability of forward ODA budgeting

Although the annual Budget Strategy Memorandum contains estimates of future spending for three years, it only states the total amount of expenditure on foreign affairs and does not explicitly state the future spending plans of Ireland's development programme.

4. Departmental budgets

4.1 Principal development agency

Ireland's main agency for development co-operation is the Irish Aid (formerly known as Development Cooperation Ireland) which is managed by the Development Cooperation Division of the Department of Foreign Affairs. Whilst overall responsibility for Irish foreign policy, including assistance to developing countries, lies with the Minister for Foreign Affairs, the minister is assisted by a Minister of State for Overseas Development and a Minister of State for European Affairs.

The Irish Aid programme provides assistance to over 90 countries worldwide, including nine partner countries where Ireland is engaged in long-term strategic assistance.

For a breakdown of the most recent budget of Irish Aid, see appendix A.

4.2 Other departments / ministries

The breakdown of Irish ODA across the various agencies / ministries is given below:

Department / Agency	2002		2003		2004		2005		2006		2007		2008	
	ODA ('000 EUR)	% of total	ODA ('000 EUR)	% of total	ODA ('000 EUR)	% of total	ODA ('000 EUR)	% of total	ODA ('000 EUR)	% of total	ODA ('000 EUR)	% of total	ODA ('000 EUR)	% of total
Irish Aid	342,868	81%	371,664	83%	395,623	81%	465,460	80%	595,405	73%	725,753	83%	768,737	83%
Department of Finance	11,287	3%	10,095	2%	20,515	4%	23,203	4%	122,040	15%	43,728	5%	43,695	5%
Department of Agriculture, Fisheries & Food	4,994	1%	4,870	1%	6,681	1%	7,744	1%	9,159	1%	11,207	1%	13,581	1%
Department of Environment, Heritage & Local Government	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	3,616	0%
EU Budget (Development Cooperation)	57,261	14%	53,159	12%	59,788	12%	72,357	13%	78,380	10%	81,994	9%	85,295	9%
Other	5,648	1%	5,918	1%	6,316	1%	9,695	2%	8,977	1%	8,188	1%	5,739	1%
TOTAL ODA ('000 EUR)	422,058		445,706		488,923		578,459		813,961		870,870		920,663	
GDP (million EUR)	103,429		111,671		122,552		136,055		149,130		162,453		155,909	
ODA % of GDP	0.41%		0.40%		0.40%		0.43%		0.55%		0.54%		0.59%	

Department of Finance

The department of finance typically contributes 3%-5% of Ireland's ODA each year, mostly comprising various multilateral contributions.

The breakdown of the department of finance's ODA in 2008 was as follows:

Department of Finance

IDA	24,233
IDA - HIPC Trust Fund	6,410
IMF - PGRF	100
Asian Development Bank	7,402
Revenue Commissioners Tax Deductibility Scheme	5,550
	43,695

Department of Agriculture Fisheries and Food

The Department of Agriculture Fisheries and Food contributes approximately 1% of Ireland's ODA each year which is entirely made up of payments to the WFP and the FAO.

Department of Environment, Heritage & Local Government

The Department of Environment, Heritage & Local Government contributed a small (EUR 3.6million) amount of Ireland's ODA. This comprised payments to the Global Environment Facility (GEF) and the UN Framework Convention on Climate Change.

Appendix A – Irish Aid Budget Analysis

	2007		2008	
Bilateral				
Programme Management and Administration	30,059		35,083	
Programme countries	184,954		218,596	
Other countries	29,352		38,169	
Civil Society Funding Schemes	117,609		137,552	
Volunteer Related Programmes	5,452		1,638	
Global Education Initiatives	11,500		9,002	
Global Health Initiatives	19,033		15,642	
HIV and AIDS Initiatives	54,949		42,948	
Other Cross Cutting Programmes	4,267		9,843	
Cooperation with Third Level Institutions	2,303		3,643	
Development Education	5,417		5,719	
Fellowships / Courses etc	3,281		3,038	
Information	1,791		2,281	
Other Programmes	1,872		1,164	
Rapid Response Initiative	5,027		4,500	
Recovery Assistance	25,843		16,962	
Stability Fund	4,450		8,825	
Human Rights & Democratisation				
Emergency Humanitarian Assistance	90,000		87,000	
		597,159		641,605
Multilateral				
European Development Fund	15,271		21,972	
UNDP (Core)	22,500		22,500	
UNDP (Other)	4,365		2,572	
UNICEF (Core)	14,750		16,600	
UNICEF (Other)	1,450		500	
UNHCR	12,750		14,360	
WHO	8,858		3,900	
UN Population Fund	8,500		5,500	
UN Volunteers	1,250		650	
UN High Commissioner for Human Rights	3,800		4,000	
UNAIDS	6,000		6,000	
UNRWA			3,800	
UN Development / Environment Programmes	2,500		1,194	
UN Fund for Women's Development	1,000		600	
UN General Trust Fund	1,130		160	
UN International Drugs Control	1,400		1,000	
UN Office for Co-ordination of Humanitarian Affairs	2,000		1,500	
Other UN	2,629		4,013	
Co-financing with multilateral agencies	9,210		7,730	
Co-financing with World Bank Group	2,810		2,060	
ECDPM	250		350	
WTO	2,570		1,720	
IFAD	2,000		2,000	
OECD	671		691	
Other International Organisations	930		1,760	
		128,594		127,132
		725,753		768,737