

April 2017

aid spending by Development Assistance Committee (DAC) donors in 2016

factsheet

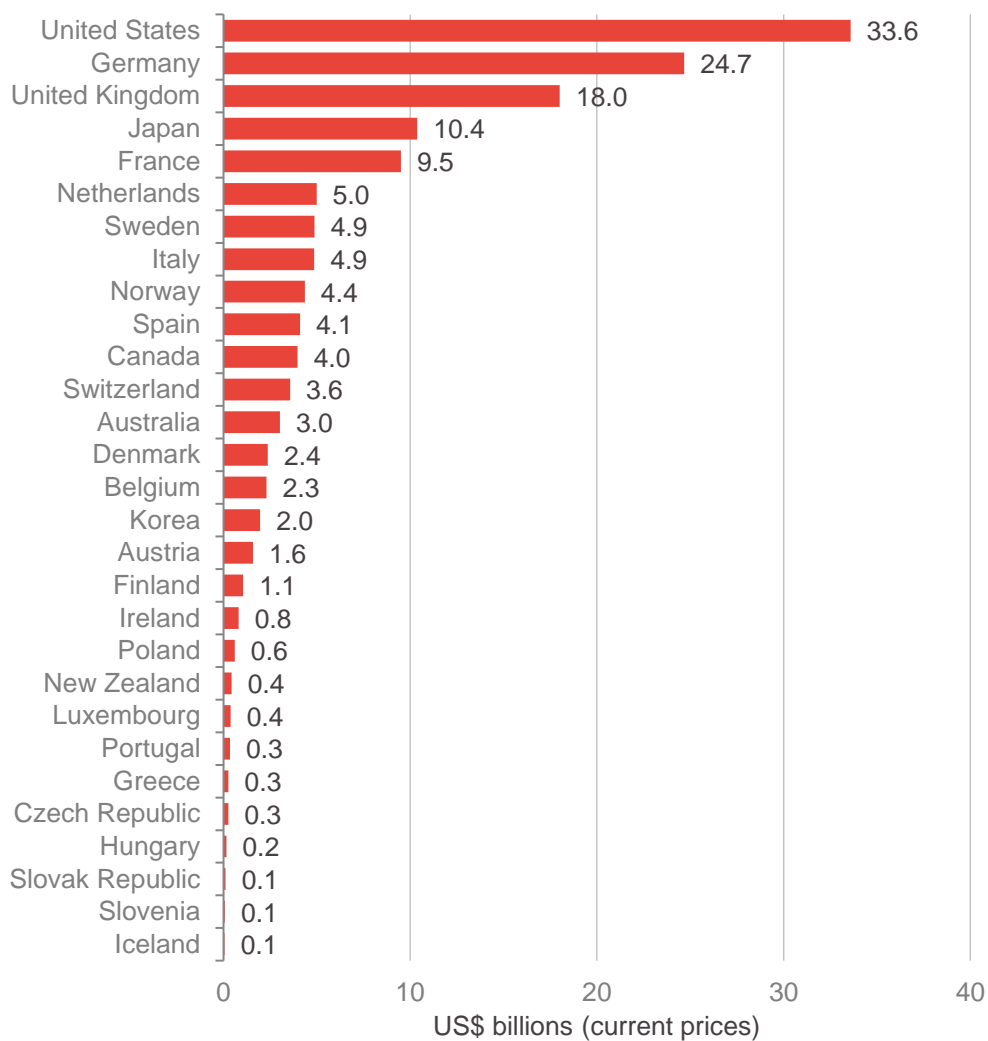
In this factsheet we provide an overview of key trends in official development assistance (ODA) emerging from the provisional 2017 Organisation for Economic Co-operation and Development (OECD) Development Assistance Committee (DAC) data release.

Key findings

- Total net ODA from DAC donors in 2016 was US\$142.62 billion (US\$143.33 billion in constant 2015 prices), up 8.9% on 2015 figures.¹
- Both total ODA and ODA net of refugee-hosting costs increased. Total ODA net of refugee-hosting costs reached US\$127.21 billion in 2016 (US\$127.89 billion in constant 2015 prices), an increase of 7.1% from 2015.
- The proportion of total ODA reported by DAC donors for refugee-hosting costs increased by 27.5%, reaching US\$15.41 billion (US\$15.44 billion in constant 2015 prices).
- The majority of donors saw an increase in their reported ODA from 2015 to 2016, some quite significantly; however, some key donors saw a decrease. Six countries met the 0.7% gross national income (GNI) target.
- Bilateral aid to least developed countries (LDCs) has fallen slightly on last year, from just over US\$25 billion to US\$22.4 billion (US\$22.5 billion in constant 2015 prices).²
- In terms of total volumes, the United States (US) continues to be the largest bilateral provider, with US\$33.59 billion (US\$33.16 billion in constant 2015 prices). Germany is the second largest provider with ODA increasing to US\$24.67 billion (US\$24.41 billion in constant 2015 prices), followed by the United Kingdom (UK) with US\$18.01 billion (US\$20.01 billion in constant 2015 prices), Japan with US\$10.37 billion (US\$9.29 billion in constant 2015 prices) and France with US\$9.50 billion (US\$9.46 billion in constant 2015 prices).³
- In 2016 total gross ODA loans and equity investments are slightly down against grants compared with 2015. In 2015, US\$17.94 billion of ODA was given in the form of loans. This fell 8.9% in 2016 to US\$17.23 billion (US\$16.35 billion in constant 2015 prices).⁴
- In 2016 ODA to multilateral organisations from DAC donors stood at US\$40.63 billion (US\$40.99 billion in constant 2015 prices), a 9.8% increase on levels in 2015.
- Bilateral net ODA to Africa from DAC donors stood at US\$26.74 billion in 2016 (US\$26.93 billion in constant 2015 prices); this was a 0.5% fall from the previous year. Sub-Saharan Africa made up 88.7% of the 2016 total to Africa.

The US, Germany and the UK provided the most net ODA in 2016

Net ODA in 2016 by DAC donor, US\$ billions, current prices

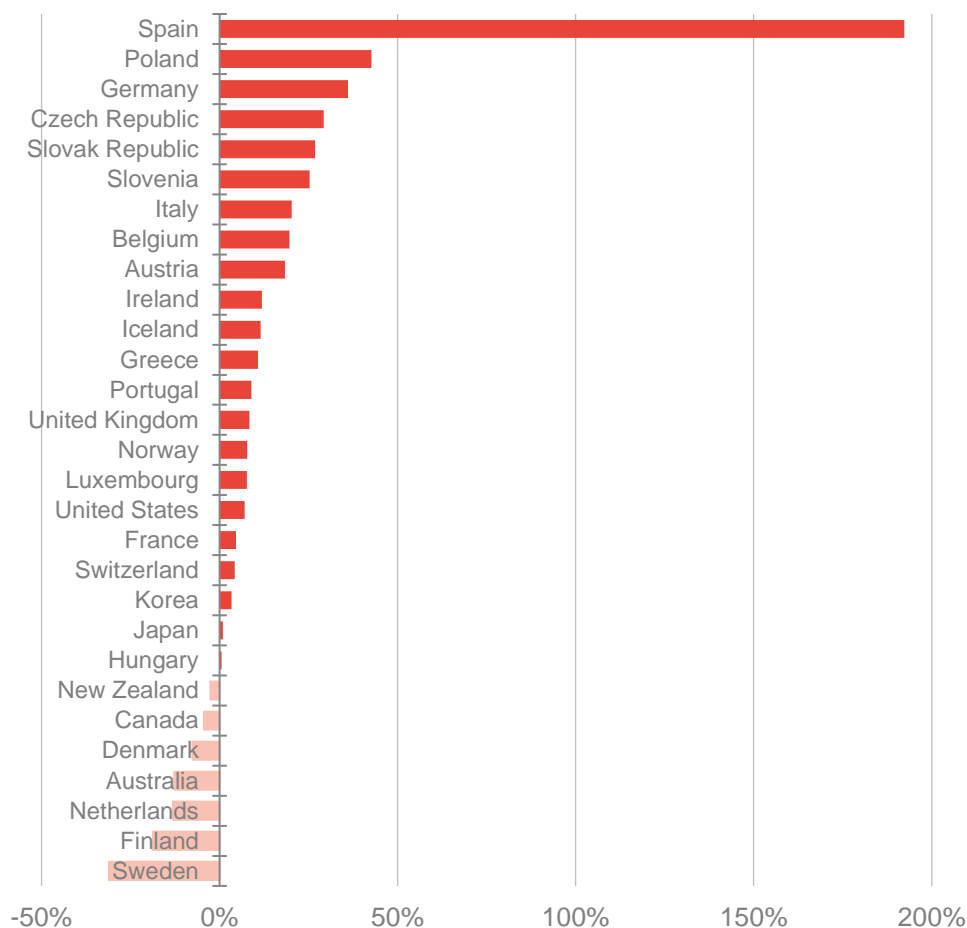


Source: OECD DAC: DAC1, accessed 11 April 2017

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22 DAC donors saw an increase in their reported ODA in 2016 compared with 2015

Proportional changes in net ODA from 2015 to 2016 (constant 2015 prices)

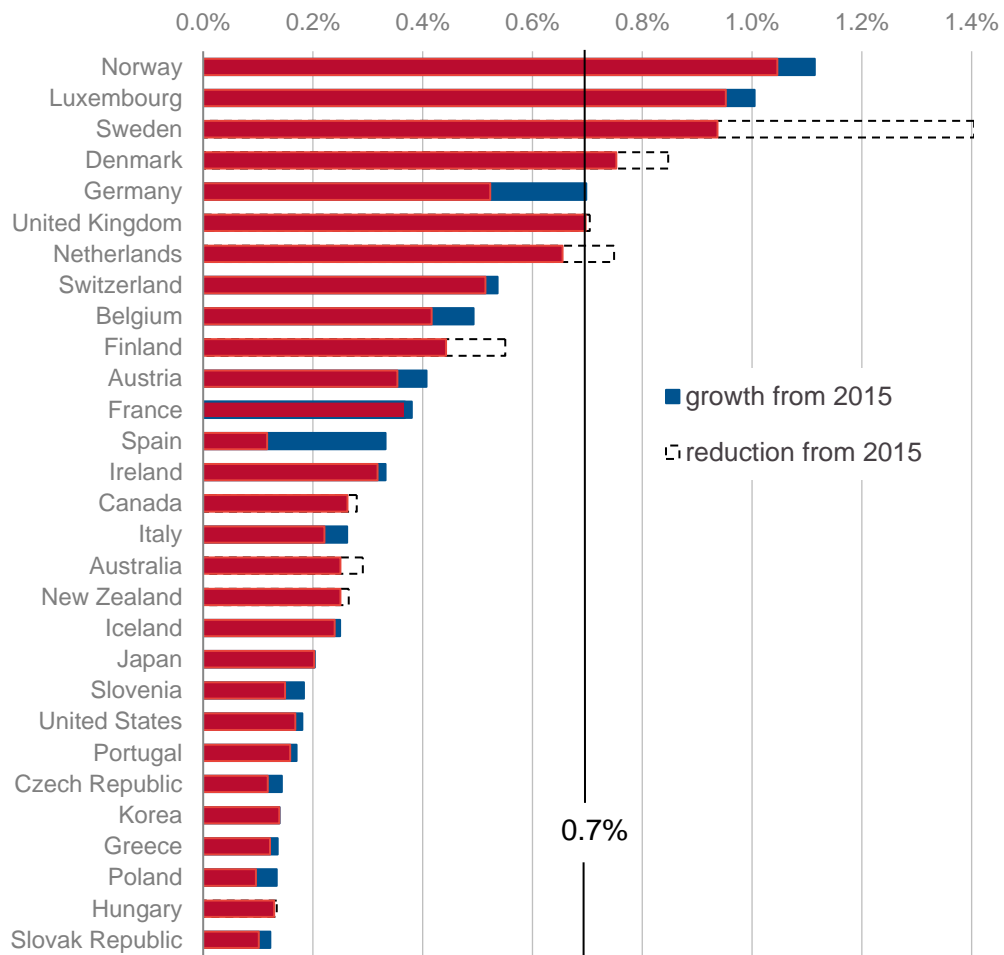


Source: OECD DAC: DAC1, accessed 11 April 2017

- Donors that have seen a significant increase in their ODA in 2016 compared with 2015 include Spain (192.3%), Poland (42.6%) and Germany (36.1%). Other donors that increased their ODA from last year by more than 20% include the Czech Republic (29.3%), Italy (20.2%), the Slovak Republic (26.8%) and Slovenia (25.3%). Other donors that saw smaller increases include the UK (8.4%), the US (7.0%) and France (4.6%).
- Seven donors saw a decrease in their reported ODA: Sweden (-31.1%), Finland (-18.7%), the Netherlands (-13.1%), Australia (-12.7%), Denmark (-7.6%), Canada (-4.4%) and New Zealand (-2.5%).

Six donors reported ODA exceeding 0.7% of GNI in 2016

Changes in net ODA as proportion of GNI from 2015 to 2016



Source: OECD DAC: DAC1, accessed 11 April 2017

- Six countries, Norway (1.11%), Luxembourg (1.00%), Sweden (0.94%), Denmark (0.75%), the UK (0.7%) and Germany (0.7%), met the UN target to keep ODA at or above 0.7% of GNI. Germany joined the list of donors meeting the UN target for the first time this year. The UK, the other G7 member of this group, has reported 0.7% since 2013.
- The Netherlands surpassed the 0.7% target in 2015 reaching 0.75%, but this year it dropped back to 0.65%.

Headline figures for 2016 preliminary ODA data by DAC country donor

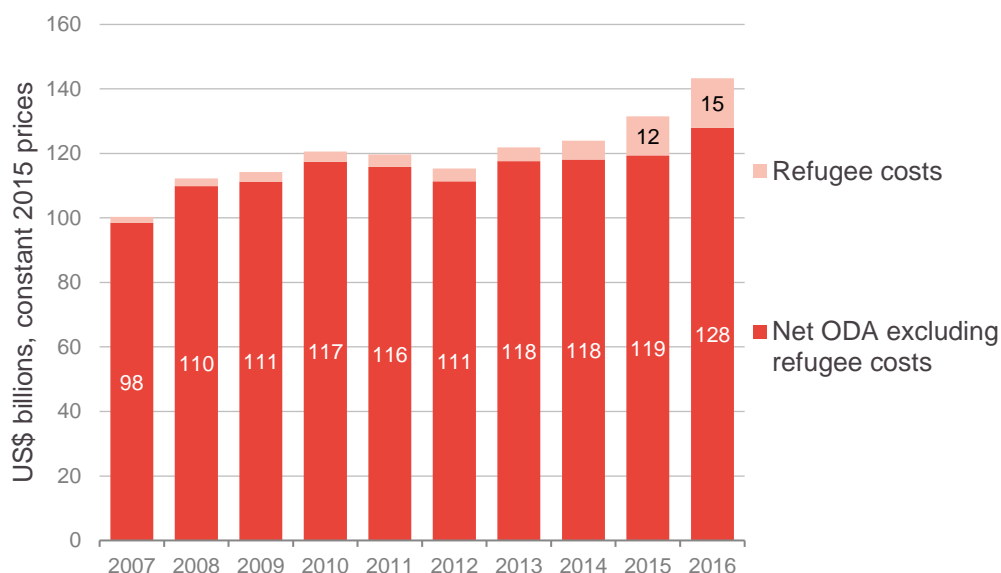
	Net ODA, US\$ millions					Net ODA as % of GNI	
	Current	Constant 2015 prices				2015	2016
	2016	2016	2015	change (\$)	change (%)		
Australia	3025	3,050	3,494	-444	-12.70%	0.29%	0.25%
Austria	1583	1,566	1,324	243	18.33%	0.35%	0.41%
Belgium	2306	2,277	1,904	373	19.60%	0.42%	0.49%
Canada	3962	4,089	4,277	-189	-4.41%	0.28%	0.26%
Czech Republic	261	257	199	58	29.27%	0.12%	0.14%
Denmark	2372	2,370	2,566	-195	-7.61%	0.85%	0.75%
Finland	1057	1,047	1,288	-241	-18.68%	0.55%	0.44%
France	9501	9,457	9,039	418	4.63%	0.37%	0.38%
Germany	24670	24,408	17,940	6,468	36.05%	0.52%	0.70%
Greece	264	265	239	26	10.83%	0.12%	0.14%
Hungary	155	156	156	1	0.54%	0.13%	0.13%
Iceland	50	44	40	5	11.55%	0.24%	0.25%
Ireland	802	804	718	85	11.87%	0.32%	0.33%
Italy	4856	4,813	4,003	809	20.21%	0.22%	0.26%
Japan	10368	9,287	9,203	84	0.91%	0.20%	0.20%
Korea	1965	1,980	1,915	64	3.35%	0.14%	0.14%
Luxembourg	384	391	363	28	7.66%	0.95%	1.00%
Netherlands	4988	4,976	5,726	-750	-13.09%	0.75%	0.65%
New Zealand	438	430	442	-11	-2.55%	0.27%	0.25%
Norway	4352	4,610	4,278	332	7.77%	1.05%	1.11%
Poland	603	629	441	188	42.65%	0.10%	0.13%
Portugal	340	336	308	28	8.93%	0.16%	0.17%
Slovak Republic	107	108	85	23	26.85%	0.10%	0.12%
Slovenia	80	79	63	16	25.27%	0.15%	0.18%
Spain	4096	4,082	1,397	2,685	192.27%	0.12%	0.33%
Sweden	4870	4,884	7,089	-2,205	-31.11%	1.40%	0.94%
Switzerland	3563	3,679	3,529	150	4.24%	0.51%	0.54%
United Kingdom	18013	20,095	18,545	1,550	8.36%	0.70%	0.70%
United States	33589	33,160	30,986	2,175	7.02%	0.17%	0.18%
TOTAL DAC-29	142,619	143,329	131,555	11,773	8.95%	0.30%	0.32%

Source: OECD DAC: DAC1, accessed 11 April 2017

Note: Net ODA includes multilateral ODA.

The costs of hosting refugees reported as ODA increased, as did other forms of ODA

Total net ODA and ODA net of refugee-hosting costs in donor countries, 2007–2016



Source: OECD DAC: DAC1, accessed 11 April 2017

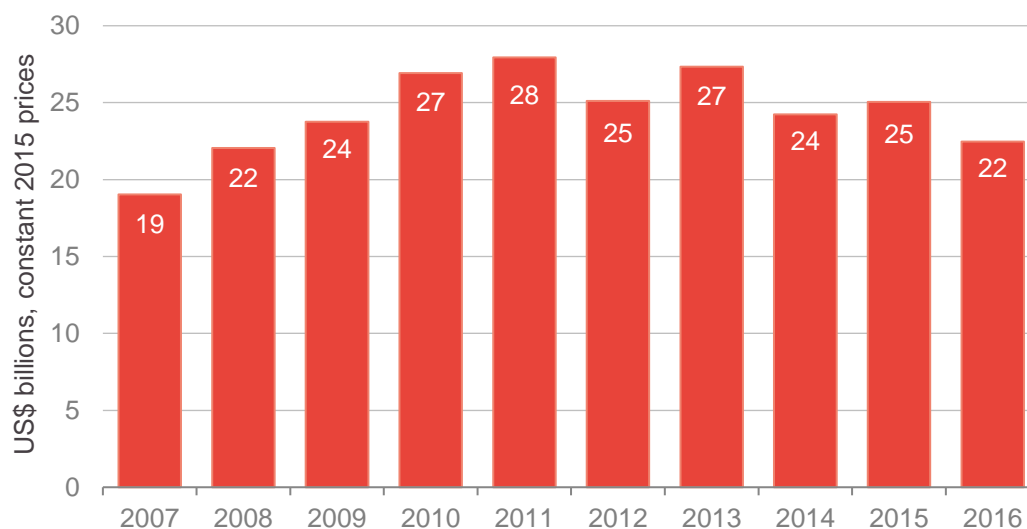
- Both total net ODA and ODA excluding volumes reported as refugee-hosting costs increased. ODA net of refugee-hosting costs was US\$127.21 billion in 2016 (US\$127.89 in constant 2015 prices), an increase of 7.1% on 2015. ODA thus increased over 2015 levels irrespective of what donors reported as costs of hosting refugees.
- There is no agreed methodology on how to count costs of hosting refugees. Consequently, there are substantial inconsistencies in what is and isn't included between donors and how these are measured. Costs presented by the OECD DAC, therefore, reflect what donors report as ODA rather than what donors actually spend on refugees.⁵
- A number of donors significantly increased the refugee costs reported in their ODA figures, including Finland (230.5%), Germany (103.8%), Norway (83.0%), Ireland (72.9%), and Italy (67.9%). The UK increased refugee costs by 59.2% and the US by 38.5%.
- The majority of these donors with increased refugee costs reported as ODA also saw their ODA figures rise when refugee costs are excluded. Only two countries with total

reported ODA increases between 2015 and 2016 saw a decrease when refugee costs are excluded.

- A small number of donors decreased the volumes of refugee costs reported as ODA, notably Sweden (-65.6%), the Netherlands (-65.3%), Portugal (-40.2%), Poland (-35.1%) and Slovak Republic (-23.1%). When refugee costs are excluded, ODA from the Netherlands grew by 2.6%; when refugee costs are included, ODA decreased by 13.1%. Similarly, when refugee costs are excluded, ODA from Sweden decreased by 13.5%; when refugee costs are included, ODA decreased by 31.1%.
- Korea, Luxembourg and Australia did not report any refugee costs in 2015 or 2016.

Bilateral ODA to LDCs fell from last year, and most donors are still missing international targets

Bilateral net ODA from DAC donors to LDCs, 2007–2016 (constant 2015 prices)



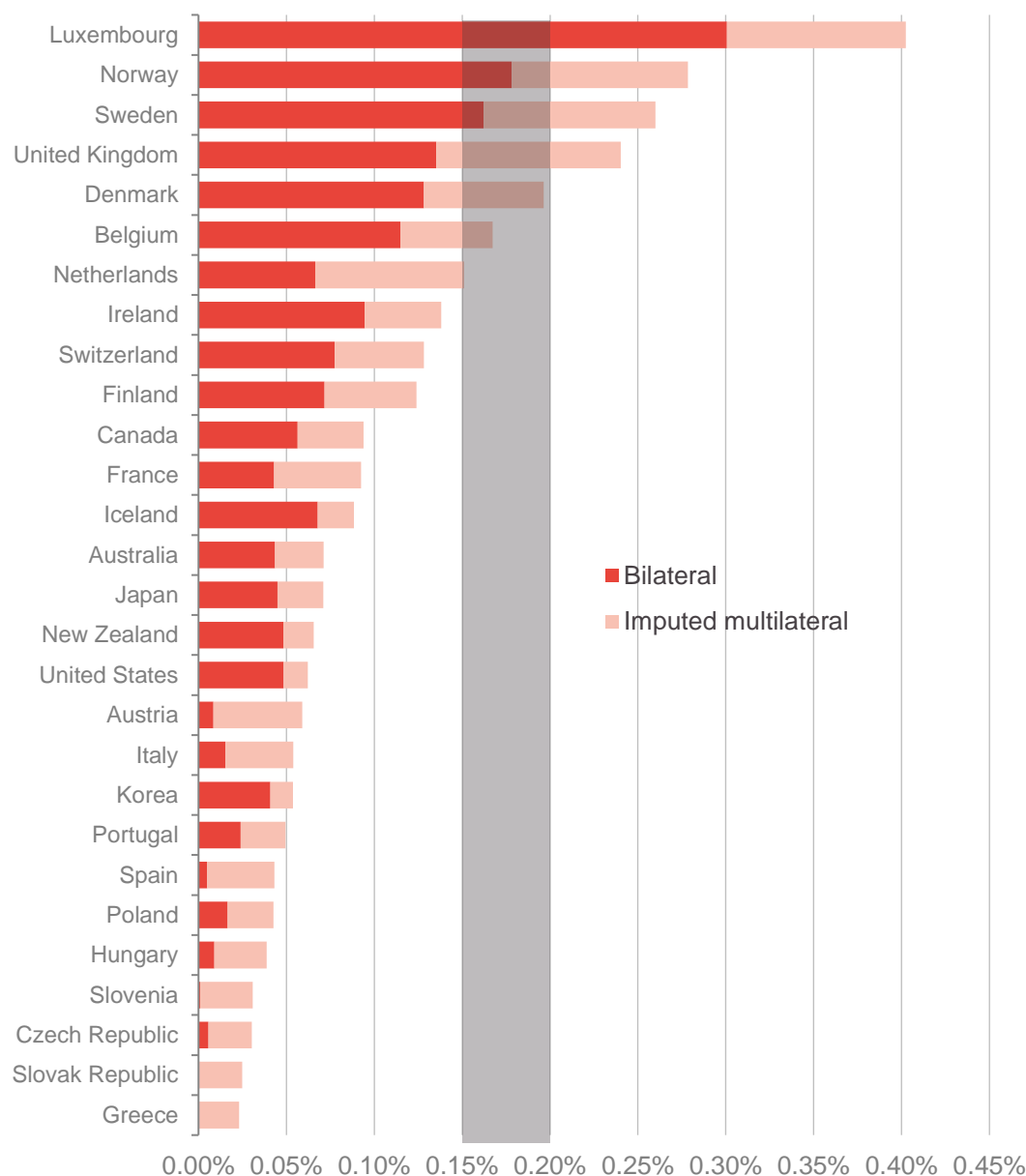
Source: OECD DAC: DAC2a and ADV (ODA in 2016 - preliminary data) spreadsheet, accessed 11 April 2017

Notes: Germany did not report on ODA to LDCs in this year's preliminary figures. If we assume the same figures for Germany as 2015, the total ODA to LDCs in 2016 would be US\$24.07 billion.

- Donors seeing a decrease in their reported bilateral ODA to LDCs include Canada, France, Japan, Norway, Sweden, the UK and the US.
- Donors reporting an increase in bilateral ODA to LDCs include Belgium, Denmark, Hungary, Italy, the Netherlands and Poland.

Only seven donors gave more than 0.15% of GNI as ODA to LDCs in 2016

Bilateral and imputed multilateral ODA to LDCs as a % of GNI by DAC donor, 2016



Source: OECD DAC: DAC2a and ADV (ODA in 2016 - preliminary data) spreadsheet, accessed 11 April 2017

Note: The grey band shown on the chart represents the established target, emerging from the 2011 [Istanbul Programme of Action for LDCs](#), that OECD DAC donors should provide 0.15–0.20% of their gross national income (GNI) as ODA to LDCs. Imputed multilateral estimates are derived from 2016 donor disbursements by multilateral type applied to the share of multilateral expenditure (by type) towards LDCs from 2015. Germany is not shown in this chart because it did not report on ODA to LDCs in this year's preliminary figures.

Total gross ODA loans and equity investments are slightly down against grants in 2016 compared with 2015

Gross bilateral lending by DAC donors, 2015–2016

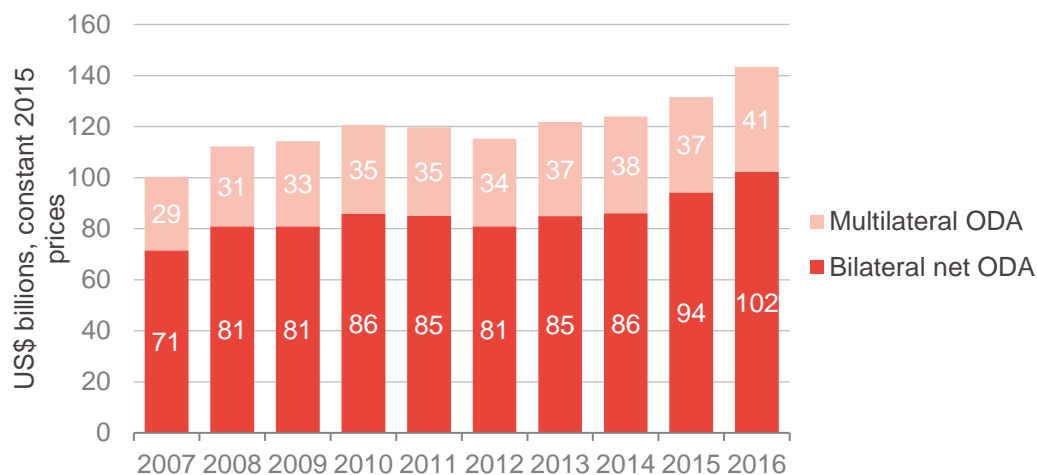
	Total gross loans and equity investments				Loans and equity as proportion of total gross ODA (%)	
	Constant 2015 prices				2015	2016
	2015	2016	change (\$)	change (%)		
Australia	14	0	-14	-100%	0%	0%
Austria	8	6	-3	-30%	1%	0%
Belgium	22	16	-6	-28%	1%	1%
Canada	156	0	-156	-100%	4%	0%
Czech Republic	0	0	0	0%	0%	0%
Denmark	58	59	1	2%	2%	2%
Finland	44	30	-14	-31%	3%	3%
France	3459	3321	-137	-4%	32%	29%
Germany	5449	4922	-527	-10%	28%	19%
Greece	0	0	0	0%	0%	0%
Hungary	0	0	0	0%	0%	0%
Iceland	0	0	0	0%	0%	0%
Ireland	0	0	0	0%	0%	0%
Italy	99	71	-28	-28%	2%	1%
Japan	7507	7037	-469	-6%	50%	47%
Korea	642	642	0	0%	32%	31%
Luxembourg	0	0	0	0%	0%	0%
Netherlands	0	0	0	0%	0%	0%
New Zealand	0	0	0	0%	0%	0%
Norway	0	0	0	0%	0%	0%
Poland	41	82	40	97%	9%	12%
Portugal	72	47	-25	-35%	20%	12%
Slovak Republic	0	0	0	0%	0%	0%
Slovenia	0	0	0	0%	0%	0%
Spain	31	37	6	20%	2%	1%
Sweden	0	0	0	0%	0%	0%
Switzerland	56	63	8	13%	2%	2%
United Kingdom	284	16	-269	-94%	2%	0%
United States	0	0	0	0%	0%	0%
DAC-29 TOTAL	17943	16349	-1593	-9%	13%	11%

Source: OECD DAC: DAC1 and ADV (ODA in 2016 - preliminary data) spreadsheet, accessed 11 April 2017

- Total gross ODA loans and equity investments are slightly down against grants in 2016 compared with 2015. In 2015 US\$17.94 billion of ODA was given in the form of loans. This fell 8.9% in 2016 to US\$16.35 billion.
- Loans and equity investments made up 11% of total ODA in 2016, compared with 13% of ODA in 2015.
- Most donors saw the proportions of loans and equity investments fall in 2016, with some donors reporting significant changes. For example, Australia and Canada both reported no ODA in loans/equity investments, compared with US\$14 million and US\$156 million, respectively, in 2015. The UK saw a 94% drop in reported loans, from US\$284 million to US\$16 million. Austria, Belgium, Finland, France, Germany, Italy, Japan and Portugal also saw decreases in reported amounts of ODA given as loans. These countries saw loans fall as a proportion of ODA compared to grants. Spain also saw proportions fall, despite net increases in loans and equity investments (up 20% to US\$37 million).
- Poland saw proportions of ODA delivered as loans rise, with volumes of lending increasing by 97% from 2015 to US\$82 million. Denmark and Switzerland also increased their proportions of ODA lending, but by margins of less than 0.2 percentage points.
- Several donors, including the US and the Netherlands, report that they give no ODA in the form of loans, as in previous years.⁶

Multilateral ODA from DAC donors increased in 2016 reaching a high of US\$41 billion

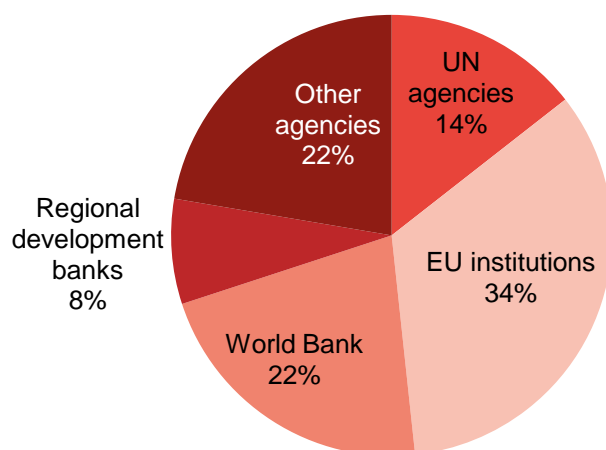
Total bilateral and multilateral ODA from DAC donors



Source: OECD DAC: DAC1 and ADV (ODA in 2016 - preliminary data) spreadsheet, accessed 11 April 2017

ODA to EU Institutions made up 34% of multilateral ODA from DAC donors in 2016

Breakdown of ODA by multilateral organisation type, 2016



Source: OECD DAC: ADV (ODA in 2016 - preliminary data) spreadsheet, accessed 11 April 2017

Notes

¹ Headline figures shown are provided in current and constant prices, all trend analysis data is shown in constant 2015 prices to allow for comparison with previous years. Data is converted into constant 2015 prices through the application of OECD DAC US\$ deflators. The deflators are used to account for inflation and exchange rate variations (between national currency and US dollar). For more information see:

<http://www.oecd.org/dac/stats/informationnoteonthedacdeflators.htm>

²Germany did not report on ODA to LDCs in this year's preliminary figures. If we assume the same figures for Germany as 2015, then the total aid to LDCs in 2016 would stand at US\$24.07 billion.

³The ordering of the largest donors is by data in current prices; ordering in constant 2015 prices would result in Japan having a lower net ODA value than France due to the effect of national inflation and currency exchange rates.

⁴For comparability purposes the percentage change from 2015 to 2016 in total gross ODA loans is calculated from data in constant 2015 prices. The significant difference between the figure for 2016 in current prices and in constant 2015 prices exchange rate can be predominantly attributed to variations between Japanese Yen and US dollar.

⁵Recognising these challenges at a time where reported costs are increasing, the OECD has established a DAC Temporary Working Group on Refugees and Migration to produce guidance to improve member's practices in reporting in-donor refugee hosting costs. It draws on findings of a DAC member's survey undertaken in order to better understand current reporting practices. It is anticipated that there will be an agreement on clarified reporting terms by July 2017, and political endorsement at the DAC High Level Meeting in October 2017.

⁶Data provided on 'grant equivalents' (following the rule changes recently agreed by the DAC) have not yet been published. The above figures are therefore based on the existing loan reporting rules. We are told that the DAC hopes to have calculations for loans data using the new reporting rules later in 2017.

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